automatic distribution as provided under subd. 1. or under par. (c), whichever distribution date is earlier.

4. ~~If~~ Subject to section 401 (a) (9) of the Internal Revenue Code, if the spouse or domestic partner dies, but has designated a new beneficiary, the birth date of the spouse or domestic partner shall be used for the purposes of determining the required beginning date.

5. The department shall specify by rule all procedures relating to an automatic distribution to the spouse or domestic partner. These rules shall comply with the ~~internal revenue code~~ Internal Revenue Code.

SECTION 742. 40.23 (4) (f) (intro.) of the statutes is amended to read:

40.23 **(4)** (f) (intro.) If a participant dies before the distribution of benefits has commenced and the ~~participant's beneficiary is not the spouse or domestic partner~~ beneficiary cannot delay the automatic payment of benefits under section 401 (a) (9) of the Internal Revenue Code, the beneficiary shall do one of the following:

SECTION 743. 40.23 (4) (h) of the statutes is created to read:

40.23 **(4)** (h) Death and disability benefits provided under this chapter are limited by the incidental benefit rule under section 401 (a) (9) (G) of the Internal Revenue Code and applicable federal regulations and guidance adopted under the Internal Revenue Code.

SECTION 744. 40.23 (4) (i) of the statutes is created to read:

40.23 **(4)** (i) Distributions of benefits shall conform to a reasonable and good faith interpretation of section 401 (a) (9) of the Internal Revenue Code.

SECTION 745. 40.23 (4) (j) of the statutes is created to read:

40.23 **(4)** (j) Pursuant to a qualified domestic relations order, the department may establish separate benefits for a participant and an alternate payee.

SECTION 746m. 40.26 (1) of the statutes is amended to read:

40.26 **(1)** Except as provided in sub. (1m) and ss. 40.05 (2) (g) 2. and 40.23 (1) (am), if a participant receiving a retirement annuity, or a disability annuitant who has attained his or her normal retirement date, receives earnings that are subject to s. 40.05 (1) or that would be subject to s. 40.05 (1) except for the exclusion specified in s. 40.22 (2) (L), the annuity shall be ~~terminated~~ suspended, including any amount provided by additional contributions, and no annuity payment shall be payable after the month in which the participant files with the department a written election to be included within the provisions of the Wisconsin retirement system as a participating employee.

SECTION 747. 40.26 (1m) of the statutes is created to read:

40.26 **(1m)** (a) If a participant receiving a retirement annuity, or a disability annuitant who has attained his or her normal retirement date, is employed in a position in covered employment in which he or she is expected to work at least two–thirds of what is considered full–time employment by the department, as determined under s. 40.22 (2r), the participant's annuity shall be suspended and no annuity payment shall be payable until after the participant terminates covered employment.

(b) If a participant receiving a retirement annuity, or a disability annuitant who has attained his or her normal retirement date, enters into a contract to provide employee services with a participating employer and he or she is expected to work at least two–thirds of what is considered full–time employment by the department, as determined under s. 40.22 (2r), the participant's annuity shall be suspended and no annuity payment shall be payable until after the participant no longer provides employee services under the contract.

SECTION 748b. 40.26 (2) (intro.) of the statutes is amended to read:

40.26 **(2)** (intro.) Upon ~~termination~~ suspension of an annuity under sub. (1) or (1m), the retirement account of the participant whose annuity is so ~~terminated~~ suspended shall be ~~reestablished~~ established on the following basis:

SECTION 748d. 40.26 (2) (a) of the statutes is repealed.

SECTION 748f. 40.26 (2) (b) of the statutes is amended to read:

40.26 **(2)** (b) *Crediting of amounts under suspended annuity.* The amount of the annuity payments~~, excluding any portion originally provided by additional contributions,~~ which would have been paid under the ~~terminated~~ suspended annuity, ~~if the annuity had been a straight life annuity, prior to the participant's normal retirement date or prior to~~ from the original annuity ~~termination~~ suspension date~~, whichever would first occur~~ to the subsequent retirement date, shall be credited to a memorandum account which is subject to ~~s.~~ ss. 40.04 (4) (a) 2., 2g. and 2m. ~~and (c). If the annuity was recomputed under s. 40.08 (1m) because of a qualified domestic relations order, the memorandum account established under this paragraph shall be adjusted as provided under s. 40.08 (1m) (f) 2~~ and 40.08 (1m).

SECTION 748h. 40.26 (2) (c) of the statutes is amended to read:

40.26 **(2)** (c) *Establishment of subsequent retirement account.* ~~Except as provided in pars. (a) and (b), the~~ Upon becoming a participating employee, a subsequent retirement account shall be ~~reestablished as if the terminated annuity had never been effective~~ established, including any amounts in a memorandum account under par. (b), crediting of interest, and ~~of~~ any contributions made and creditable service earned during the ~~period the annuity was in force~~ subsequent participating employment.

SECTION 748j. 40.26 (3) of the statutes is repealed and recreated to read:

40.26 **(3)** Upon subsequent retirement and application for an annuity, the suspended annuity shall be rein-

stated and the subsequent annuity of a former annuitant shall be computed as an original annuity, based upon the participant's attained age on the effective date of the subsequent annuity, in an optional form as elected by the participant under s. 40.24. The subsequent annuity shall be initiated at the same time the suspended annuity is reinstated.

SECTION 748L. 40.26 (4) of the statutes is repealed.

SECTION 749. 40.26 (5) (intro.) of the statutes is amended to read:

40.26 **(5)** (intro.) If a participant applies for an annuity or lump sum payment during the period in which less than ~~30~~ 75 days have elapsed between the termination of employment with a participating employer and becoming a participating employee with any participating employer, all of the following shall apply:

SECTION 750. 40.30 (4) (b) of the statutes is amended to read:

40.30 **(4)** (b) Subject to ~~the~~ federal annual compensation limits ~~under 26 USC 401 (a) (17) for a participating employee who first becomes a participating employee on or after January 1, 1996~~, the final average salary or final average earnings used in the benefit formula computation for each retirement system under par. (a) shall be the individual's final average salary or final average earnings under the respective retirement system, determined in accordance with the provisions of that retirement system based on the earnings covered by that retirement system and on all service permitted under that retirement system to be used in determining the final average salary or final average earnings, increased by the percentage increase in the average of the total wages, as determined under 42 USC 415 (b) (3) (A), between the date on which the individual terminated all employment covered by that retirement system and the date on which the individual terminated all employment covered by any of those retirement systems.

SECTION 751. 40.31 (1) of the statutes is amended to read:

40.31 **(1)** GENERAL LIMITATION. The maximum retirement benefits payable to a participant in a calendar year, excluding benefits attributable to contributions subject to ~~any limitations under s. 40.23 (2) (a), (2m) (c) and (3)~~ the limit under s. 40.32, may not exceed the maximum benefit limitation established under section 415 (b) of the Internal Revenue Code, as adjusted under section 415 (d) of the Internal Revenue Code and any applicable regulations or guidance adopted under the Internal Revenue Code, except that the limit for an individual who first became a participant before January 1, 1990, may not be less than the accrued benefits of the participant, as determined without regard to any changes to the retirement system after October 14, 1987.

SECTION 752. 40.32 (1) of the statutes is amended to read:

40.32 **(1)** The sum of all employee post–tax contributions allocated to a participant's account ~~under each defined contribution plan sponsored by the employer, including all employer contributions and picked–up contributions credited with interest at the effective rate under ss. 40.04 (4) (a) and (5) (b) and 40.05 (2) (g) and all employee contributions made under ss. 40.02 (17) and 40.05 (1),~~ may not in any calendar year exceed the maximum contribution limitation established under section 415 (c) of the Internal Revenue Code, as adjusted under section 415 (d) of the Internal Revenue Code and any applicable regulations adopted by the federal department of the treasury.

SECTION 753. 40.515 of the statutes is created to read:

40.515 Health savings accounts; high–deductible health plan. (1) In addition to the health care coverage plans offered under s. 40.51 (6), beginning on January 1, 2015, the group insurance board shall offer to all state employees the option of receiving health care coverage through a high–deductible health plan and the establishment of a health savings account. Under this option, each employee shall receive health care coverage through a high–deductible health plan. The state shall make contributions into each employee's health savings account in an amount specified by the director of the office of state employment relations under s. 40.05 (4) (ah) 4. In designing a high–deductible health plan, the group insurance board shall ensure that the plan may be used in conjunction with a health savings account.

(2) The group insurance board may contract with any person to provide administrative and other services relating to health savings accounts established under this section.

(3) The group insurance board may collect fees from state agencies to pay all administrative costs relating to the establishment and operation of health savings accounts established under this section. The group insurance board shall develop a methodology for determining each state agency's share of the administrative costs. Moneys collected under this subsection shall be credited to the appropriation account under s. 20.515 (1) (tm).

(4) Beginning on January 1, 2015, to the extent practicable, any agreement with any insurer or provider to provide health care coverage to state employees under s. 40.51 (6) shall require the insurer or provider to also offer a high–deductible health plan that may be used in conjunction with a health savings account.

SECTION 754. 40.72 (4r) of the statutes is amended to read:

40.72 **(4r)** At any time after an insured employee's amount of life insurance is reduced under subs. (2) and (3) and life insurance premiums are no longer required under s. 40.05 (6) (b), the employee may convert the present value of the life insurance to pay the premiums for health or long–term care insurance provided under

subch. IV, but only if the department determines that the value of the conversion is exempt from taxation under the ~~internal revenue code~~ Internal Revenue Code.

SECTION 754m. 40.73 (1) (e) of the statutes is repealed.

SECTION 755. 40.80 (2) (g) of the statutes is amended to read:

40.80 **(2)** (g) Serve as trustee of any deferred compensation plan established under this section, hold the assets and income of the plan in trust for the exclusive benefit of the employees who participate in the plan and their beneficiaries, and maintain the plan as an eligible deferred compensation plan, as defined in ~~26 USC~~ section 457 (b) of the Internal Revenue Code, and as a governmental plan for eligible employers, as defined in ~~26 USC~~ section 457 (e) (1) (A) of the Internal Revenue Code.

SECTION 756. 40.80 (2t) of the statutes is amended to read:

40.80 **(2t)** The deferred compensation board may require a deferred compensation plan under this subchapter, upon election by a participant who is ~~a~~ an eligible retired public safety officer, to allow for the deduction of insurance premiums for health or long–term care insurance coverage from an amount distributed from a participant's account and for the payment of the premiums directly to an insurer.

SECTION 757. 40.81 (2) of the statutes is amended to read:

40.81 **(2)** Any local government employer, or 2 or more employers acting jointly, may also elect under procedures established by the employer or employers to contract directly with a deferred compensation plan provider to administer a deferred compensation plan or to manage any compensation deferred under the plan and may also provide a plan under section 403 (b) of the ~~internal revenue code~~ Internal Revenue Code under procedures established by the local government employer or employers.

SECTION 758. 40.86 (intro.) of the statutes is amended to read:

40.86 Covered expenses. (intro.) An employee–funded reimbursement account plan may provide reimbursement to an employee for only the following expenses that are actually incurred and paid by an employee and that the board determines are consistent with the applicable requirements of the ~~internal revenue code~~ Internal Revenue Code:

SECTION 759. 41.23 of the statutes is amended to read:

41.23 Sale of excess or surplus property. The department may acquire excess or surplus property from the department of administration under ss. 16.72 (4) (b) and 16.98 (1) or from the department of transportation under s. 84.09 (5s) and, subject to any prior action under s. 13.48 (14) (am) or 16.848 (1), the department may sell the property acquired under this section to any person at a price determined by the department of tourism. All proceeds received by the department of tourism from the sale of property under this section shall be credited to the appropriation account under s. 20.380 (1) (h).

SECTION 760. 41.41 (7) (b) of the statutes is amended to read:

41.41 **(7)** (b) ~~Lease~~ Subject to any prior action under s. 13.48 (14) (am) or 16.848 (1), lease land that is part of the Kickapoo valley reserve to any person for purposes consistent with the management of the reserve under sub. (3), or for agricultural purposes, and lease other land that is acquired by the board for any lawful purpose.

SECTION 761m. 43.64 (2) (c) of the statutes is created to read:

43.64 **(2)** (c) Notwithstanding sub. (2m), any city, village, town, or school district in a county levying a tax for public library service under sub. (1) is exempt from the tax levy if all of the following apply:

1. The city, village, town, or school district is included in a joint library under s. 43.53.

2. The city, village, town, or school district levies a tax for public library service, less the amount levied for public library capital expenditures, and appropriates and spends for a library fund during the year for which the county tax levy is made an amount that is not less than the average of the previous 3 years.

SECTION 762. 44.015 (1) of the statutes is amended to read:

44.015 **(1)** Acquire any interest in real or personal property by gift, bequest or otherwise in any amount and, subject to prior action under s. 13.48 (14) (am) or 16.848 (1), may operate, manage, sell, or rent ~~or convey~~ real estate acquired by gift, bequest, foreclosure or other means, upon such terms and conditions as the board of curators deems for its interests but may not sell, mortgage, transfer or dispose of in any manner or remove from its buildings, except for temporary purposes, any article therein without authority of law.

SECTION 765. 45.02 (2) (intro.) of the statutes is amended to read:

45.02 **(2)** (intro.) Except as provided in sub. (3) and s. 45.51 (6m), to be eligible for benefits under this chapter an applicant shall be a resident of and living in this state at the time of making application or the veteran from whom the applicant derives eligibility is deceased, and the veteran from whom eligibility is derived meets one of the following conditions:

SECTION 766. 45.03 (5) (c) 1. a. of the statutes is amended to read:

45.03 **(5)** (c) 1. a. Without limitation by reason of any other provisions of the statutes except ~~s.~~ ss. 13.48 (14) (am) and 16.848 (1), unless otherwise required by law, the power to sell and to convey title in fee simple to a nonprofit corporation any land and any existing buildings owned by the state that are under the jurisdiction of the department for the consideration and upon the terms and

conditions as in the judgment of the board are in the public interest.

SECTION 766m. 45.03 (13) (p) of the statutes is created to read:

45.03 **(13)** (p) Before June 30 of each even–numbered year, submit to the joint committee on finance a report describing the condition of the veterans trust fund. The report shall include information regarding all of the following:

1. The projected revenues and expenditures of the veterans trust fund beginning with the fiscal year that starts immediately after the submittal of the report.

2. Any changes in the programs administered by the department that have been implemented after the enactment of the most recent biennial budget act and that are expected to affect the projected revenues, expenditures, or balances of the veterans trust fund.

SECTION 773. 45.205 of the statutes is created to read:

45.205 Tuition reimbursement for students at tribal colleges. (1) DEFINITIONS. In this section:

(a) "Tribal college" means any of the following:

1. The College of Menominee Nation.

2. Lac Courte Oreilles Ojibwa Community College.

(b) "Tuition" means the amount charged to a student to enroll in a degree credit course. "Tuition" does not include fees or the cost of room and board, books, supplies, or equipment.

(2) TUITION REIMBURSEMENT PROGRAM. (a) *Application.* Any veteran enrolled in a tribal college may apply to the department for tuition reimbursement under this subsection on a form prescribed by the department. The application shall contain information, as determined by the department, establishing the applicant's eligibility for tuition reimbursement under this subsection.

(b) *Eligibility.* A veteran is eligible for tuition reimbursement under this subsection if he or she meets all of the following conditions:

2. The veteran's annual household income does not exceed $50,000 plus $1,000 for each dependent in excess of 2 dependents.

3. The veteran is a resident of this state at the time of application under par. (a).

4. The veteran was a resident of this state at the time of his or her entry into service or was a resident of this state for any consecutive 12–month period after entry into service and before the date of application under par. (a). If a veteran who submits an application under par. (a) meets that consecutive 12–month residency requirement, the department may not require the veteran to reestablish that he or she meets that residency requirement when he or she later applies for any other benefit under this chapter for which that residency requirement applies.

5. The veteran does not have a bachelor's or higher degree from an institution of higher education, as defined in 20 USC 1001 (a).

(c) *Benefits.* 1. Subject to the limitations under par. (d), if a veteran submits an application under par. (a) and establishes his or her eligibility for tuition reimbursement under par. (b), the department shall reimburse the veteran for the total amount of his or her tribal college tuition from the appropriation under s. 20.485 (2) (km).

2. If in any fiscal year the total amount of reimbursement payments to be paid under subd. 1. exceeds the moneys available for the payments from the appropriation under s. 20.485 (2) (km), the department shall prorate the available moneys among the applicants for reimbursement in proportion to the approved reimbursement amounts.

(d) *Limitations.* 1. The department may not reimburse a veteran under this subsection for more than the following number of credits or semesters at a tribal college:

a. If the veteran served on active duty, except service on active duty for training purposes, for 90 to 180 days, 30 credits or 2 semesters.

b. If the veteran served on active duty, except service on active duty for training purposes, for 181 to 730 days, 60 credits or 4 semesters.

c. If the veteran served on active duty, except service on active duty for training purposes, for more than 730 days, 120 credits or 8 semesters, except that, for courses a veteran begins later than 10 years after the veteran's separation from service, the department may not reimburse a veteran for more than 60 credits or 4 semesters.

3. The department may not provide reimbursement under this subsection to a veteran who is delinquent in child support or maintenance payments or who owes past support, medical expenses, or birth expenses, as established by appearance of the veteran's name on the statewide support lien docket under s. 49.854 (2) (b), unless the veteran provides the department with one of the following:

a. A repayment agreement that the veteran has entered into, that has been accepted by the county child support agency under s. 59.53 (5), and that has been kept current for the 6–month period immediately preceding the date of the application under par. (a).

b. A statement that the veteran is not delinquent in child support or maintenance payments and does not owe past support, medical expenses, or birth expenses, signed by the department of children and families or its designee within 7 working days before the date of the application under par. (a).

4. The department may not provide reimbursement under this subsection for any semester in which the veteran is eligible for or received a grant under s. 321.40 or under 10 USC 2007.

5. The department may not provide reimbursement under this subsection for any semester for which the veteran received reimbursement under s. 45.20.

6. The department may not provide reimbursement under this subsection for any semester in which the veteran fails to receive at least a 2.0 grade point average or an average grade of "C."

7. The department shall reduce the reimbursement amount under par. (c) by the amount of any grant or scholarship the veteran receives specifically for the payment of college tuition.

(3) RULES. The department shall promulgate rules to implement this section.

SECTION 774k. 45.41 (2) (intro.) of the statutes is amended to read:

45.41 **(2)** (intro.) Upon application the department ~~shall~~ may make a payment to any state veterans organization that establishes that it, or its national organization, or both, has maintained a full–time service office at the regional office for 5 consecutive years out of the 10–year period immediately preceding the application. ~~The~~ Any payment shall be as follows, calculated based on the total amount of all salaries and travel expenses under sub. (3) paid during the previous fiscal year by the state veterans organization to employees engaged in veterans claims service and stationed at the regional office~~. The payment shall be as follows~~:

SECTION 775. 45.41 (2) (a) of the statutes is amended to read:

45.41 **(2)** (a) If the total amount paid under sub. (3) is from $1 to ~~$2,499~~ $119,999, the organization ~~shall~~ may receive an amount equal to 50 percent of the amount paid.

SECTION 776. 45.41 (2) (b) of the statutes is repealed.

SECTION 777. 45.41 (2) (c) of the statutes is repealed.

SECTION 778. 45.41 (2) (d) of the statutes is amended to read:

45.41 **(2)** (d) If the total amount paid under sub. (3) is $120,000 or more, the organization ~~shall~~ may receive ~~$30,000~~ $70,000.

SECTION 779. 45.41 (2) (e) of the statutes is created to read:

45.41 **(2)** (e) An organization that receives a payment under par. (a) or (d) shall maintain records as required by the department concerning the organization's expenditure of the payment. That organization shall give the department access to those records upon request of the department, and the department may audit those records.

SECTION 780. 45.41 (3m) of the statutes is amended to read:

45.41 **(3m)** If the total amount of payments committed to be paid under sub. (2) (a) ~~to (c)~~ and (d) exceeds the amount available for the payments from the appropriation under s. 20.485 (2) (vw), the department shall prorate the reimbursement payments among the state veterans organizations receiving the payments.

SECTION 781. 45.41 (4) of the statutes is renumbered 45.41 (4) (a) and amended to read:

45.41 **(4)** (a) From the appropriation under s. 20.485 (2) (s), the department shall annually provide a payment of ~~$100,000~~ $120,000 to the Wisconsin department of the Disabled American Veterans for the provision of transportation services to veterans.

SECTION 782. 45.41 (4) (b) of the statutes is created to read:

45.41 **(4)** (b) The Wisconsin department of the Disabled American Veterans shall maintain records as required by the department concerning its expenditure of the payment under par. (a). The Wisconsin department of the Disabled American Veterans shall give the department access to those records upon request of the department and the department may audit those records to ensure that the Wisconsin department of the Disabled American Veterans is using the payment under par. (a) to provide transportation services to veterans.

SECTION 783. 45.41 (5) of the statutes is created to read:

45.41 **(5)** From the appropriation under s. 20.485 (2) (vw), the department may annually grant up to $50,000 to the Wisconsin department of the American Legion for the operation of Camp American Legion.

SECTION 784. 45.43 (1) of the statutes is amended to read:

45.43 **(1)** The department shall administer a program to provide assistance to persons who served in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces and who were discharged under conditions other than dishonorable. The department shall provide assistance under this section to persons whose need for services is based upon homelessness, incarceration, or other circumstances designated by the department by rule. The eligibility requirements under s. 45.02 (2) do not apply to a person applying for assistance under this section. The department shall designate the assistance available under this section, which may include assistance in receiving medical care, dental care, education, employment, single room occupancy housing, and transitional housing. The department may provide payments to facilitate the provision of services under this section. ~~From the appropriation under s. 20.485 (2) (ac), the department shall provide $15,000 annually during fiscal years 2007–08 and 2008–09 to the Center for Veterans Issues, Ltd., of Milwaukee, to provide outreach services to homeless veterans with post–traumatic stress disorder.~~

SECTION 785. 45.43 (3) of the statutes is repealed.

SECTION 786. 45.44 (1) (a) 5. of the statutes is amended to read:

45.44 **(1)** (a) 5. A license, certification, registration, or permit issued under s. 94.10 (2), (3), or (3g), 94.50 (2), 94.704, 95.60, 97.17 (2), 97.175 (2), 97.22 (2), 98.145, 98.146, ~~or~~ 98.18 (1) (a), or 168.23 (3).

SECTION 787. 45.44 (1) (a) 11m. of the statutes is created to read:

45.44 **(1)** (a) 11m. A registration issued under s. 202.13 or 202.14.

SECTION 788. 45.45 of the statutes is created to read:

45.45 Grant to VETransfer, Inc. (1) PAYMENT. From the appropriation under s. 20.485 (2) (vm), the department shall pay $500,000 to VETransfer, Inc., in fiscal year 2013–14, subject to the requirements under subs. (2) to (5).

(2) GRANTS TO VETERAN–OWNED START–UP BUSINESSES. Of the moneys VETransfer, Inc., receives under sub. (1), VETransfer, Inc., shall grant at least $300,000 to veterans who are residents of this state or to businesses owned by veterans who are residents of this state. A veteran or a veteran's business that is awarded a grant under this subsection may use the grant only to pay for costs associated with the start–up of a business located in this state that the veteran owns.

(3) VETERAN ENTREPRENEURSHIP TRAINING. Of the moneys VETransfer, Inc., receives under sub. (1), VETransfer, Inc., may use up to $200,000 to provide entrepreneurial training and related services to veterans who are residents of this state.

(4) REPORTING AND AUDIT REQUIREMENTS. Annually, by March 1, until 2018 or one year following the date established by the department under sub. (5) (a), VETransfer, Inc., shall submit to the secretary, the governor, and the secretary of administration a report that includes all of the following:

(a) The most recent financial statement for VETransfer, Inc.

(b) A detailed description of the criteria VETransfer, Inc., used to determine who received a grant under sub. (2) during the previous year.

(c) A verified statement describing in detail the grants VETransfer, Inc., made under sub. (2), and the expenditures VETransfer, Inc., made under sub. (3), during the previous year, signed by an independent certified public accountant and the director or principal officer of VETransfer, Inc., to attest to the accuracy of the verified statement. The verified statement shall include all of the following concerning each award of a grant VETransfer, Inc., made under sub. (2) during the previous year:

1. The name and address of the grant recipient and the name and address of the start–up business.

2. The names and addresses of all of the start–up business's owners, including an identification of the business's owners who are veterans, and, if the grant recipient was a business other than the start–up business, the names and addresses of the grant recipient's owners, including an identification of the business's owners who are veterans.

3. The names and addresses of the start–up business's board of directors and key management employees and, if the grant recipient was a business other than the start–up business, the names and addresses of the grant recipient's board of directors and key management employees.

4. A description of the nature of the start–up business.

5. Any information the grant recipient submitted to VETransfer, Inc., to apply for the grant.

6. The amount of the grant and the date VETransfer, Inc., awarded the grant.

7. A statement of the number of employees the start–up business employed on January 1 of the previous year and the number of employees the start–up business employed on December 31 of the previous year.

(d) A summary of all investments and grants of any kind that VETransfer, Inc., made during the previous year.

(e) VETransfer, Inc., shall maintain records, as required by the department, concerning its expenditures of the moneys it receives under sub. (1). VETransfer, Inc., shall give the department access to those records upon request of the department, and the department may audit those records to ensure compliance with the requirements under this section.

(5) SUNSET. (a) Except as provided under par. (b), VETransfer, Inc., may not expend any moneys it receives under sub. (1) after June 30, 2017, or a later date established by the department.

(b) VETransfer, Inc., shall pay to the secretary of administration for deposit in the general fund any moneys it receives under sub. (1) but does not expend by June 30, 2017, or by a later date established by the department under par. (a).

SECTION 790. 45.50 (11) of the statutes is created to read:

45.50 **(11)** MEDICAL ASSISTANCE ASSESSMENT EXEMPTION. A Wisconsin veterans home is exempt from paying any assessment imposed on the licensed beds in the home under s. 50.14 (2) (am).

SECTION 791. 45.51 (2) (b) 1. of the statutes is repealed.

SECTION 792. 45.51 (2) (b) 5. of the statutes is amended to read:

45.51 **(2)** (b) 5. Has care needs that the veterans home is able to provide within the resources allocated for the care of members of the veterans home~~, including chronic alcoholism, drug addiction, psychosis, or active tuberculosis~~.

SECTION 793. 45.51 (3) (a) of the statutes is renumbered 45.51 (3) (a) 2.

SECTION 794. 45.51 (3) (a) 1. of the statutes is created to read:

45.51 **(3)** (a) 1. In this paragraph, "physical care" includes skilled rehabilitation services following a hospital stay that meets the qualifications under 42 CFR 409.30.

SECTION 794m. 45.51 (3) (b) of the statutes is amended to read:

45.51 **(3)** (b) Spouses, surviving spouses, and parents derive their eligibility from the eligibility of the person under sub. (2) (a) 1. or 2. Surviving spouses and parents

of eligible persons under sub. (2) (a) 1. or 2. shall not be eligible for admission to the Wisconsin Veterans Home at Union Grove ~~or~~, the Wisconsin Veterans Home at King, or the Wisconsin Veterans Home at Chippewa Falls unless a home's overall occupancy level is below an optimal level as determined by the board.

SECTION 795. 45.51 (3) (c) 1. (intro.) of the statutes is amended to read:

45.51 **(3)** (c) 1. (intro.) The categories for the order of priority for admission to a veterans home shall be as follows:

SECTION 796. 45.51 (3) (c) 1m. of the statutes is created to read:

45.51 **(3)** (c) 1m. Within each category specified in subd. 1., the following order of priority shall apply:

a. A person who is a resident of the state on the date of application for membership in a veterans home and who has been residing continuously in the state for a period of more than 6 months immediately preceding the date of application for membership has first priority for admission.

b. A person who is a resident of the state on the date of application for membership in a veterans home and who has been residing continuously in the state for a period of 6 months or less immediately preceding the date of application for membership has 2nd priority for admission.

c. A person who is not a resident of the state on the date of application for membership in a veterans home has 3rd priority for admission.

SECTION 797. 45.51 (5) (intro.) of the statutes is amended to read:

45.51 **(5)** ADDITIONAL ELIGIBILITY REQUIREMENTS OF A SURVIVING SPOUSE. (intro.) The surviving spouse of a person under sub. (2) (a) 1. or 2. ~~who was a resident of this state at the time of the veteran's death~~ is eligible if the surviving spouse meets the requirements of sub. (2) (b) 3. to 5. and if the surviving spouse satisfies all of the following conditions:

SECTION 798. 45.51 (5) (f) of the statutes is repealed.

SECTION 799. 45.51 (6) (intro.) of the statutes is amended to read:

45.51 **(6)** ADDITIONAL ELIGIBILITY REQUIREMENTS OF PARENTS. (intro.) The parent of a person under sub. (2) (a) 1. or 2. ~~who was a resident of this state at the time of the person's death or, the parent of a living person under sub. (2) (a) 1. or 2. who is eligible for membership,~~ or the parent of a person who died while in the service is eligible if the parent meets the requirements of sub. (2) (b) 3. to 5. and ~~if the parent~~ satisfies all of the following conditions:

SECTION 800. 45.51 (6) (b) of the statutes is repealed.

SECTION 801. 45.51 (6m) of the statutes is created to read:

45.51 **(6m)** RESIDENCY. In order to be eligible for benefits under this subchapter, a person specified under sub. (2) (a) 1., 2., or 3. does not have to be a resident of this state on the date of application for membership.

SECTION 801f. 45.57 of the statutes is created to read:

45.57 Veterans homes; transfer of funding. (1) On June 30 of each fiscal year, the department may transfer all or part of the unencumbered balance of any of the appropriations under s. 20.485 (1) (g), (gd), (gk), or (i) to the veterans trust fund or to the veterans mortgage loan repayment fund.

(2) The department may not transfer money under this section unless it first notifies the joint committee on finance in writing of the proposal. If the cochairpersons of the committee do not notify the department within 14 working days after the date of the department's notification that the committee has scheduled a meeting to review the proposal, the department may transfer the money. If, within 14 working days after the date of the notification by the department, the cochairpersons of the committee notify the department that the committee has scheduled a meeting to review the proposal, the department may transfer the money only upon approval of the committee. A proposal as submitted by the department is approved unless a majority of the members of the committee who attend the meeting to review the proposal vote to modify or deny the proposal.

SECTION 802m. 45.60 (2) of the statutes is amended to read:

45.60 **(2)** STIPENDS. From the appropriation under s. 20.485 (2) ~~(dm)~~ (sm), the department shall reimburse a local unit of a member organization of the council on veterans programs or a local unit of a veterans organization certified by the department to provide military funeral honors for the costs of providing military funeral honors in this state to a person described in sub. (1). The reimbursement may not exceed $50 for each funeral for which military honors are provided.

SECTION 803. 45.61 (2) (f) of the statutes is created to read:

45.61 **(2)** (f) A person who is a member of a veterans home under s. 45.50.

SECTION 805. 45.61 (4) of the statutes is renumbered 45.61 (4) (a).

SECTION 806. 45.61 (4) (b) of the statutes is created to read:

45.61 **(4)** (b) In processing applications for burial plots, the department shall maintain a waiting list for each of the cemeteries operated under sub. (1) and shall give priority to state residents on each waiting list.

SECTION 808. 45.70 (1) of the statutes is renumbered 45.70 (1m).

SECTION 809. 45.70 (1b) (title) of the statutes is created to read:

45.70 **(1b)** (title) ESTABLISHMENT AND MODIFICATIONS OF MEMORIALS.

SECTION 810. 45.70 (1b) (b) of the statutes is created to read:

45.70 **(1b)** (b) The board may act under par. (a) only if the department estimates that the cost of implementing the proposal for an established or future state memorial will exceed $25,000.

SECTION 811. 45.70 (2) (a) of the statutes is renumbered 45.70 (1b) (a) and amended to read:

45.70 **(1b)** (a) The board may approve, recommend, and veto any proposed plans, modifications, and changes or policies with respect to established state memorials~~, including the Camp Randall Memorial Park, Madison, Wisconsin, as described in par. (c),~~ and any future veterans state memorials, and may recommend the creation and establishment of future veterans state memorials.

SECTION 812. 45.70 (2) (b) of the statutes is amended to read:

45.70 **(2)** (b) No structures, other than memorials approved by the board, and no walks, roads, or subterranean footings may be placed or erected upon Camp Randall Memorial Park, Madison, Wisconsin, as described in par. (c), unless authorized by the legislature; nor shall the park be used for any purpose other than a memorial park.

SECTION 813. 45.82 (4) of the statutes is amended to read:

45.82 **(4)** The department shall provide grants to the governing bodies of federally recognized American Indian tribes and bands from the appropriation under s. 20.485 (2) (km) or (vw) if that governing body enters into an agreement with the department regarding the creation, goals, and objectives of a tribal veterans service officer, appoints a veteran to act as a tribal veterans service officer, and gives that veteran duties similar to the duties described in s. 45.80 (5), except that the veteran shall report to the governing body of the tribe or band. The department may make annual grants of up to ~~$8,500~~ $15,000 per grant under this subsection and shall promulgate rules to implement this subsection.

SECTION 814. 46.03 (30) (a) of the statutes is amended to read:

46.03 **(30)** (a) To provide for an orderly reduction of state institutional primary psychiatric services the department may approve the institutes entering into contracts with county departments under s. 51.42 for providing primary psychiatric care. If excess capacity exists at state operated mental health institutes, the department shall, subject to ~~s.~~ ss. 13.48 (14) (am) and 16.848 (1), explore the possible sale or lease of such excess facilities to a county department under s. 51.42.

SECTION 815. 46.035 (2) (a) of the statutes is amended to read:

46.035 **(2)** (a) Without limitation by reason of any other provisions of the statutes except ~~s.~~ ss. 13.48 (14) (am) and 16.848 (1), the power to sell and to convey title in fee simple to a nonprofit corporation any land and any existing buildings thereon owned by, or owned by the state and held for, the department or of any of the institutions under the jurisdiction of the department for such consideration and upon such terms and conditions as in the judgment of the secretary are in the public interest.

SECTION 816. 46.057 (2) of the statutes is amended to read:

46.057 **(2)** From the appropriation account under s. 20.410 (3) (ba), the department of corrections shall transfer to the appropriation account under s. 20.435 (2) (kx) $1,365,500 in each fiscal year and, from the appropriation account under s. 20.410 (3) (hm), the department of corrections shall transfer to the appropriation account under s. 20.435 (2) (kx) ~~$2,890,700~~ $2,707,100 in fiscal year ~~2011–12~~ 2013–14 and ~~$2,964,000~~ $2,772,800 in fiscal year ~~2012–13~~ 2014–15, for services for juveniles placed at the Mendota juvenile treatment center. The department of health services may charge the department of corrections not more than the actual cost of providing those services.

SECTION 817. 46.06 (4) of the statutes is amended to read:

46.06 **(4)** SALES. The department may, with the approval of the building commission, and subject to any prior action under s. 13.48 (14) (am) or 16.848 (1), sell and convey such lands under the jurisdiction of the department as the secretary deems to be in excess of the present or future requirements of the department for either the operation of its facilities or programs, for the maintenance of buffer zones adjacent to its facilities or for other public purposes. The proceeds of such sales are subject to s. 13.48 (14) (c).

SECTION 818. 46.07 of the statutes is amended to read:

46.07 Property of patients or residents. All money including wages and other property delivered to an officer or employee of any institution for the benefit of a patient or resident shall immediately be delivered to the steward, who shall enter the money upon the steward's books to the credit of the patient or resident. The property shall be used only under the direction and with the approval of the superintendent and for the crime victim and witness assistance surcharge under s. 973.045 (4), the delinquency victim and witness assistance surcharge under s. 938.34 (8d) (c), the deoxyribonucleic acid analysis surcharge under s. 973.046 (1r), the child pornography surcharge under s. 973.042, the drug offender diversion surcharge under s. 973.043, or the benefit of the patient or resident. If the money remains uncalled for for one year after the patient's or resident's death or departure from the institution, the superintendent shall deposit the money in the general fund. If any patient or resident leaves property, other than money, uncalled for at an institution for one year, the superintendent shall sell the property, and the proceeds shall be deposited in the general fund. If any person satisfies the department, within 5 years after the deposit, of his or her right to the deposit, the department shall direct the department of administration to draw its warrant in favor of the claimant and it

shall charge the same to the appropriation made by s. 20.913 (3) (c).

SECTION 819. 46.21 (1) (d) of the statutes is amended to read:

46.21 **(1)** (d) "Human services" means the total range of services to people, including mental illness treatment, developmental disabilities services, physical disabilities services, income maintenance, youth probation, extended supervision and parole services, alcohol and drug abuse services, services to children, youth and families, family counseling, early intervention services for children from birth to the age of 3, and manpower services. "Human services" does not include child welfare services administered by the department of children and families under s. 48.48 (17) ~~administered by the department in a county having a population of 500,000 or more~~.

SECTION 820. 46.215 (1) (intro.) of the statutes is amended to read:

46.215 **(1)** CREATION; POWERS AND DUTIES. (intro.) ~~In~~ Except as provided in ss. 49.155 (3g), 49.78 (1r), 49.825, and 49.826, in a county with a population of ~~500,000~~ 750,000 or more the administration of welfare services, other than child welfare services administered by the department of children and families under s. 48.48 (17) ~~administered by the department and except as provided in ss. 49.155 (3g), 49.78 (1r), 49.825, and 49.826~~, is vested in a county department of social services under the jurisdiction of the county board of supervisors under s. 46.21 (2m) (b) 1. a. Any reference in any law to a county department of social services under this section applies to a county department under s. 46.21 (2m) in its administration under s. 46.21 (2m) of the powers and duties of the county department of social services. Except as provided in ss. 49.155 (3g), 49.78 (1r), 49.825, and 49.826, the county department of social services shall have the following functions, duties, and powers, and such other welfare functions as may be delegated to it:

SECTION 821. 46.27 (7g) (a) 1m. of the statutes is created to read:

46.27 **(7g)** (a) 1m. "Decedent" means a deceased client or a deceased nonclient surviving spouse, whichever is applicable.

SECTION 822. 46.27 (7g) (a) 4. of the statutes is created to read:

46.27 **(7g)** (a) 4. "Nonclient surviving spouse" means any person who was married to a client while the client was receiving services for which the cost may be recovered under par. (c) 1. and who survived the client.

SECTION 823. 46.27 (7g) (a) 5. of the statutes is created to read:

46.27 **(7g)** (a) 5. a. "Property of a decedent" means all real and personal property to which the client held any legal title or in which the client had any legal interest immediately before death, to the extent of that title or interest, including assets transferred to a survivor, heir, or assignee through joint tenancy, tenancy in common, survivorship, life estate, living trust, or any other arrangement.

b. Notwithstanding subd. 5. a., "property of a decedent" includes all real and personal property in which the nonclient surviving spouse had an ownership interest at the client's death and in which the client had a marital property interest with that nonclient surviving spouse at any time within 5 years before the client applied for long–term community support services funded under sub. (7) or during the time that the client was eligible for long–term community support services funded under sub. (7).

SECTION 824. 46.27 (7g) (c) 1. of the statutes is amended to read:

46.27 **(7g)** (c) 1. Except as provided in subd. 4., the department shall file a claim against the estate of a client ~~or~~, and against the estate of ~~the~~ a nonclient surviving spouse ~~of a client~~, for the amount of long–term community support services funded under sub. (7) paid on behalf of the client after the client attained 55 years of age, unless already recovered by the department under this subsection.

SECTION 825. 46.27 (7g) (c) 2m. of the statutes is created to read:

46.27 **(7g)** (c) 2m. a. Property that is subject to the department's claim under subd. 1. in the estate of a client or in the estate of a nonclient surviving spouse is all property of a decedent that is included in the estate.

b. There is a presumption, which may be rebutted by clear and convincing evidence, that all property in the estate of the nonclient surviving spouse was marital property held with the client and that 100 percent of the property in the estate of the nonclient surviving spouse is subject to the department's claim under subd. 1.

SECTION 826. 46.27 (7g) (c) 3. (intro.) of the statutes is amended to read:

46.27 **(7g)** (c) 3. (intro.) The court shall reduce the amount of a claim under subd. 1. by up to the amount specified in s. 861.33 (2) if necessary to allow the ~~client's~~ decedent's heirs or the beneficiaries of the ~~client's~~ decedent's will to retain the following personal property:

SECTION 827. 46.27 (7g) (c) 5. a. of the statutes is amended to read:

46.27 **(7g)** (c) 5. a. If the department's claim is not allowable because of subd. 4. and the estate includes an interest in real property, including a home, the court exercising probate jurisdiction shall, in the final judgment or summary findings and order, assign the interest in the ~~home~~ real property subject to a lien in favor of the department for the amount described in subd. 1. The personal representative or petitioner for summary settlement or summary assignment of the estate shall record the final judgment as provided in s. 863.29, 867.01 (3) (h), or 867.02 (2) (h).

SECTION 828. 46.27 (7g) (c) 5. b. of the statutes is amended to read:

46.27 **(7g)** (c) 5. b. If the department's claim is not allowable because of subd. 4., the estate includes an interest in real property, including a home, and the personal representative closes the estate by sworn statement under s. 865.16, the personal representative shall stipulate in the statement that the ~~home~~ real property is assigned subject to a lien in favor of the department for the amount described in subd. 1. The personal representative shall record the statement in the same manner as described in s. 863.29, as if the statement were a final judgment.

SECTION 829. 46.27 (7g) (c) 6. (intro.) of the statutes is amended to read:

46.27 **(7g)** (c) 6. (intro.) The department may not enforce ~~the~~ a lien under subd. 5. as long as any of the following survive the decedent:

SECTION 830. 46.27 (7g) (c) 6m. of the statutes is created to read:

46.27 **(7g)** (c) 6m. All of the following apply to a lien under subd. 5. that the department may not enforce because of subd. 6.:

a. If the decedent's surviving spouse or child who is under age 21 or disabled refinances a mortgage on the real property, the lien is subordinate to the new encumbrance.

b. The department shall release the lien in the circumstances described in s. 49.848 (5) (f).

SECTION 831. 46.27 (7g) (g) of the statutes is amended to read:

46.27 **(7g)** (g) The department shall promulgate rules establishing standards for determining whether the application of this subsection would work an undue hardship in individual cases. If the department determines that the application of this subsection would work an undue hardship in a particular case, the department shall waive application of this subsection in that case. This paragraph does not apply with respect to claims against the estates of nonclient surviving spouses.

SECTION 831f. 46.281 (1n) (g) and (h) of the statutes are created to read:

46.281 **(1n)** (g) Notify, within 48 hours of the admission of an enrollee, a county that has financial responsibility for an enrollee who has been admitted to a mental health institute, as defined in s. 51.01 (12).

(h) Establish criteria to determine, and determine, whether an enrollee is at substantial risk for being admitted to a mental health institute, as defined in s. 51.01 (12).

SECTION 831p. 46.284 (8) of the statutes is created to read:

46.284 **(8)** ADMISSIONS TO MENTAL HEALTH INSTITUTES. (a) In this subsection, "mental health institute" has the meaning given in s. 51.01 (12).

(b) Every care management organization shall maintain for each enrollee a record of individuals who can be contacted in case of an emergency involving that enrollee.

(c) Subject to par. (d), every care management organization and each county in which the care management organization operates shall create an emergency plan for every enrollee who the department determines is at substantial risk of being admitted to a mental health institute. The care management organization and county shall include in the emergency plan an emergency contact in case the enrollee is admitted and a potential placement for when the enrollee is discharged from the mental health institute.

(d) If an enrollee is admitted to a mental health institute, the financially responsible county; the county that approved the admission to the mental health institute, if different; and the care management organization in which the enrollee was enrolled shall create a team that includes all of the following to coordinate a new placement for the enrollee:

1. The enrollee's guardian or emergency contact.
2. A social worker from each county involved.
3. A social worker from the care management organization.
4. A psychiatrist or psychologist.
5. An individual representing a law enforcement agency.

SECTION 833. 46.286 (7) of the statutes is amended to read:

46.286 **(7)** RECOVERY OF FAMILY CARE BENEFIT PAYMENTS~~; RULES~~. The department shall ~~promulgate rules relating~~ apply to the recovery from persons who receive the family care benefit, including by liens and affidavits and from estates, of correctly ~~and incorrectly~~ paid family care benefits, ~~that are substantially similar to~~ the applicable provisions under ss. 49.496 ~~and 49.497~~, 49.848, and 49.849.

SECTION 834. 46.287 (2) (a) 1. k. of the statutes is amended to read:

46.287 **(2)** (a) 1. k. Recovery of family care benefit payments ~~under s. 46.286 (7)~~.

SECTION 834h. 46.2899 of the statutes is created to read:

46.2899 Services for the developmentally disabled who receive post–secondary education. (1) DEFINITION. In this section, "self–directed services option" means a program known as Include, Respect, I Self–direct or IRIS operated by the department under a waiver from the secretary of the federal department of health and human services under 42 USC 1396n (c).

(2) WAIVER PROGRAM. The department shall request a waiver from the federal centers for medicare and medicaid services in order to receive the federal medical assistance percentage for home–based and community–based services provided to individuals who are developmentally disabled and who received post–secondary education on the grounds of health care institutions. If the waiver is approved the department shall operate a

waiver program to provide those services to no more than 100 individuals per month per year.

(3) ELIGIBILITY. The department shall consider as eligible for the waiver program described under sub. (2) only individuals who are receiving post–secondary education in a setting that is distinguishable from the health care institution. The department shall set the financial eligibility requirements and functional eligibility requirements for the waiver program described under sub. (2) the same as the financial eligibility requirements and functional eligibility requirements for the self–directed services option except for the requirement to be an individual who is developmentally disabled and who is receiving post–secondary education on the grounds of a health care institution.

(4) SERVICES AND BENEFITS. The department shall provide the same services under the waiver program described in sub. (2) as it provides under the self–directed services option. The department shall determine the funding amount for a waiver program participant under this section based on what the individual would receive if enrolled in the self–directed services option.

SECTION 835. 46.48 (30) (a) of the statutes is amended to read:

46.48 **(30)** SUBSTANCE ABUSE TREATMENT GRANTS. (a) From the appropriation account under s. 20.435 ~~(7)~~ (5) (bc), the department shall distribute grants on a competitive basis to county departments of social services and to private nonprofit organizations, as defined in s. 103.21 (2), for the provision of alcohol and other drug abuse treatment services in counties with a population of 500,000 or more. Grants distributed under this subsection may be used only to provide treatment for alcohol and other drug abuse to individuals who are eligible for federal temporary assistance for needy families under 42 USC 601 et. seq. and who have a family income of not more than 200% of the poverty line, as defined in s. 49.001 (5).

SECTION 836. 46.48 (31) of the statutes is created to read:

46.48 **(31)** PEER RUN RESPITE CENTERS. The department may distribute not more than $1,200,000 in each fiscal year, beginning in fiscal year 2014–15, to regional peer run respite centers for individuals with mental health and substance abuse concerns.

SECTION 837. 46.52 of the statutes is amended to read:

46.52 Systems change grants. From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department shall distribute funds to each grant recipient under this section so as to permit initial phasing in of recovery–oriented system changes, prevention and early intervention strategies, and consumer and family involvement for individuals with mental illness. At least 10% of the funds distributed shall be for children with mental illness.

SECTION 838. 46.53 of the statutes is amended to read:

46.53 Mental health treatment provider training. From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department may not distribute more than $182,000 in each fiscal year to provide training for mental health treatment professionals on new mental health treatment approaches in working with special populations, including seriously mentally ill individuals and children with serious emotional disturbances, and on the use of new mental health treatment medications.

SECTION 839. 46.54 of the statutes is amended to read:

46.54 Consumer and family self–help and peer–support programs. From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department shall distribute $874,000 in each fiscal year to increase support for mental health family support projects, employment projects operated by consumers of mental health services, mental health crisis intervention and drop–in projects, and public mental health information activities.

SECTION 840. 46.55 (3m) of the statutes is amended to read:

46.55 **(3m)** Within the limits of available funding under s. 20.435 ~~(7)~~ (5) (mb), the department shall award grants under this section in a total amount for all grants of not more than $250,000 in each fiscal year.

SECTION 841. 46.56 (1) (hm) of the statutes is created to read:

46.56 **(1)** (hm) "Multi–entity initiative" means an initiative including more than one county or tribe that is established under sub. (2) (b).

SECTION 842. 46.56 (2) of the statutes is renumbered 46.56 (2) (a) and amended to read:

46.56 **(2)** (a) ~~If~~ Except as provided in par. (b), if a county board of supervisors establishes an initiative under s. 59.53 (7) or if a tribe establishes an initiative, the county board or tribe shall appoint a coordinating committee and designate an administering agency. The initiative may be funded by the county or tribe or the county board of supervisors or tribe may apply for funding by the state in accordance with sub. (15).

SECTION 843. 46.56 (2) (b) of the statutes is created to read:

46.56 **(2)** (b) A county may enter into an agreement with one or more other counties or tribes to establish an initiative and a tribe may enter into an agreement with one or more counties or tribes to establish an initiative. The parties to the agreement shall designate in the agreement a single lead administrative county or lead administrative tribe. The county board of the lead administrative county or the lead administrative tribe shall appoint a coordinating committee and designate an administering agency. The initiative may be funded by the participating entities, or the county board of supervisors of the lead

administrative county or the lead administrative tribe may apply for funding by the state in accordance with sub. (15).

SECTION 844. 46.56 (3) (bm) of the statutes is created to read:

46.56 **(3)** (bm) 1. The coordinating committee of a multi–entity initiative shall include representatives described under par. (a) 1. to 7. who are from any county or tribe included in the multi–entity initiative, except that, of the representatives described under par. (a) 1. to 7., the committee shall include at least one representative from each county or tribe included in the initiative.

2. For purposes of a coordinating committee appointed for a multi–entity initiative, a representative under par. (b) 1., 2., 4., 5., 6., 7., and 11. may be from any county or tribe included in the multi–entity initiative.

SECTION 845. 46.56 (3) (d) 6. of the statutes is amended to read:

46.56 **(3)** (d) 6. If a county or tribe or a multi–entity initiative applies for funding under sub. (15), assist the administering agency in developing the application required under sub. (15) (b).

SECTION 846. 46.56 (3) (d) 14. of the statutes is amended to read:

46.56 **(3)** (d) 14. Establish target groups of children who are involved in 2 or more systems of care and their families to be served by the initiative. For a county or tribe or a multi–entity initiative that applies for funding under sub. (15), severely emotionally disturbed children are required to be a priority target group.

SECTION 847. 46.56 (3) (f) of the statutes is created to read:

46.56 **(3)** (f) This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

SECTION 848. 46.56 (4) (intro.) of the statutes is amended to read:

46.56 **(4)** ROLE OF ADMINISTERING AGENCY. (intro.) ~~The~~ Except when otherwise provided in requirements established by the department under sub. (14) (e) that apply with respect to multi–entity initiatives, the administering agency designated under sub. (2) shall do all of the following:

SECTION 849. 46.56 (4) (d) of the statutes is amended to read:

46.56 **(4)** (d) If the county board of supervisors or tribe or a multi–entity initiative decides to seek state funding under sub. (15), develop the application in cooperation with the coordinating committee.

SECTION 850. 46.56 (5) (intro.) of the statutes is amended to read:

46.56 **(5)** INTERAGENCY AGREEMENT. (intro.) ~~An~~ Except when otherwise provided in requirements established by the department under sub. (14) (e) that apply with respect to multi–entity initiatives, an interagency agreement shall include all of the following:

SECTION 851. 46.56 (6) (cr) of the statutes is renumbered 46.56 (6) (cr) 1. and amended to read:

46.56 **(6)** (cr) 1. ~~Every~~ Except as provided in subd. 2., every county and tribe that operates any initiative shall develop written policies and procedures specifying the selection process for the initiative coordinator.

SECTION 852. 46.56 (6) (cr) 2. of the statutes is created to read:

46.56 **(6)** (cr) 2. For a multi–entity initiative, the lead administrative county or the lead administrative tribe shall develop the written policies and procedures under subd. 1. specifying the selection process for the initiative coordinator.

SECTION 853. 46.56 (6) (e) of the statutes is created to read:

46.56 **(6)** (e) This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

SECTION 854. 46.56 (7) (intro.) of the statutes is amended to read:

46.56 **(7)** ELIGIBILITY OF CHILDREN AND FAMILIES. (intro.) ~~Children~~ Except when otherwise provided in requirements established by the department under sub. (14) (e) that apply with respect to multi–entity initiatives, children who are involved in 2 ~~of~~ or more systems of care and their families shall be eligible for the initiative, except that the coordinating committee may establish specific additional criteria for eligibility for services and may establish certain target groups of children who are involved in 2 or more systems of care to receive services. If target groups are established, only children falling within the target groups may be enrolled in the initiative. Any eligibility criteria shall meet all of the following conditions:

SECTION 855. 46.56 (8) (t) of the statutes is created to read:

46.56 **(8)** (t) This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

SECTION 856. 46.56 (9) to (13) of the statutes are amended to read:

46.56 **(9)** IMMEDIATE CARE. Individual county departments, tribal agencies, other agencies, and other service providers shall provide immediate services and other resources as necessary and appropriate to children who are involved in 2 or more systems of care and their families who have been referred for an evaluation of eligibility for and appropriateness of enrollment in the initiative while assessment and planning take place. This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted require-

ments under sub. (14) (e) that conflict with those contained in this subsection.

(10) RELATION TO OTHER SUPPORT PROGRAMS. In any county or for a tribe that has a family support program under s. 46.985 or other support programs, including comprehensive community services or ~~office of justice assistance~~ department of justice or department of corrections programs, the initiative shall coordinate its activities with the support programs. This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

(11) CONFLICT MANAGEMENT. The department, administering agency, service coordination agencies, and service coordinators shall establish and use informal means for conflict management, including consultation, mediation, and independent assessment, whenever possible. A formal conflict management policy shall be established in writing by the coordinating committee for use by families, providers, and other individuals involved in the initiative. This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

(12) ADMINISTRATIVE APPEALS. Decisions by the service coordination agency regarding eligibility, enrollment, denial, termination, reduction, or appropriateness of services and decisions by the individuals designated by the coordinating committee regarding eligibility, enrollment, or denial may be appealed to the coordinating committee by a child who is a service applicant or recipient or by the parent or guardian or guardian ad litem of the applicant or recipient. Decisions of the coordinating committee may be appealed to the department under ch. 227. This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

(13) REVIEW OF ACTIONS BY INDIVIDUAL AGENCIES. Nothing in this section shall limit, modify, or expand the rights, remedies, or procedures established in federal statutes or regulations or state statutes or rules for individuals or families receiving services provided by individual organizations that are participating in the coordinated services plan of care. This subsection does not apply with respect to multi–entity initiatives to the extent that the department has adopted requirements under sub. (14) (e) that conflict with those contained in this subsection.

SECTION 857. 46.56 (14) (b) (intro.) of the statutes is amended to read:

46.56 **(14)** (b) (intro.) The department shall provide, either directly or through purchase of services, the following support services to the counties and tribes that elect to participate in the initiative and to multi–entity initiatives:

SECTION 858. 46.56 (14) (d) of the statutes is amended to read:

46.56 **(14)** (d) Notwithstanding eligibility requirements for enrollment in the initiative, if the state is funding the initiative in a particular county or for a tribe or is funding a multi–entity initiative under sub. (15), the department may permit the county ~~or~~, tribe, or multi–entity initiative to serve under this section any individual who has a severe disability and who has not attained 22 years of age, and his or her family, if the individual's mental, physical, sensory, behavioral, emotional, or developmental disability or whose combination of multiple disabilities meets the requirements specified in sub. (1) (om) 1. to 4.

SECTION 859. 46.56 (14) (e) of the statutes is created to read:

46.56 **(14)** (e) The department may establish additional requirements to apply with respect to multi–entity initiatives, including requirements that conflict with any requirements in subs. (3) to (13).

SECTION 860. 46.56 (15) (b) (intro.) of the statutes is amended to read:

46.56 **(15)** (b) (intro.) In order to apply for funds under this subsection, the county board of supervisors or tribe or, for a multi–entity initiative, the county board of the lead administrative county or the lead administrative tribe shall do all of the following:

SECTION 861. 46.56 (15) (b) 4. of the statutes is amended to read:

46.56 **(15)** (b) 4. Submit a description of the existing services and other resources in the county or tribe or in the area or areas served by a multi–entity initiative for children who are involved in 2 or more systems of care, an assessment of any gaps in services, and a plan for using the funds received under this subsection or funds from other sources to develop or expand the initiative.

SECTION 862. 46.56 (15) (c) of the statutes is amended to read:

46.56 **(15)** (c) In order for a county or tribe or a multi–entity initiative to obtain funds under this subsection, all of the participating agencies and organizations shall provide matching funds that, in total, equal 20% of the requested funding. The match may be cash or in–kind. The department shall determine what may be used as in–kind match.

SECTION 863. 46.56 (15) (d) of the statutes is amended to read:

46.56 **(15)** (d) In order to apply for funding, a county or tribe or a multi–entity initiative shall have a coordinating committee that meets the requirements under sub. (3) (a) and (b)~~,~~ and, if applicable, sub. (3) (bm) that will carry out the responsibilities under sub. (3) (d).

SECTION 864. 46.86 (1) of the statutes is amended to read:

46.86 **(1)** From the appropriation under s. 20.435 ~~(7)~~ (5) (md) the department may award not more than $125,500 in each fiscal year as grants to counties and private nonprofit entities for treatment for pregnant women and mothers with alcohol and other drug abuse treatment needs; mothers who have alcohol and other drug abuse treatment needs and dependent children up to the age of 5 years; and the dependent children up to the age of 5 years of those mothers. The grants shall be awarded in accordance with the department's request–for–proposal procedures. The grants shall be used to establish community–based programs, residential family–centered treatment programs or home–based treatment programs. The program under a grant must include alcohol and other drug abuse treatment services, parent education, support services for the children of the women who are enrolled in the program, vocational assistance and housing assistance. Any program funded under this subsection must also provide follow–up aftercare services to each woman and her children for at least 2 years after the date on which a woman has left the program.

SECTION 865. 46.86 (2m) (b) of the statutes is amended to read:

46.86 **(2m)** (b) From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department shall distribute not more than $79,500 in each fiscal year for residential long–term treatment for alcohol and other drug abuse, including treatment with respect to family relationships, antisocial behavior and employability, in a treatment facility, as defined in s. 51.01 (19), in a 1st class city.

SECTION 866. 46.86 (3m) of the statutes is amended to read:

46.86 **(3m)** From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department may not distribute more than $900,000 in each fiscal year to fund a multidisciplinary prevention and treatment team in Milwaukee County for cocaine–abusing women and their children. The multidisciplinary prevention and treatment team must coordinate its activities with other prevention and treatment programs in Milwaukee County for cocaine–abusing women and their children. Residents from other counties may be served by the multidisciplinary prevention and treatment team. The department may carry forward funds distributed under this subsection, but not encumbered by December 31, for distribution for the purpose under this subsection in the following calendar year.

SECTION 867. 46.86 (5) of the statutes is amended to read:

46.86 **(5)** From the appropriation under s. 20.435 ~~(7)~~ (5) (md), the department may not distribute more than $235,000 in each fiscal year as a grant to ARC Community Services, Inc., for women and children in Dane County, to provide funding for staff of the center and transportation and meal expenses for chemically dependent women who receive services from the center.

SECTION 868. 46.86 (6) (a) (intro.) of the statutes is amended to read:

46.86 **(6)** (a) (intro.) From the appropriation account under s. 20.435 ~~(7)~~ (5) (md), the department may award up to $1,330,800 in each fiscal year, and from the appropriation account under s. 20.435 (5) (gb), the department may award not more than $319,500 in each fiscal year, as grants to counties and private entities to provide community–based alcohol and other drug abuse treatment programs that do all of the following:

SECTION 869. 46.90 (5m) (br) 5g. of the statutes is created to read:

46.90 **(5m)** (br) 5g. Refer the case to the department of financial institutions if the financial exploitation, neglect, self–neglect, or abuse involves an individual who is required to be registered under s. 202.13 or 202.14.

SECTION 870. 46.96 (2) of the statutes is amended to read:

46.96 **(2)** The department shall make grants from the appropriations under s. 20.435 (7) (c) ~~or (kc)~~ to independent living centers for nonresidential services to severely disabled individuals.

SECTION 871. 47.02 (3m) (p) of the statutes is created to read:

47.02 **(3m)** (p) 1. From the appropriation under s. 20.445 (5) (n), in each fiscal year, allocate $600,000 of moneys received from the federal social security administration for reimbursement of grants to independent living centers. The department shall make grants to independent living centers for nonresidential services to severely disabled individuals as defined in s. 46.96 (1) (b).

2. To be eligible to receive a grant under subd. 1., an independent living center shall comply with the requirements under s. 46.96 (3m) (a) 1. to 3. and (am) 1. and 2.

SECTION 872. 48.06 (1) (title) of the statutes is amended to read:

48.06 **(1)** (title) COUNTIES WITH A POPULATION OF ~~500,000~~ 750,000 OR MORE.

SECTION 873. 48.06 (1) (a) 1. of the statutes is amended to read:

48.06 **(1)** (a) 1. In counties with a population of ~~500,000~~ 750,000 or more, the department shall provide the court with the services necessary for investigating and supervising child welfare and unborn child welfare cases under this chapter. The department is charged with providing child welfare and unborn child welfare intake and dispositional services and with administration of the personnel and services of the child welfare and unborn child welfare intake and dispositional sections of the department. The department shall include investigative services for all children and unborn children alleged to be

in need of protection or services to be provided by the department.

SECTION 874. 48.06 (2) (title) of the statutes is amended to read:

48.06 **(2)** (title) COUNTIES WITH A POPULATION UNDER ~~500,000~~ 750,000.

SECTION 875. 48.06 (2) (a) of the statutes is amended to read:

48.06 **(2)** (a) In counties having less than ~~500,000~~ 750,000 population, the county board of supervisors shall authorize the county department or court or both to provide intake services required by s. 48.067 and the staff needed to carry out the objectives and provisions of this chapter under s. 48.069. Intake services shall be provided by employees of the court or county department and may not be subcontracted to other individuals or agencies, except any county which had intake services subcontracted from the county sheriff's department on April 1, 1980, may continue to subcontract intake services from the county sheriff's department. Intake workers shall be governed in their intake work, including their responsibilities for recommending the filing of a petition and entering into an informal disposition, by general written policies which shall be formulated by the circuit judges for the county, subject to the approval of the chief judge of the judicial administrative district.

SECTION 876. 48.06 (3) of the statutes is amended to read:

48.06 **(3)** INTAKE SERVICES. The court, the department in a county having a population of ~~500,000~~ 750,000 or more, or the county department responsible for providing intake services under s. 48.067 shall specify one or more persons to provide intake services. If there is more than one such worker, one of the workers shall be designated as chief worker and shall supervise other workers.

SECTION 877. 48.06 (4) of the statutes is amended to read:

48.06 **(4)** STATE AID. State aid to any county for court services under this section shall be at the same net effective rate that each county is reimbursed for county administration under s. 48.569. Counties having a population of less than ~~500,000~~ 750,000 may use funds received under s. 48.569 (1) (d), including county or federal revenue sharing funds allocated to match funds received under s. 48.569 (1) (d), for the cost of providing court attached intake services in amounts not to exceed ~~50%~~ 50 percent of the cost of providing court attached intake services or $30,000 per county per calendar year, whichever is less.

SECTION 878. 48.069 (1) (intro.) of the statutes is amended to read:

48.069 **(1)** (intro.) The staff of the department, the court, a county department or a licensed child welfare agency designated by the court to carry out the objectives and provisions of this chapter, or, in a county having a population of ~~500,000~~ 750,000 or more, the department or an agency under contract with the department to provide dispositional services, shall:

SECTION 879. 48.069 (2) of the statutes is amended to read:

48.069 **(2)** Except in a county having a population of ~~500,000~~ 750,000 or more, licensed child welfare agencies and the department shall provide services under this section only upon the approval of the agency from whom services are requested. In a county having a population of ~~500,000~~ 750,000 or more, the department or, with the approval of the department, a licensed child welfare agency shall provide services under this section.

SECTION 880. 48.069 (3) of the statutes is amended to read:

48.069 **(3)** A court or county department responsible for disposition staff or, in a county having a population of ~~500,000~~ 750,000 or more, the department may agree with the court or county department responsible for providing intake services that the disposition staff may be designated to provide some or all of the intake services.

SECTION 881. 48.07 (5) (b) 2. of the statutes is amended to read:

48.07 **(5)** (b) 2. On receipt of an application from a prospective court–appointed special advocate, the court–appointed special advocate program, with the assistance of the department of justice, shall conduct a background investigation of the applicant. If the court–appointed special advocate program determines that any information obtained as a result of the background investigation provides a reasonable basis for further investigation, the court–appointed special advocate program may require the applicant to be fingerprinted on 2 fingerprint cards, each bearing a complete set of the applicant's fingerprints, or by other technologies approved by law enforcement agencies. The department of justice may provide for the submission of the fingerprint cards or fingerprints by other technologies to the federal bureau of investigation for the purposes of verifying the identification of the applicant and obtaining the applicant's criminal arrest and conviction record. The court–appointed special advocate program shall keep confidential all information received from the department of justice and the federal bureau of investigation under this subdivision.

SECTION 882. 48.345 (6m) of the statutes is amended to read:

48.345 **(6m)** If the report prepared under s. 48.33 (1) recommends that the child is in need of a coordinated services plan of care and if an initiative under s. 46.56 has been established ~~in~~ for the county or, for a child who is a member of a tribe, as defined in s. 46.56 (1) (q), ~~by~~ for a tribe, the judge may order an assessment of the child and the child's family for eligibility for and appropriateness of the initiative, and if eligible for enrollment in the initiative, that a coordinated services plan of care be developed and implemented.

SECTION 890. 48.43 (7) of the statutes is renumbered 48.43 (7) (a) and amended to read:

48.43 **(7)** (a) If the agency specified under sub. (1) (a) is the department ~~and~~, the department shall seek a permanent adoptive placement for the child or seek to enter into a subsidized guardianship agreement under s. 48.623 (2) with a proposed guardian of the child and petition the court for the appointment of that individual as the guardian of the child under s. 48.977 (2).

(b) If a permanent adoptive or subsidized guardianship placement is not in progress 2 years after entry of the order, the department may petition the court to transfer legal custody of the child to a county department, except that the department may not petition the court to transfer to a county department legal custody of a child who was initially taken into custody under s. 48.195 (1). The court shall transfer the child's legal custody to the county department specified in the petition. The department shall remain the child's guardian.

SECTION 891. 48.48 (3m) (d) of the statutes is amended to read:

48.48 **(3m)** (d) The tribal court has signed a written contract that addresses federal and state law and that provides that the tribal court will accept the return of the legal custody or the legal custody and guardianship of the child if the department petitions the tribal court to do so under s. 48.485 (2).

SECTION 892. 48.48 (8p) of the statutes is amended to read:

48.48 **(8p)** To reimburse tribes and county departments, from the appropriation under s. 20.437 (1) (kz), for unexpected or unusually high–cost out–of–home care placements of Indian children by tribal courts and for subsidized guardianship payments under s. 48.623 (1) or (6) for guardianships of Indian children ordered by tribal courts. In this subsection, "unusually high–cost out–of–home care placements" means the amount by which the cost to a tribe or to a county department of out–of–home care placements of Indian children by tribal courts exceeds $50,000 in a fiscal year.

SECTION 893. 48.48 (16m) of the statutes is amended to read:

48.48 **(16m)** To employ under the unclassified service in an office of the department that is located in a 1st class city a director of the office of urban development who shall be appointed by the secretary to serve at the pleasure of the secretary and who shall coordinate the provision of child welfare services in a county having a population of ~~500,000~~ 750,000 or more with the implementation of the Wisconsin works program under ss. 49.141 to 49.161 in a county having a population of ~~500,000~~ 750,000 or more.

SECTION 894. 48.48 (17) (a) (intro.) of the statutes is amended to read:

48.48 **(17)** (a) (intro.) In a county having a population of ~~500,000~~ 750,000 or more, to administer child welfare services and to expend such amounts as may be necessary out of any moneys which may be appropriated for child welfare services by the legislature, which may be donated by individuals or private organizations or which may be otherwise provided. The department shall also have authority to do all of the following:

SECTION 895. 48.481 (1) (a) of the statutes is amended to read:

48.481 **(1)** (a) The department shall distribute ~~$497,200~~ foster care continuation grants in each fiscal year to counties for the purpose of supplementing payments for the care of an individual who attains age 18 after 1986 and who resided in a home licensed under s. 48.62 for at least 2 years immediately prior to attaining age 18 and, for at least 2 years, received payments for exceptional circumstances in order to avoid institutionalization, as provided under rules promulgated by the department, so that the individual may live in a family home or other noninstitutional situation after attaining age 18. No county may use funds provided under this paragraph to replace funds previously used by the county for this purpose. Beginning in fiscal year 2013–14, a county is eligible to receive funding under this paragraph only if the county received such funding in fiscal year 2012–13.

SECTION 896. 48.481 (2) of the statutes is created to read:

48.481 **(2)** TRANSITION TO INDEPENDENT LIVING. The department shall distribute at least $231,700 in each fiscal year to counties for the purpose of assisting individuals who attain the age of 18 while residing in a foster home, group home, or residential care center for children and youth or in the home of a relative other than a parent to make the transition from out–of–home care to independent living. No county may use funds provided under this subsection to replace funds previously used by the county for this purpose.

SECTION 897. 48.485 of the statutes is renumbered 48.485 (1) and amended to read:

48.485 **(1)** If the department accepts guardianship or legal custody or both from a tribal court under s. 48.48 (3m), the department shall seek a permanent adoptive placement for the child or seek to enter into a subsidized guardianship agreement under s. 48.623 (2) with a proposed guardian of the child and petition the court for the appointment of that individual as the guardian of the child under s. 48.977 (2) or under a substantially similar tribal law.

(2) If a permanent adoptive or subsidized guardianship placement is not in progress within 2 years after entry of the termination of parental rights order by the tribal court, the department may petition the tribal court to transfer legal custody or guardianship of the Indian child back to the Indian tribe, except that the department may not petition the tribal court to transfer back to an Indian tribe legal custody or guardianship of an Indian

child who was initially taken into custody under s. 48.195 (1).

SECTION 898. 48.487 (title) of the statutes is amended to read:

48.487 (title) **Tribal ~~adolescent~~ family services.**

SECTION 899. 48.487 (1m) of the statutes is amended to read:

48.487 **(1m)** TRIBAL ~~ADOLESCENT~~ FAMILY SERVICES ~~ALLOCATION~~ GRANTS. From the appropriation account under s. 20.437 (1) ~~(eg)~~ (bd), the department may ~~allocate $210,000 in each fiscal year to provide the grants specified~~ distribute tribal family services grants to the elected governing bodies of the Indian tribes in this state. An elected governing body that receives a grant under this subsection may expend the grant moneys received for any of the purposes specified in subs. (2), (3) (b), ~~and~~ (4m) (b), (5) (b), (6), and (7) as determined by that body.

SECTION 900. 48.487 (2) of the statutes is amended to read:

48.487 **(2)** ADOLESCENT SELF-SUFFICIENCY SERVICES. ~~From the allocation under sub. (1m), the department may provide a grant annually in the amount of $85,000 to the~~ An elected governing body of an Indian tribe may expend moneys from a grant received under sub. (1m) to provide services for adolescent parents ~~which~~. Those services shall emphasize high school graduation and vocational preparation, training, and experience and may be structured so as to strengthen the adolescent parent's capacity to fulfill parental responsibilities by developing social skills and increasing parenting skills. ~~The Indian tribe seeking to receive a grant to provide these~~ An Indian tribe that provides those services shall develop a proposed service plan that is approved by the department.

SECTION 901. 48.487 (3) (b) of the statutes is amended to read:

48.487 **(3)** (b) ~~From the allocation under sub. (1m), the department may provide a grant annually in the amount of $65,000 to the~~ An elected governing body of an Indian tribe may expend moneys from a grant received under sub. (1m) to provide ~~to high-risk adolescents~~ pregnancy and parenthood prevention services ~~which~~ to high-risk adolescents. Those services shall be structured so as to increase the development of decision-making and communications skills, promote graduation from high school, and expand career and other options and ~~which~~ may address needs of adolescents with respect to pregnancy prevention.

SECTION 902. 48.487 (4m) (title) of the statutes is amended to read:

48.487 **(4m)** (title) ADOLESCENT CHOICES ~~PROJECT GRANTS~~ PROJECTS.

SECTION 903. 48.487 (4m) (b) (intro.) of the statutes is amended to read:

48.487 **(4m)** (b) (intro.) ~~From the allocation under sub. (1m), the department may provide a grant annually in the amount of $60,000 to the~~ An elected governing body of an Indian tribe ~~for the provision of~~ may expend moneys from a grant received under sub. (1m) to provide information to members of the Indian tribe in order to increase community knowledge about the problems of adolescents and to provide information to and activities for adolescents, particularly female adolescents, in order to enable the adolescents to develop skills with respect to all of the following:

SECTION 904. 48.487 (4m) (c) of the statutes is amended to read:

48.487 **(4m)** (c) ~~Each funded tribal project~~ An Indian tribe that provides services under par. (b) shall provide those services in ~~areas~~ an area of the state ~~as~~ that is approved by the Indian tribe and the department. The department shall determine the boundaries of the ~~regional areas prior to soliciting project grant applications~~ regions in this state within which the Indian tribes may provide services under par. (b) before approving the service area of an Indian tribe under this paragraph.

SECTION 905. 48.487 (4m) (d) of the statutes is amended to read:

48.487 **(4m)** (d) Prior to ~~making grants to applying Indian tribes under par. (b)~~ approving the service area of an Indian tribe under par. (c), the department shall consider whether and how the ~~applying~~ Indian tribe proposes to coordinate its services with other public or private resources, programs, or activities in the region and the state.

SECTION 906. 48.487 (4m) (e) of the statutes is amended to read:

48.487 **(4m)** (e) The department shall work closely with the women's council and the department of public instruction, on a continuing basis, concerning the scope and direction of activities ~~under projects funded by the program~~ conducted under par. (b).

SECTION 907. 48.487 (5) of the statutes is created to read:

48.487 **(5)** DOMESTIC ABUSE SERVICES. (a) In this subsection:

1. "Domestic abuse" means physical abuse, including a violation of s. 940.225 (1), (2), or (3), or any threat of physical abuse between adult family or adult household members, by a minor family or minor household member against an adult family or adult household member, by an adult against his or her adult former spouse or by an adult against an adult with whom the person has a child in common.

2. "Domestic abuse services" means any of the following:

a. Shelter facilities or private home shelter care.

b. Advocacy and counseling for victims.

c. A 24-hour telephone service.

d. Community education.

3. "Family member" means a spouse, a parent, a child, or a person related by blood or adoption to another person.

4. "Household member" means a person currently or formerly residing in a place of abode with another person.

(b) Subject to pars. (c) and (d), an elected governing body of an Indian tribe may expend moneys from a grant received under sub. (1m) to provide domestic abuse services. If an elected governing body of an Indian tribe expends those moneys for those services, the body shall provide matching funds or in–kind contributions in an amount to be determined by the department. The department shall establish guidelines regarding the types of contributions that qualify as in–kind contributions.

(c) An elected governing body of an Indian tribe may provide shelter facilities only if the department of safety and professional services determines that the physical plant of the facility will not be dangerous to the health or safety of the residents when the facility is in operation. An elected governing body of an Indian tribe may provide shelter facilities or private home shelter care only if the body ensures that the following services will be provided either by that Indian tribe or by another person:

1. A 24–hour telephone service.
2. Temporary housing and food.
3. Advocacy and counseling for victims.
4. Referral and follow–up services.
5. Arrangements for education of school–age children.
6. Emergency transportation to the shelter.
7. Community education.

(d) An Indian tribe that provides domestic abuse services under this subsection shall report all of the following information to the department by February 15 annually:

1. The total expenditures that the Indian tribe made on domestic abuse services in the previous tribal fiscal year.
2. The expenditures specified in subd. 1. by general category of domestic abuse services provided.
3. The number of persons served in the previous tribal fiscal year by general type of domestic abuse service.
4. The number of persons who were in need of domestic abuse services in the previous tribal fiscal year but who did not receive the domestic abuse services that they needed.

SECTION 908. 48.487 (7) of the statutes is created to read:

48.487 **(7)** CHILD WELFARE SERVICES. An elected governing body of an Indian tribe may expend moneys from a grant received under sub. (1m) to provide child welfare services as authorized under 42 USC 621 to 628b.

SECTION 909. 48.56 (title) of the statutes is amended to read:

48.56 (title) **Child welfare services in counties having populations of less than ~~500,000~~ 750,000.**

SECTION 910. 48.56 (1) of the statutes is amended to read:

48.56 **(1)** Each county having a population of less than ~~500,000~~ 750,000 shall provide child welfare services through its county department.

SECTION 911. 48.561 (title) of the statutes is amended to read:

48.561 (title) **Child welfare services in a county having a population of ~~500,000~~ 750,000 or more.**

SECTION 912. 48.561 (1) of the statutes is amended to read:

48.561 **(1)** The department shall provide child welfare services in a county having a population of ~~500,000~~ 750,000 or more.

SECTION 913. 48.561 (2) of the statutes is amended to read:

48.561 **(2)** The department shall employ personnel in a county having a population of ~~500,000~~ 750,000 or more who devote all of their time directly or indirectly to child welfare services. Whenever possible, these personnel shall be social workers certified under ch. 457.

SECTION 914. 48.561 (3) (a) (intro.) of the statutes is amended to read:

48.561 **(3)** (a) (intro.) A county having a population of ~~500,000~~ 750,000 or more shall contribute $58,893,500 in each state fiscal year for the provision of child welfare services in that county by the department. That contribution shall be made as follows:

SECTION 915. 48.561 (3) (b) of the statutes is amended to read:

48.561 **(3)** (b) The department of administration shall collect the amount specified in par. (a) 3. from a county having a population of ~~500,000~~ 750,000 or more by deducting all or part of that amount from any state payment due that county under s. 79.035, 79.04, or 79.08. The department of administration shall notify the department of revenue, by September 15 of each year, of the amount to be deducted from the state payments due under s. 79.035, 79.04, or 79.08. The department of administration shall credit all amounts collected under this paragraph to the appropriation account under s. 20.437 (1) (kw) and shall notify the county from which those amounts are collected of that collection. The department may not expend any moneys from the appropriation account under s. 20.437 (1) (cx) for providing services to children and families under s. 48.48 (17) until the amounts in the appropriation account under s. 20.437 (1) (kw) are exhausted.

SECTION 916. 48.563 (1) (a) of the statutes is amended to read:

48.563 **(1)** (a) Within the limits of available federal funds and of the appropriations under s. 20.437 (1) (b), (cx), (km), and (o), the department shall distribute funds for children and family services to county departments as provided in subs. (2), ~~(3),~~ (4), and (7m) and s. 48.986.

SECTION 917. 48.563 (3) of the statutes is renumbered 48.487 (6) and amended to read:

48.487 **(6)** TRIBAL CHILD CARE. ~~For~~ An elected governing body of an Indian tribe may expend moneys from a grant received under sub. (1m) to provide child care services under 42 USC 9858~~, the department shall distribute not more than $412,800 in each fiscal year from the appropriation account under s. 20.437 (1) (b) to Indian tribes~~. An Indian tribe that receives funding under this subsection shall use that funding to provide child care for an eligible child, as defined in 42 USC 9858n (4).

SECTION 918. 48.563 (4) of the statutes is created to read:

48.563 **(4)** POSTREUNIFICATION SERVICES. If a demonstration project authorized under 42 USC 1320a–9 reduces the cost of providing out–of–home care for children in a county having a population of 750,000 or more, from the appropriations under s. 20.437 (1) (cx) and (o) the department may distribute the amount by which that cost is reduced by that demonstration project in each fiscal year to county departments for services for children and families to prevent the reentry of children into out–of–home care.

SECTION 919. 48.569 (1) (am) of the statutes is amended to read:

48.569 **(1)** (am) The department shall reimburse each county from the appropriations under s. 20.437 (1) (b), (cx), (km), and (o) for children and family services as approved by the department under ss. 46.22 (1) (b) 2. f. and (e) 3. b.

SECTION 920. 48.569 (1) (d) of the statutes is amended to read:

48.569 **(1)** (d) From the appropriations under s. 20.437 (1) (b), (cx), (km), and (o), the department shall distribute the funding for children and family services, including funding for foster care or subsidized guardianship care of a child on whose behalf aid is received under s. 48.645 to county departments as provided under s. 48.563. County matching funds are required for the distribution under s. 48.563 (2). Each county's required match for the distribution under s. 48.563 (2) shall be specified in a schedule established annually by the department. Matching funds may be from county tax levies, federal and state revenue sharing funds, or private donations to the county that meet the requirements specified in sub. (1m). Private donations may not exceed 25 percent of the total county match. If the county match is less than the amount required to generate the full amount of state and federal funds distributed for this period, the decrease in the amount of state and federal funds equals the difference between the required and the actual amount of county matching funds.

SECTION 922. 48.57 (3m) (am) (intro.) of the statutes is amended to read:

48.57 **(3m)** (am) (intro.) From the ~~appropriation~~ appropriations under s. 20.437 (2) (dz), (md), (me), and (s), the department shall reimburse counties having populations of less than 500,000 for payments made under this subsection and shall make payments under this subsection in a county having a population of 500,000 or more. Subject to par. (ap), a county department and, in a county having a population of 500,000 or more, the department shall make payments in the amount of $220 per month to a kinship care relative who is providing care and maintenance for a child if all of the following conditions are met:

SECTION 922c. 48.57 (3m) (am) (intro.) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

48.57 **(3m)** (am) (intro.) From the appropriations under s. 20.437 (2) (dz), (md), (me), and (s), the department shall reimburse counties having populations of less than 500,000 for payments made under this subsection and shall make payments under this subsection in a county having a population of 500,000 or more. Subject to par. (ap), a county department and, in a county having a population of 500,000 or more, the department shall make payments in the amount of ~~$220~~ $226 per month beginning on January 1, 2014, and $232 per month beginning on January 1, 2015, to a kinship care relative who is providing care and maintenance for a child if all of the following conditions are met:

SECTION 924. 48.57 (3n) (am) (intro.) of the statutes is amended to read:

48.57 **(3n)** (am) (intro.) From the ~~appropriation~~ appropriations under s. 20.437 (2) (dz), (md), (me), and (s), the department shall reimburse counties having populations of less than 500,000 for payments made under this subsection and shall make payments under this subsection in a county having a population of 500,000 or more. Subject to par. (ap), a county department and, in a county having a population of 500,000 or more, the department shall make monthly payments for each child in the amount ~~specified in sub. (3m) (am) (intro.)~~ of $220 per month to a long–term kinship care relative who is providing care and maintenance for that child if all of the following conditions are met:

SECTION 924c. 48.57 (3n) (am) (intro.) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

48.57 **(3n)** (am) (intro.) From the appropriations under s. 20.437 (2) (dz), (md), (me), and (s), the department shall reimburse counties having populations of less than 500,000 for payments made under this subsection and shall make payments under this subsection in a county having a population of 500,000 or more. Subject to par. (ap), a county department and, in a county having a population of 500,000 or more, the department shall make monthly payments for each child in the amount of ~~$220~~ $226 per month beginning on January 1, 2014, and $232 per month beginning on January 1, 2015, to a long–term kinship care relative who is providing care and maintenance for that child if all of the following conditions are met:

SECTION 926. 48.57 (3p) (d) of the statutes is amended to read:

48.57 **(3p)** (d) If the person being investigated under par. (b) or (c) is a nonresident, or at any time within the 5 years preceding the date of the application has been a nonresident, or if the county department or, in a county having a population of 500,000 or more, the department determines that the person's employment, licensing or state court records provide a reasonable basis for further investigation, the county department or department shall require the person to be fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints, or by other technologies approved by law enforcement agencies. The department of justice may provide for the submission of the fingerprint cards or fingerprints by other technologies to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrest and conviction.

SECTION 929. 48.62 (4) of the statutes is amended to read:

48.62 **(4)** Monthly payments in foster care shall be provided according to the rates specified in this subsection. Beginning on January 1, ~~2010~~ 2014, the rates are ~~$215~~ $226 for care and maintenance provided for a child of any age by a foster home that is certified to provide level one care, as defined in the rules promulgated under sub. (8) (a) and, for care and maintenance provided by a foster home that is certified to provide care at a level of care that is higher than ~~such~~ level one care, ~~$349~~ $375 for a child under 5 years of age; ~~$381~~ $410 for a child 5 to 11 years of age; ~~$433~~ $466 for a child 12 to 14 years of age; and ~~$452~~ $487 for a child 15 years of age or over. Beginning on January 1, ~~2011~~ 2015, the rates are ~~$220~~ $232 for care and maintenance provided for a child of any age by a foster home that is certified to provide level one care, as defined in the rules promulgated under sub. (8) (a) and, for care and maintenance provided by a foster home that is certified to provide care at a level of care that is higher than ~~such~~ level one care, ~~$366~~ $384 for a child under 5 years of age; ~~$400~~ $420 for a child 5 to 11 years of age; ~~$455~~ $478 for a child 12 to 14 years of age; and ~~$475~~ $499 for a child 15 years of age or over. In addition to these grants for basic maintenance, the department, county department, or licensed child welfare agency shall make supplemental payments for foster care to a foster home that is receiving an age–related rate under this subsection that are commensurate with the level of care that the foster home is certified to provide and the needs of the child who is placed in the foster home according to the rules promulgated by the department under sub. (8) (c).

SECTION 930. 48.623 (1) (intro.) of the statutes is amended to read:

48.623 **(1)** ELIGIBILITY. (intro.) A county department or, ~~in a county having a population of 750,000 or more~~ as provided in sub. (3) (a), the department shall provide monthly subsidized guardianship payments in the amount specified in sub. (3) (b) to a guardian of a child under s. 48.977 (2) or under a substantially similar tribal law if the county department or department determines that the conditions specified in pars. (a) to (d) have been met. A county department or, ~~in a county having a population of 750,000 or more~~ as provided in sub. (3) (a), the department shall also provide those payments for the care of a sibling of such a child, regardless of whether the sibling meets the conditions specified in par. (a), if the county department or department and the guardian agree on the appropriateness of placing the sibling in the home of the guardian. A guardian of a child under s. 48.977 (2) or under a substantially similar tribal law is eligible for monthly subsidized guardianship payments under this subsection if the county department or~~, in a county having a population of 750,000 or more,~~ the department, whichever will be providing those payments, determines that all of the following apply:

SECTION 931. 48.623 (3) (a) of the statutes is amended to read:

48.623 **(3)** (a) Except as provided in this paragraph, the county department shall provide the monthly payments under sub. (1) or (6). The county department shall provide those payments from moneys received under s. 48.48 (8p) or 48.569 (1) (d). In a county having a population of 750,000 or more or in the circumstances specified in s. 48.43 (7) (a) or 48.485 (1), the department shall provide the monthly payments under sub. (1) or (6). The department shall provide those payments from the appropriations under s. 20.437 (1) (dd) and (pd). ~~In any other county, the county department shall provide those payments from moneys received under s. 48.569 (1) (d).~~

SECTION 932. 48.623 (3) (b) of the statutes is amended to read:

48.623 **(3)** (b) The county department or, as provided in par. (a), the department shall determine the initial amount of a monthly payment under sub. (1) or (6) for the care of a child ~~shall equal~~ based on the circumstances of the guardian and the needs of the child. That amount may not exceed the amount received under s. 48.62 (4) by the guardian of the child for the month immediately preceding the month in which the guardianship order was granted ~~or a lesser amount if agreed to by the guardian and specified in the agreement under sub. (2) (b)~~. A guardian or an interim caretaker who receives a monthly payment under sub. (1) or (6) for the care of a child is not eligible to receive a payment under s. 48.57 (3m) or (3n) or 48.62 (4) for the care of that child.

SECTION 933. 48.645 (2) (a) 2. of the statutes is amended to read:

48.645 **(2)** (a) 2. A county or, in a county having a population of ~~500,000~~ 750,000 or more, the department, on behalf of a child in the legal custody of a county department under s. 46.215, 46.22, or 46.23 or the depart-

ment under s. 48.48 (17) or on behalf of a child who was removed from the home of a relative as a result of a judicial determination that continuance in the home of a relative would be contrary to the child's welfare for any reason when the child is placed in a licensed residential care center for children and youth by the county department or the department. Reimbursement shall be made by the state as provided in subd. 1.

SECTION 934. 48.645 (2) (a) 3. of the statutes is amended to read:

48.645 **(2)** (a) 3. A county or, in a county having a population of ~~500,000~~ 750,000 or more, the department, when the child is placed in a licensed foster home, group home, or residential care center for children and youth or in a subsidized guardianship home by a licensed child welfare agency or by a governing body of an Indian tribe in this state or by its designee, if the child is in the legal custody of the county department under s. 46.215, 46.22, or 46.23 or the department under s. 48.48 (17) or if the child was removed from the home of a relative as a result of a judicial determination that continuance in the home of the relative would be contrary to the child's welfare for any reason and the placement is made under an agreement with the county department or the department.

SECTION 935. 48.651 (1) (intro.) of the statutes is amended to read:

48.651 **(1)** (intro.) ~~No~~ Except as provided in s. 49.155 (4) (c), no person, other than a child care center licensed under s. 48.65 or established or contracted for under s. 120.13 (14), may receive ~~reimbursement~~ payment for providing child care services for an individual who is determined eligible for a child care subsidy under s. 49.155 unless the person is certified, according to the standards adopted by the department under s. 49.155 (1d), by the department in a county having a population of 500,000 or more, a county department, or an agency with which the department contracts under sub. (2). To be certified under this section, a person must meet the minimum requirements for certification established by the department under s. 49.155 (1d), meet the requirements specified in s. 48.685, and pay the fee specified in sub. (2). The department in a county having a population of 500,000 or more, a county department, or an agency contracted with under sub. (2) shall certify the following categories of child care providers:

SECTION 936. 48.659 of the statutes is amended to read:

48.659 Child care quality rating system. The department shall provide a child care quality rating system that rates the quality of the child care provided by a child care provider licensed under s. 48.65 that receives ~~reimbursement~~ payment under s. 49.155 for the child care provided or that volunteers for rating under this section. The department shall make the rating information provided under that system available to the parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider that is rated under this section, including making that information available on the department's Internet site.

SECTION 936s. 48.685 (2) (am) 4. of the statutes is amended to read:

48.685 **(2)** (am) 4. Information maintained by the department regarding any ~~substantiated reports of child abuse or neglect against the person~~ final determination under s. 48.981 (3) (c) 5m. or, if a contested case hearing is held on such a determination, any final decision under s. 48.981 (3) (c) 5p. that the person has abused or neglected a child.

SECTION 936u. 48.685 (2) (b) 1. d. of the statutes is amended to read:

48.685 **(2)** (b) 1. d. Information maintained by the department regarding any ~~substantiated reports of child abuse or neglect against the person~~ final determination under s. 48.981 (3) (c) 5m. or, if a contested case hearing is held on such a determination, any final decision under s. 48.981 (3) (c) 5p. that the person has abused or neglected a child.

SECTION 937. 48.685 (2) (bm) of the statutes is amended to read:

48.685 **(2)** (bm) If the person who is the subject of the search under par. (am), (ar), or (b) 1. is not a resident of this state, or if at any time within the 3 years preceding the date of the search that person has not been a resident of this state, or if the department, county department, agency contracted with under s. 48.651 (2), child welfare agency, school board, or entity determines that the person's employment, licensing, or state court records provide a reasonable basis for further investigation, the department, county department, contracted agency, child welfare agency, school board, or entity shall make a good faith effort to obtain from any state or other United States jurisdiction in which the person is a resident or was a resident within the 3 years preceding the date of the search information that is equivalent to the information specified in par. (am) 1., (ar), or (b) 1. a. The department, county department, contracted agency, child welfare agency, school board, or entity may require the person to be fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints, or by other technologies approved by law enforcement agencies. The department of justice may provide for the submission of the fingerprint cards or fingerprints by other technologies to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrests and convictions.

SECTION 938. 48.685 (2) (br) of the statutes is created to read:

48.685 **(2)** (br) If the person who is the subject of a search under par. (am) or (b) 1. has, or is seeking, a license to operate a child care center under s. 48.65, certification

as a child care provider under s. 48.651, or a contract under s. 120.13 (14) to operate a child care program, or is an adult nonclient resident or caregiver of such an entity, and if the entity is receiving, or wishes to receive, payment under s. 49.155 for providing child care services, the department, county department, agency contracted with under s. 48.651 (2), or school board shall require the person to be fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints, or by other technologies approved by law enforcement agencies, unless the person has previously been fingerprinted under this paragraph. The department of justice may provide for the submission of the fingerprint cards or fingerprints by other technologies to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrests and convictions.

SECTION 938e. 48.685 (3) (am) 1. of the statutes is amended to read:

48.685 **(3)** (am) 1. Every ~~3 months~~ year or at any time within that period that the department, a county department, an agency contracted with under s. 48.651 (2), or a school board considers appropriate, the department, county department, contracted agency, or school board shall request the information specified in sub. (2) (am) 1. to 5. and (ar) for all caregivers specified in sub. (1) (ag) 1. b. who are licensed under s. 48.65 to operate a child care center, certified as a child care provider under s. 48.651, or contracted under s. 120.13 (14) to operate a child care center~~. Beginning on January 1, 2011, and annually after that,~~, for all persons who are nonclient residents of such a caregiver, and for all persons under 18 years of age, but not under 12 years of age, who are caregivers specified in sub. (1) (ag) 1. a. of such a caregiver.

2m. Annually, by January 1, the department shall submit a report to the appropriate standing committees of the legislature under s. 13.172 (3) describing the information collected under ~~this subdivision~~ subd. 1. with respect to caregivers specified in sub. (1) (ag) 1. b. who are licensed under s. 48.65 to operate a child care center, certified as a child care provider under s. 48.651, or contracted under s. 120.13 (14) to operate a child care center, specifically any information indicating that such a caregiver ~~specified in sub. (1) (ag) 1. b.~~ is ineligible under sub. (4m) (a) to be so licensed ~~under s. 48.65 to operate a child care center, certified under s. 48.651 as a child care provider, or contracted under s. 120.13 (14) to operate a child care center~~, certified, or contracted, and describing any action taken in response to the receipt of information under ~~this subdivision~~ subd. 1. indicating that such a caregiver is so ineligible.

SECTION 938f. 48.685 (3) (am) 2. of the statutes is repealed.

SECTION 938g. 48.685 (4m) (a) 4. of the statutes is amended to read:

48.685 **(4m)** (a) 4. That a final determination has been made under s. 48.981 (3) (c) ~~4.~~ 5m. or, if a contested case hearing is held on such a determination, a final decision has been made under s. 48.981 (3) (c) 5p. that the person has abused or neglected a child.

SECTION 938h. 48.685 (4m) (b) 4. of the statutes is amended to read:

48.685 **(4m)** (b) 4. That a final determination has been made under s. 48.981 (3) (c) ~~4.~~ 5m. or, if a contested case hearing is held on such a determination, a final decision has been made under s. 48.981 (3) (c) 5p. that the person has abused or neglected a child.

SECTION 939. 48.685 (8) of the statutes is amended to read:

48.685 **(8)** The department, the department of health services, a county department, an agency contracted with under s. 48.651 (2), a child welfare agency, or a school board may charge a fee for obtaining the information required under sub. (2) (am)~~,~~ or (ar)~~,~~ or (3) (a) or (am) ~~or~~, for providing information to an entity to enable the entity to comply with sub. (2) (b) 1. or (3) (b), or for obtaining and submitting fingerprints under sub. (2) (bm) or (br). The fee may not exceed the reasonable cost of obtaining the information or of obtaining and submitting fingerprints. No fee may be charged to a nurse aide, as defined in s. 146.40 (1) (d), for obtaining or maintaining information or for obtaining and submitting fingerprints if to do so would be inconsistent with federal law.

SECTION 939w. 48.78 (2) (b) of the statutes is amended to read:

48.78 **(2)** (b) Paragraph (a) does not apply to the confidential exchange of information between an agency and another social welfare agency, a law enforcement agency, a health care provider, as defined in s. 146.81 (1) (a) to (p), a public school, or a private school regarding an individual in the care or legal custody of the agency. A social welfare agency that obtains information under this paragraph shall keep the information confidential as required under this section and s. 938.78. A law enforcement agency that obtains information under this paragraph shall keep the information confidential as required under ss. 48.396 (1) and 938.396 (1) (a). A health care provider that obtains information under this paragraph shall keep the information confidential as provided under s. 146.82. A public school that obtains information under this paragraph shall keep the information confidential as required under s. 118.125, and a private school that obtains information under this paragraph shall keep the information confidential in the same manner as is required of a public school under s. 118.125. Paragraph (a) does not apply to the confidential exchange of information between an agency and officials of a tribal school regarding an individual in the care or legal custody of the agency if the agency determines that enforceable protections are provided by a tribal school policy or tribal law that requires

tribal school officials to keep the information confidential in a manner at least as stringent as is required of a public school official under s. 118.125.

SECTION 940. 48.78 (2) (k) of the statutes is created to read:

48.78 **(2)** (k) Paragraph (a) does not prohibit the department of children and families from providing to the department of revenue, upon request, information concerning a recipient of payments under s. 48.57 (3m) or (3n) or aid under s. 48.645, including information contained in the electronic records of the department of children and families, solely for the purposes of administering state taxes, including verifying a claim for a state tax refund or a refundable state tax credit, and collecting debts owed to the department of revenue. Any information obtained by the department of revenue under this paragraph is subject to the confidentiality provisions specified in s. 71.78.

SECTION 941. 48.975 (3) (a) 1. of the statutes is amended to read:

48.975 **(3)** (a) 1. Except as provided in subd. 3., for support of a child who was in foster care or subsidized guardianship care immediately prior to placement for adoption, the department shall determine the initial amount of adoption assistance for maintenance ~~shall be equivalent to~~ based on the circumstances of the adoptive family and the needs of the child. That amount may not exceed the amount of ~~that~~ the child's foster care or subsidized guardianship care payment at the time that the agreement under sub. (4) (a) is signed ~~or a lesser amount if agreed to by the proposed adoptive parents and specified in that agreement~~.

SECTION 942. 48.975 (3) (a) 2. of the statutes is amended to read:

48.975 **(3)** (a) 2. Except as provided in subd. 3., for support of a child not in foster care or subsidized guardianship care immediately prior to placement for adoption, the department shall determine the initial amount of adoption assistance for maintenance ~~shall be equivalent to~~ based on the circumstances of the adoptive family and the needs of the child. That amount may not exceed the uniform foster care rate applicable to the child that is in effect at the time that the agreement under sub. (4) (a) is signed ~~or a lesser amount if agreed to by the proposed adoptive parents and specified in that agreement~~.

SECTION 944. 48.977 (3r) of the statutes is amended to read:

48.977 **(3r)** SUBSIDIZED GUARDIANSHIP. Subsidized guardianship payments under s. 48.623 (1) may not be made to a guardian of a child unless a subsidized guardianship agreement under s. 48.623 (2) is entered into before the guardianship order is granted and the court either terminates any order specified in sub. (2) (a) or dismisses any proceeding in which the child has been adjudicated in need of protection or services as specified in sub. (2) (a). If a child's permanency plan calls for placement of the child in the home of a guardian and the provision of monthly subsidized guardianship payments to the guardian, the petitioner under sub. (4) (a) shall include in the petition under sub. (4) (b) a statement of the determinations made under s. 48.623 (1) and a request for the court to include in the court's findings under sub. (4) (d) a finding confirming those determinations. If the court confirms those determinations, appoints a guardian for the child under sub. (2), and either terminates any order specified in sub. (2) (a) or dismisses any proceeding in which the child is adjudicated to be in need of protection or services as specified in sub. (2) (a), the county department or, ~~in a county having a population of 750,000 or more,~~ as provided in s. 48.623 (3) (a), the department shall provide monthly subsidized guardianship payments to the guardian under s. 48.623 (1).

SECTION 945. 48.981 (3) (c) 5m. of the statutes is amended to read:

48.981 **(3)** (c) 5m. ~~If the~~ The county department or, in a county having a population of 500,000 or more, the department or a licensed child welfare agency under contract with the department ~~determines~~ may include in a determination under subd. 4. a determination that a specific person has abused or neglected a child~~,~~. If the county department, department, or licensed child welfare agency~~, within 15~~ makes an initial determination that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency shall provide that person with an opportunity for a review of that initial determination in accordance with rules promulgated by the department before the county department, department, or licensed child welfare agency may make a final determination that the person has abused or neglected a child. Within 5 days after the date of ~~the~~ a final determination~~,~~ that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency shall notify the person in writing of the determination, the person's right to ~~appeal~~ a contested case hearing on the determination under ch. 227, and the ~~procedure~~ procedures under sub. 5p. by which the person may ~~appeal the determination, and the person may appeal the determination in accordance with the procedures established by the department under this subdivision. The department shall promulgate rules establishing procedures for conducting an appeal under this subdivision. Those procedures shall include a procedure permitting an appeal~~ receive that hearing.

5p. A person who is the subject of a final determination under subd. 5m. that the person has abused or neglected a child has the right to a contested case hearing on that determination under ch. 227. To receive that hearing, the person must send to the department a written request for a hearing under s. 227.44 within 10 days after the date of the notice under subd. 5m. of the determination. The department shall commence the hearing within

90 days after receipt of the request for the hearing, unless the hearing is rescheduled on the request of the person requesting the hearing or the contested case proceeding is held in abeyance as provided in this subdivision, and shall issue a final decision within 60 days after the close of the hearing. Judicial review of the final administrative decision following the hearing may be had by any party to the contested case proceeding as provided in ch. 227. The person presiding over a contested case proceeding under this subdivision ~~to be held~~ may hold the hearing in abeyance pending the outcome of any criminal proceedings or any proceedings under s. 48.13 based on the alleged abuse or neglect or the outcome of any investigation that may lead to the filing of a criminal complaint or a petition under s. 48.13 based on the alleged abuse or neglect.

SECTION 945c. 48.981 (3) (c) 5r. of the statutes is amended to read:

48.981 **(3)** (c) 5r. ~~If~~ Within 15 days after a final determination is made under subd. 5m. that a specific person has abused or neglected a child or, if a contested case hearing is held on such a determination, within 15 days after a final decision is made under subd. 5p. determining that a specific person has abused or neglected a child, the county department or, in a county having a population of 500,000 or more, the department or a licensed child welfare agency under contract with the department ~~determines under subd. 4. that a specific person has abused or neglected a child, the county department, department, or licensed child welfare agency, within 15 days after the date of the determination,~~ shall provide the subunit of the department that administers s. 48.685 with information about the person who has been determined to have abused or neglected the child.

SECTION 945w. 48.981 (7) (a) 3. of the statutes is amended to read:

48.981 **(7)** (a) 3. ~~An attending physician~~ A health care provider, as defined in s. 146.81 (1) (a) to (p), for purposes of diagnosis and treatment.

SECTION 946. 48.982 (4) (b) (intro.) of the statutes is renumbered 48.982 (4) (b) and amended to read:

48.982 **(4)** (b) A grant may be awarded only to an organization that agrees to match ~~the grant~~ at least 25 percent of the amount received, through money or in–kind services~~, as follows:~~.

SECTION 947. 48.982 (4) (b) 1. of the statutes is repealed.

SECTION 948. 48.982 (4) (b) 2. of the statutes is repealed.

SECTION 951. 49.131 (2) of the statutes is amended to read:

49.131 **(2)** ~~If the necessary authorization under sub. (1) is granted, and except as provided in sub. (3)~~ Subject to receiving any necessary approval from the appropriate federal agency under sub. (1), and subject to sub. (3m), the department may implement a program to deliver by an electronic benefit transfer system any benefit that is administered by the department ~~and that the department designates by rule~~.

SECTION 952. 49.131 (3) of the statutes is repealed.

SECTION 952m. 49.131 (3m) of the statutes is created to read:

49.131 **(3m)** Prior to implementing, and receiving funding for implementing, any program to deliver by electronic means Wisconsin Works benefits or child care subsidies under s. 49.155, the department shall submit a plan for implementation to the joint committee on finance. Any plan submitted by the department shall include specific information on the vendor selected, the total start–up and ongoing costs, and how issues of fraud and program integrity will be addressed. If the department submits a plan and the cochairpersons of the committee do not notify the department within 14 working days after the date that the department submits the plan that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented and the department shall receive the necessary funding. If, within 14 working days after the date that the department submits a plan, the cochairpersons notify the department that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented, and funding received, only upon approval of the committee.

SECTION 953. 49.137 (4) (a) of the statutes is amended to read:

49.137 **(4)** (a) Developing and recommending to the department a system of higher ~~reimbursement~~ payment rates or a program of grants for child care providers that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

SECTION 954. 49.141 (1) (n) of the statutes is amended to read:

49.141 **(1)** (n) "Trial employment match program job" means a work component of Wisconsin ~~works~~ Works administered under s. 49.147 (3).

SECTION 955. 49.143 (2) (a) 2. of the statutes is amended to read:

49.143 **(2)** (a) 2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 956. 49.143 (2) (a) 3. of the statutes is amended to read:

49.143 **(2)** (a) 3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 957. 49.143 (2) (a) 4. of the statutes is amended to read:

49.143 **(2)** (a) 4. Create, and encourage others to create, on–the–job training sites for persons who are eli-

gible for trial employment match program jobs or community service jobs.

SECTION 958. 49.143 (2) (a) 5. of the statutes is amended to read:

49.143 **(2)** (a) 5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial employment match program jobs or community service jobs.

SECTION 959. 49.143 (2) (a) 6. of the statutes is amended to read:

49.143 **(2)** (a) 6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job–related guidance, including assistance in resolving job–related issues and the provision of job leads or references, to persons who are eligible for trial employment match program jobs or community service jobs.

SECTION 960. 49.143 (2) (ct) of the statutes is repealed.

SECTION 961. 49.143 (2r) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.143 **(2r)** JOB PROGRAMS. A Wisconsin Works agency shall collaborate with the local workforce development board to connect individuals seeking employment with employment opportunities, including the trial ~~job~~ employment match program under s. 49.147 (3).

SECTION 962. 49.147 (1) of the statutes is amended to read:

49.147 **(1)** DEFINITION. In this section, "unsubsidized employment" means employment, including self–employment and entrepreneurial activities, for which the ~~Wisconsin Works agency provides no wage subsidy to the~~ employer ~~including self–employment and entrepreneurial activities~~ receives no wage subsidy.

SECTION 963. 49.147 (1m) (b) of the statutes is amended to read:

49.147 **(1m)** (b) If the Wisconsin Works agency determines that the appropriate placement for an individual is in unsubsidized employment or a trial employment match program job and that the individual needs and wishes to pursue basic education, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation, the Wisconsin Works agency shall pay for the basic education services identified in the employability plan developed for the individual.

SECTION 964. 49.147 (2) (am) 2. of the statutes is amended to read:

49.147 **(2)** (am) 2. A Wisconsin Works agency shall, every 30 days, review the provision of case management services to an individual under this paragraph, if the individual is not successful in obtaining unsubsidized employment after legitimate efforts to secure employment, to determine whether the individual should be placed in a trial employment match program job, community service job, or transitional placement. The department shall promulgate rules that specify the criteria for the review process under this subdivision.

SECTION 965. 49.147 (3) (title) of the statutes is amended to read:

49.147 **(3)** (title) TRIAL ~~JOBS~~ EMPLOYMENT MATCH PROGRAM.

SECTION 966. 49.147 (3) (a) of the statutes is amended to read:

49.147 **(3)** (a) *Administration.* A Wisconsin Works agency shall administer a trial ~~job~~ employment match program as part of its administration of the Wisconsin Works program to improve the employability of individuals who ~~are not~~ otherwise are not able to obtain unsubsidized employment, as determined by the Wisconsin Works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin Works agency shall give priority to placement under this subsection over placements under subs. (4) and (5).

(ac) *Employer subsidies and reimbursements.* The Wisconsin Works agency shall pay ~~a wage subsidy~~ to an employer that employs a participant under this subsection ~~and that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy is terminated. The wage subsidy may not exceed $300 per month for full–time employment of a participant. For less than full–time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying $300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours that would be required for full–time employment in that month.~~ a wage subsidy in an amount that is negotiated between the Wisconsin Works agency and the employer but that is not less than the state or federal minimum wage that applies to the participant. The wage subsidy shall be paid for each hour that the participant actually works, up to a maximum of 40 hours per week. In addition to paying the wage subsidy, the Wisconsin Works agency may, as negotiated between the Wisconsin Works agency and the employer, reimburse the employer for all or a portion of other costs that are attributable to the employment of the participant, including any of the following:

SECTION 967. 49.147 (3) (ac) 1. of the statutes is created to read:

49.147 **(3)** (ac) 1. Federal social security and Medicare taxes.

SECTION 968. 49.147 (3) (ac) 2. of the statutes is created to read:

49.147 **(3)** (ac) 2. State and federal unemployment contributions or taxes.

SECTION 969. 49.147 (3) (ac) 3. of the statutes is created to read:

49.147 **(3)** (ac) 3. Worker's compensation insurance premiums.

SECTION 970. 49.147 (3) (am) of the statutes is amended to read:

49.147 **(3)** (am) *Education or training activities.* A trial employment match program job includes education and training activities, as prescribed by the employer as an integral part of work performed in ~~the~~ trial ~~job~~ employment match program employment.

SECTION 971. 49.147 (3) (c) of the statutes is amended to read:

49.147 **(3)** (c) *Time–limited participation.* A participant under this subsection may participate in a trial employment match program job for a maximum of ~~3~~ 6 months, with an opportunity for a 3–month extension under circumstances determined by the Wisconsin Works agency. A participant may participate in more than one trial employment match program job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension of the 24–month limit on a case–by–case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin Works agency and approved by the department.

SECTION 972. 49.147 (3) (d) of the statutes is created to read:

49.147 **(3)** (d) *Employer effort to retain, refer, or evaluate participant.* An employer that employs a participant under this subsection and receives a wage subsidy shall agree to make a good faith effort to retain the participant as a permanent unsubsidized employee after the wage subsidy ends, although nothing in this subsection requires an employer to retain a participant as a permanent unsubsidized employee after the wage subsidy ends. An employer shall also agree that, if the employer does not retain a participant as a permanent unsubsidized employee, the employer will serve as an employment reference for the participant or provide to the Wisconsin Works agency a written performance evaluation of the participant, including recommendations for improvements.

SECTION 973. 49.147 (3) (e) of the statutes is created to read:

49.147 **(3)** (e) *Noncustodial parents.* Notwithstanding s. 49.145 (1) and (2) (a), an individual who would be eligible for a job under this subsection except that the individual is a noncustodial parent of a dependent child is eligible for placement under this subsection, subject to s. 49.159 (1) (b) 2., if the individual is eligible for services and benefits under s. 49.159 (1) (a).

SECTION 974. 49.147 (3m) of the statutes is repealed.

SECTION 975. 49.147 (4) (a) of the statutes is amended to read:

49.147 **(4)** (a) *Administration.* A Wisconsin ~~works~~ Works agency shall administer a community service job program as part of its administration of Wisconsin ~~works~~ Works to improve the employability of an individual who is not otherwise able to obtain employment, as determined by the Wisconsin ~~works~~ Works agency, by providing work experience and training, if necessary, to assist the individual to move promptly into unsubsidized public or private employment or a trial employment match program job. In determining an appropriate placement for a participant, a Wisconsin ~~works~~ Works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual's participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin ~~works~~ Works agency shall reassess the individual's employability.

SECTION 976. 49.147 (4) (b) of the statutes is amended to read:

49.147 **(4)** (b) *Time–limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a 3–month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin Works agency may grant an extension to the 24–month limit on a case–by–case basis if the Wisconsin Works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin Works agency and approved by the department, and if the Wisconsin Works agency determines, and the department agrees, that no trial employment match program job opportunities are available in the specified local labor market.

SECTION 977. 49.147 (4m) of the statutes is repealed.

SECTION 978. 49.147 (5) (a) 3. of the statutes is amended to read:

49.147 **(5)** (a) 3. The Wisconsin ~~works~~ Works agency determines that the individual is incapable of performing a trial employment match program job or community service job.

SECTION 979. 49.147 (6) (b) 2. of the statutes is repealed.

SECTION 980. 49.147 (6) (c) of the statutes is amended to read:

49.147 **(6)** (c) ~~*Distribution*~~ *Funding and administration.* From the ~~appropriation~~ appropriations under s. 20.437 (2) (jL) and (md), the department shall ~~distribute~~ allocate funds for job access loans to ~~a~~ Wisconsin Works ~~agency~~ agencies, which shall administer the loans in accordance with rules promulgated by the department.

SECTION 981. 49.147 (6) (e) of the statutes is created to read:

49.147 **(6)** (e) *Noncustodial parents.* Notwithstanding s. 49.145 (1) and (2) (a), an individual who would be eligible for a job access loan under par. (a) except that the individual is a noncustodial parent of a dependent child is eligible to receive a job access loan under this subsection.

SECTION 982. 49.148 (1) (a) of the statutes is amended to read:

49.148 **(1)** (a) *Trial employment match program jobs.* For a participant in a trial employment match program job, the amount established in the contract between the Wisconsin ~~works~~ Works agency and the trial employment match program job employer, but not less than minimum wage for every hour actually worked in the trial employment match program job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and training activities under s. 49.147 (3) (am) shall be included in determining the number of hours actually worked.

SECTION 983. 49.148 (1) (b) 1. of the statutes is amended to read:

49.148 **(1)** (b) 1. Except as provided in subd. 1m., for a participant in a community service job under s. 49.147 (4), a monthly grant of $653~~, paid by the Wisconsin Works agency~~. For every hour that the participant misses work or education or training activities without good cause, the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse. If a participant in a community service job under s. 49.147 (4) is required to work fewer than 30 hours per week because the participant has unsubsidized employment, as defined in s. 49.147 (1), the grant amount under this paragraph shall equal the amount specified under subd. 1m. minus $5 for each hour that the participant misses work or education or training activities without good cause.

SECTION 984. 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

49.148 **(1)** (b) 1m. (intro.) Except as provided in subd. 1., the ~~Wisconsin works agency~~ department or an entity contracting with the department shall pay a participant in a community service job the following:

SECTION 985. 49.148 (1) (b) 3. of the statutes is amended to read:

49.148 **(1)** (b) 3. For a participant in a community service job who participates in technical college education under s. 49.147 (5m), a monthly grant of $653~~, paid by the Wisconsin Works agency~~. For every hour that the participant misses work or other required activities without good cause, the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 986. 49.148 (1) (c) of the statutes is amended to read:

49.148 **(1)** (c) *Transitional placements.* For a participant in a transitional placement under s. 49.147 (5) or in a transitional placement and in technical college education under s. 49.147 (5m), a monthly grant of $608~~, paid monthly by the Wisconsin Works agency~~. For every hour that the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to d., the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

SECTION 987. 49.148 (1) (d) of the statutes is repealed.

SECTION 988. 49.155 (1g) (c) of the statutes is amended to read:

49.155 **(1g)** (c) Child care licensing activities~~, in the amount of at least $8,767,000 per fiscal year~~.

SECTION 989. 49.155 (1m) (a) 3r. of the statutes is created to read:

49.155 **(1m)** (a) 3r. Participate in the Transform Milwaukee Jobs program under s. 49.163.

SECTION 990. 49.155 (3) (c) of the statutes is repealed.

SECTION 991. 49.155 (3m) (a) of the statutes is amended to read:

49.155 **(3m)** (a) The department shall issue benefits directly to individuals who are eligible for subsidies under this section or pay or reimburse child care providers ~~or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23~~, county departments or agencies, or tribal governing bodies for child care services ~~provided~~ under this section ~~and~~. The department may also contract with and provide grants to private nonprofit agencies that provide child care for children of migrant workers. The department may pay or reimburse a Wisconsin ~~works~~ Works agency for child care that the Wisconsin ~~works~~ Works agency provides to the children of Wisconsin ~~works~~ Works participants and applicants or that the Wisconsin Works agency arranges to meet immediate, short–term child care needs of participants prior to authorization of a subsidy under sub. (1m).

SECTION 992. 49.155 (3m) (c) of the statutes is repealed.

SECTION 993. 49.155 (4) (c) of the statutes is created to read:

49.155 **(4)** (c) 1. Notwithstanding par. (a) and subject to subd. 2., an eligible individual may receive a child care subsidy under this section for child care that is provided by an out–of–state provider of child care. Notwithstanding sub. (6), payments for child care services provided by an out–of–state provider under this subdivision shall be based on the maximum rate applicable in the county in which the eligible individual resides or on the out–of–state provider's actual rate, whichever is lower.

2. As a condition of payment under this section for child care services provided to a child of an individual who is eligible for a subsidy under this section, an out–of–state provider is subject to, and shall comply with, the provisions of this section, and rules promulgated under this section, that apply to a child care provider, as determined by the department.

SECTION 994. 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and amended to read:

49.155 **(5)** (a) An individual receiving a subsidy under this section is liable for the ~~percentage of~~ difference, if any, between the cost of the child care ~~specified by the department in a printed copayment schedule. An~~ provided by the child care provider or providers selected by the individual and the subsidy amount. The department shall specify minimum or estimated copayment amounts based on family size, income level, and other factors, a schedule of which will be available in electronic form on the department's Internet site and in paper form.

(b) An individual who is under the age of 20 and ~~is~~ attending high school or participating in a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency to high school graduation may not be determined liable for more than the minimum copayment amount for the type of child care received and the number of children receiving child care.

SECTION 995. 49.155 (6) (a) of the statutes is amended to read:

49.155 **(6)** (a) ~~Subject to review and approval by the~~ The department~~, each county~~ shall establish ~~the~~ maximum ~~reimbursement rate~~ payment rates for licensed child care services provided under this section. ~~A county~~ The department shall set the ~~rate~~ rates so that at least 75% of the number of places for children within the licensed capacity of all child care providers ~~in that county~~ can be purchased ~~at or below that maximum rate~~ by eligible individuals under this section.

SECTION 996. 49.155 (6) (b) of the statutes is amended to read:

49.155 **(6)** (b) ~~Subject to review and approval by the~~ The department~~, each county~~ shall set ~~a~~ maximum ~~reimbursement rate~~ payment rates for Level I certified family child care providers for services provided to eligible individuals under this section. The maximum ~~rate~~ rates set under this paragraph may not exceed 75% of the ~~rate~~ rates established under par. (a).

SECTION 997. 49.155 (6) (c) of the statutes is amended to read:

49.155 **(6)** (c) ~~Subject to review and approval by the~~ The department~~, each county~~ shall set ~~a~~ maximum ~~reimbursement rate~~ payment rates for Level II certified family child care providers for services provided to eligible individuals under this section. The maximum ~~rate~~ rates set under this paragraph may not exceed 50% of the ~~rate~~ rates established under par. (a).

SECTION 998. 49.155 (6) (cm) of the statutes is amended to read:

49.155 **(6)** (cm) The department shall modify child care provider ~~reimbursement~~ payment rates established under pars. (a) to (c) so that ~~reimbursement~~ payment rates are lower for providers of after–school child care.

SECTION 999. 49.155 (6) (d) of the statutes is amended to read:

49.155 **(6)** (d) The department may promulgate rules to establish a system of rates or a program of grants ~~that the department will pay to~~ for child care providers that meet the higher quality of care standards established by rules promulgated under sub. (1d) (b). If a system of rates is established under this paragraph, the rates under that system shall be higher than the rates established under pars. (a) to (c).

SECTION 1000. 49.155 (6) (e) 2. of the statutes is amended to read:

49.155 **(6)** (e) 2. Except as provided in subd. 3., the department may not increase the maximum ~~reimbursement~~ payment rates for child care providers before June 30, 2013.

SECTION 1001. 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

49.155 **(6)** (e) 3. (intro.) ~~Beginning on July 1, 2012, the~~ The department may modify a child care provider's ~~reimbursement~~ payment rate under subd. 2. on the basis of the provider's quality rating, as described in the quality rating plan, in the following manner:

SECTION 1002. 49.155 (6) (e) 3. a. of the statutes is amended to read:

49.155 **(6)** (e) 3. a. For a child care provider who receives a 1–star rating, the department shall deny ~~reimbursement~~ payment.

SECTION 1003. 49.155 (6) (e) 3. b. of the statutes is amended to read:

49.155 **(6)** (e) 3. b. For a child care provider who receives a 2–star rating, the department may reduce the maximum ~~reimbursement~~ payment rate by up to 5 percent.

SECTION 1004. 49.155 (6) (e) 3. c. of the statutes is amended to read:

49.155 **(6)** (e) 3. c. For a child care provider who receives a 3–star rating, the department may pay up to the maximum ~~reimbursement~~ payment rate.

SECTION 1005. 49.155 (6) (e) 3. d. of the statutes is amended to read:

49.155 **(6)** (e) 3. d. For a child care provider who receives a 4–star rating, the department may increase the maximum ~~reimbursement~~ payment rate by up to 5 percent.

SECTION 1006. 49.155 (6) (e) 3. d. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.155 **(6)** (e) 3. d. For a child care provider who receives a 4–star rating, the department may increase the maximum payment rate by up to ~~5~~ 10 percent.

SECTION 1007. 49.155 (6) (e) 3. e. of the statutes is amended to read:

49.155 **(6)** (e) 3. e. For a child care provider who receives a 5–star rating, ~~the department may increase the maximum reimbursement rate by up to 10 percent, except that beginning on January 1, 2013,~~ the department may increase the maximum ~~reimbursement~~ payment rate for such a child care provider by up to 25 percent.

SECTION 1008. 49.155 (6) (e) 5. of the statutes is amended to read:

49.155 **(6)** (e) 5. For purposes of modifying ~~reimbursement~~ payment rates under subd. 3., the department shall assign a child care provider that is accredited from the Council on Accreditation a 4–star rating or 5–star rating, whichever the department determines is appropriate.

SECTION 1009. 49.155 (6d) (a) 2. of the statutes is amended to read:

49.155 **(6d)** (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the copayment amount that an individual must pay toward the cost of child care received under this section.

SECTION 1010. 49.155 (6d) (a) 3. of the statutes is amended to read:

49.155 **(6d)** (a) 3. Notwithstanding sub. (6), adjust the amount of ~~reimbursement paid~~ payment to child care providers providing child care services under this section.

SECTION 1011. 49.155 (6g) (am) (intro.) of the statutes is amended to read:

49.155 **(6g)** (am) (intro.) If ~~reimbursement~~ payment to a child care provider is based on authorized hours of child care, the department shall do all of the following with respect to establishing and adjusting the number of authorized hours per child:

SECTION 1012. 49.155 (7) (title) of the statutes is amended to read:

49.155 **(7)** (title) REFUSAL ~~TO PAY~~ OF PAYMENT TO CHILD CARE PROVIDERS.

SECTION 1013. 49.155 (7) (a) 1. of the statutes is amended to read:

49.155 **(7)** (a) 1. If a child care provider is convicted of a serious crime, as defined in s. 48.685 (1) (c) 3m., or if a caregiver specified in s. 48.685 (1) (ag) 1. a. or a nonclient resident, as defined in s. 48.685 (1) (bm), of the child care provider is convicted or adjudicated delinquent for committing a serious crime on or after his or her 12th birthday, the department or the county department under s. 46.215, 46.22, or 46.23 shall refuse to ~~pay~~ allow payment to the child care provider for any child care provided under this section beginning on the date of the conviction or delinquency adjudication.

SECTION 1014. 49.155 (7) (b) (intro.) of the statutes is amended to read:

49.155 **(7)** (b) (intro.) The department or the county department under s. 46.215, 46.22, or 46.23 may refuse to ~~pay~~ allow payment to a child care provider for child care provided under this section if any of the following applies to the child care provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as defined in s. 48.685 (1) (bm), of the child care provider:

SECTION 1015. 49.159 (1) of the statutes is renumbered 49.159 (1) (a) (intro.) and amended to read:

49.159 **(1)** (a) (intro.) An individual who would be eligible under s. 49.145 except that the individual is the noncustodial parent of a dependent child~~,~~ is eligible for services and benefits under ~~this subsection if the dependent child's custodial parent is a participant and~~ par. (b) if the individual is subject to a child support order~~. The Wisconsin works agency may provide job search assistance and case management designed to enable eligible noncustodial parents to obtain and retain employment.~~ and any of the following applies to the custodial parent of the dependent child:

SECTION 1016. 49.159 (1) (a) 1. of the statutes is created to read:

49.159 **(1)** (a) 1. The custodial parent is receiving case management services under s. 49.147 (2) (am).

SECTION 1017. 49.159 (1) (a) 2. of the statutes is created to read:

49.159 **(1)** (a) 2. The custodial parent is participating in a Wisconsin Works employment position.

SECTION 1018. 49.159 (1) (a) 3. of the statutes is created to read:

49.159 **(1)** (a) 3. The custodial parent is receiving a grant under s. 49.148 (1m).

SECTION 1019. 49.159 (1) (a) 4. of the statutes is created to read:

49.159 **(1)** (a) 4. The custodial parent is receiving a subsidy for child care for the dependent child under s. 49.155.

SECTION 1020. 49.159 (1) (b) of the statutes is created to read:

49.159 **(1)** (b) A Wisconsin Works agency may provide to an individual who is eligible under par. (a) any of the following services or benefits:

1. Job search assistance and case management designed to enable the individual to obtain and retain employment.

2. Placement in one job under s. 49.147 (3).

3. A stipend in an amount determined by the Wisconsin Works agency for not more than 4 months. A stipend under this subdivision terminates if the individual is placed in a job under s. 49.147 (3) or obtains unsubsidized employment, as defined in s. 49.147 (1).

SECTION 1021. 49.161 (1) (title) of the statutes is amended to read:

49.161 **(1)** (title) TRIAL EMPLOYMENT MATCH PROGRAM JOBS OVERPAYMENTS.

SECTION 1022. 49.163 of the statutes is created to read:

49.163 Transform Milwaukee Jobs program. (1) DEFINITIONS. In this section:

(a) "Wisconsin Works" has the meaning given in s. 49.141 (1) (p).

(b) "Wisconsin Works employment position" has the meaning given in s. 49.141 (1) (r).

(2) ELIGIBILITY FOR PROGRAM. (a) The department shall establish a Transform Milwaukee Jobs program in Milwaukee County. To be eligible to participate in the program, an individual must satisfy all of the following criteria:

1. Be at least 18 years of age.

2. If over 24 years of age, be a biological or adoptive parent of a child under 18 years of age whose parental rights to the child have not been terminated or be a relative and primary caregiver of a child under 18 years of age.

3. Have an annual household income that is below 150 percent of the poverty line.

4. Be unemployed for at least 4 weeks.

5. Be ineligible to receive unemployment insurance benefits.

6. Not be participating in a Wisconsin Works employment position.

(b) For purposes of par. (a) 3., the household income of an individual transitioning from foster care to independent living shall be based on the individual's own income over a period determined by the department and shall not include the household income of the individual's foster parents.

(c) The department may establish additional eligibility criteria consistent with its mission and the funding available.

(3) PROGRAM DESCRIPTION. (a) The program under this section shall include all of the following features and requirements:

1. An individual may participate in the program for a maximum of 1,040 hours actually worked.

2. The department shall determine and specify in a contract whether a contractor under sub. (4) or an employer is the individual's employer of record. The employer of record shall pay the individual for hours actually worked at not less than the federal or state minimum wage that applies to the individual.

3. The department may reimburse an employer, or a contractor under sub. (4), that employs an individual participating in the program for a minimum of 20 hours per week at a location in this state for any of the following costs that are attributable to the employment of the individual under the program:

a. A wage subsidy equal to the amount of wages that the employer or contractor pays to the individual for hours actually worked, not to exceed 40 hours per week at the federal or state minimum wage that applies to the individual.

b. Federal social security and Medicare taxes.

c. State and federal unemployment contributions or taxes, if any.

d. Worker's compensation insurance premiums, if any.

4. An employer, or, subject to the approval of the department, a contractor under sub. (4), that employs an individual participating in the program may pay the individual an amount that exceeds any wage subsidy paid to the employer or contractor by the department under subd. 3. a.

5. The employment of an individual under this section may not do any of the following:

a. Have the effect of filling a vacancy created by an employer terminating a regular employee or otherwise reducing its work force for the purpose of hiring an individual under this section.

b. Fill a position when any other person is on layoff or strike from the same or a substantially equivalent job within the same organizational unit.

c. Fill a position when any other person is engaged in a labor dispute regarding the same or a substantially equivalent job within the same organizational unit.

(b) The department may set priorities for the program consistent with its mission and available funding.

(4) CONTRACT FOR ADMINISTRATION. The department may contract with any person to administer the program under this section, including a Wisconsin Works agency; county department under s. 46.215, 46.22, or 46.23; local workforce development board established under 29 USC 2832; or community action agency under s. 49.265. The department, or the agency or agencies with which the department contracts under this subsection, shall do all of the following:

(a) Determine the eligibility of applicants for the program.

(b) Provide, or identify employers to provide, jobs for individuals transitioning to unsubsidized employment from unemployment, underemployment, limited work history, foster care, or other circumstances identified by the department.

(c) Conduct job orientation activities.

(d) Provide employment services, as specified by the department, for program participants.

(e) Maintain and update participant demographic, eligibility, and employment records in the manner required by the department.

(5) RECOVERY OF OVERPAYMENTS. (a) The department may recover from any individual participating, or who has participated, in the program under this section any overpayment resulting from a misrepresentation by the individual as to any criterion for eligibility under sub. (2) (a).

(b) The department shall recover from a contractor under sub. (4) any overpayment resulting from the failure of the contractor to comply with the terms of the contract or to meet performance standards established by the department.

(6) RULES NOT REQUIRED. Notwithstanding s. 227.10 (1), the department need not promulgate regulations, standards, or policies related to implementing or administering the program under this section as rules under ch. 227.

SECTION 1023. 49.165 (1) (d) (intro.) of the statutes is amended to read:

49.165 **(1)** (d) (intro.) "Organization" means a nonprofit corporation~~,~~ or a public agency ~~or a federally recognized American Indian tribe or band~~ that provides or proposes to provide any of the following domestic abuse services:

SECTION 1024. 49.173 of the statutes is repealed.

SECTION 1025. 49.175 (1) (a) of the statutes is amended to read:

49.175 **(1)** (a) *Wisconsin Works benefits.* For Wisconsin Works benefits, ~~$74,650,100~~ $82,014,000 in fiscal year ~~2011–12~~ 2013–14 and ~~$72,131,500~~ $72,696,000 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1026. 49.175 (1) (b) of the statutes is amended to read:

49.175 **(1)** (b) *Wisconsin Works ~~administration~~ agency contracts; job access loans.* For ~~administration of Wisconsin Works performed under~~ contracts with Wisconsin Works agencies under s. 49.143~~, $10,107,200~~ and for job access loans under s. 49.147 (6), $57,586,500 in fiscal year ~~2011–12~~ 2013–14 and ~~$10,107,200~~ $58,336,500 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1027. 49.175 (1) (f) of the statutes is repealed.

SECTION 1028. 49.175 (1) (g) of the statutes is amended to read:

49.175 **(1)** (g) *State administration of public assistance programs and overpayment collections.* For state administration of public assistance programs and the collection of public assistance overpayments, ~~$12,918,900~~ $12,697,100 in fiscal year 2013–14 and $12,812,700 in ~~each~~ fiscal year 2014–15.

SECTION 1029. 49.175 (1) (i) of the statutes is amended to read:

49.175 **(1)** (i) *Emergency assistance.* For emergency assistance under s. 49.138 and for transfer to the department of administration for low–income energy or weatherization assistance programs, ~~$6,200,000 in fiscal year 2011–12 and $6,000,000~~ $7,500,000 in each fiscal year ~~2012–13~~.

SECTION 1030. 49.175 (1) (k) of the statutes is created to read:

49.175 **(1)** (k) *Transform Milwaukee Jobs program.* For contract costs under the Transform Milwaukee Jobs program under s. 49.163, $3,750,000 in fiscal year 2013–14 and $5,000,000 in fiscal year 2014–15.

SECTION 1031. 49.175 (1) (L) of the statutes is repealed.

SECTION 1032. 49.175 (1) (p) of the statutes is amended to read:

49.175 **(1)** (p) *Direct child care services.* For direct child care services under s. 49.155, ~~$301,631,000~~ $271,400,200 in fiscal year ~~2011–12~~ 2013–14 and ~~$298,523,500~~ $274,734,000 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1033. 49.175 (1) (q) of the statutes is amended to read:

49.175 **(1)** (q) *Child care state administration and ~~child care~~ licensing activities.* For state administration of child care programs under s. 49.155 and ~~the allocation under s. 49.155 (1g) (e)~~ for child care licensing activities, ~~$19,702,100~~ $29,719,000 in fiscal year ~~2011–12~~ 2013–14 and ~~$19,783,800~~ $31,799,500 in fiscal year ~~2012–13~~ 2014–15.

SECTION 1034. 49.175 (1) (qm) of the statutes is amended to read:

49.175 **(1)** (qm) *Quality care for quality kids.* For the child care quality improvement activities specified in s. 49.155 (1g), ~~$13,486,700 in fiscal year 2011–12 and $13,169,400~~ $13,095,800 in each fiscal year ~~2012–13~~.

SECTION 1035. 49.175 (1) (r) of the statutes is amended to read:

49.175 **(1)** (r) *Children of recipients of supplemental security income.* For payments made under s. 49.775 for the support of the dependent children of recipients of supplemental security income, ~~$31,232,200~~ $33,688,000 in each fiscal year.

SECTION 1036. 49.175 (1) (s) of the statutes is amended to read:

49.175 **(1)** (s) *Kinship care~~,~~ and long–term kinship care~~, and foster care~~ assistance.* For kinship care and long–term kinship care payments under s. 48.57 (3m) (am) and (3n) (am), for assessments to determine eligibility for those payments, and for agreements under s. 48.57 (3t) with the governing bodies of Indian tribes for the administration of the kinship care and long–term kinship care programs ~~under s. 48.57 (3m), (3n), and (3p) and for foster care for relatives under s. 48.62, $21,375,800~~ within the boundaries of the reservations of those tribes,

$20,335,200 in ~~each~~ fiscal year 2013–14 and $20,774,400 in fiscal year 2014–15.

SECTION 1037. 49.175 (1) (t) of the statutes is amended to read:

49.175 **(1)** (t) *Safety and out–of–home placement services.* For services provided ~~in counties having a population of 500,000 or more~~ to ensure the safety of children who the department or a county determines may remain at home if appropriate services are provided, and for ~~ongoing~~ services provided ~~in those counties~~ to families with children placed in out–of–home care, ~~$6,350,300~~ $7,711,100 in each fiscal year.

SECTION 1038. 49.175 (1) (v) of the statutes is repealed.

SECTION 1038m. 49.175 (1) (w) of the statutes is created to read:

49.175 **(1)** (w) *Wisconsin Community Services.* For a grant to Wisconsin Community Services for the community building workshop facilitator training to provide services that are targeted to individuals in the city of Milwaukee who are eligible for funds under the federal Temporary Assistance for Needy Families block grant program under 42 USC 601 et seq., $400,000 in each fiscal year.

SECTION 1039. 49.175 (1) (z) of the statutes is amended to read:

49.175 **(1)** (z) *Grants to the Boys and Girls Clubs of America.* For grants to the Wisconsin Chapter of the Boys and Girls Clubs of America to fund programs that improve social, academic, and employment skills of youth who are eligible to receive temporary assistance for needy families under 42 USC 601 et seq., ~~$350,000~~ focusing on study habits, intensive tutoring in math and English, and exposure to career options and role models, $1,250,000 in fiscal year 2013–14 and $1,100,000 in ~~each~~ fiscal year 2014–15. Grants provided under this paragraph may not be used by the grant recipient to replace funding for programs that are being funded, when the grant proceeds are received, with moneys other than those from the appropriations specified in sub. (1) (intro.). The total amount of the grants for fiscal year 2013–14 includes $25,000 for the greater Wisconsin Rapids Area Boys and Girls Club to fund the Cranberry Science, Technology, Engineering, and Mathematics program and, if the program provides $125,000 in matching funds, $125,000 for the Green Bay Boys and Girls Clubs for the BE GREAT: Graduate program, to be used only for activities for which federal Temporary Assistance for Needy Families block grant moneys may be used.

SECTION 1040. 49.175 (1) (zh) of the statutes is amended to read:

49.175 **(1)** (zh) *Earned income tax credit supplement.* For the transfer of moneys from the appropriation account under s. 20.437 (2) (md) to the appropriation account under s. 20.835 (2) (kf) for the earned income tax credit, ~~$43,664,200~~ $62,500,000 in each fiscal year.

SECTION 1040g. 49.19 (5) (d) of the statutes is repealed.

SECTION 1041. 49.26 (1) (g) (intro.) of the statutes is amended to read:

49.26 **(1)** (g) (intro.) An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 1042. 49.26 (1) (h) 1s. b. of the statutes is amended to read:

49.26 **(1)** (h) 1s. b. An individual who is a dependent child in a Wisconsin Works group that includes a participant under s. 49.147 (3), ~~(3m),~~ (4), or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a monthly sanction.

SECTION 1043. 49.36 (2) of the statutes is amended to read:

49.36 **(2)** The department may contract with any county, tribal governing body, or Wisconsin Works agency to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193, 1997 stats., or s. 49.147 (3), ~~(3m),~~ or (4). The program may also include job search and job orientation activities. The department shall fund the program from the appropriations under s. 20.437 (2) (dz) and (k).

SECTION 1043p. 49.45 (2) (a) 2m. of the statutes is created to read:

49.45 **(2)** (a) 2m. Beginning on January 1, 2014, employ at least one full–time equivalent, certified medical coder to improve payment accuracy for all services provided under the Medical Assistance program.

SECTION 1043s. 49.45 (2m) (f) 3. of the statutes is amended to read:

49.45 **(2m)** (f) 3. An updated projection of the total Medical Assistance program benefit expenditures during the fiscal biennium and an analysis of how these projected expenditures compare to the funding provided in the ~~2011–13~~ most recent biennial budget act.

SECTION 1043t. 49.45 (2n) of the statutes is created to read:

49.45 **(2n)** REPORT ON MEDICAL ASSISTANCE PROGRAM CHANGES AND FINANCES. (a) In this subsection, "Medical Assistance program" includes any program operated under this subchapter, demonstration program operated under 42 USC 1315, and program operated under a waiver of federal law relating to medical assist-

ance that is granted by the federal department of health and human services.

(b) Before January 1, 2015, and every 90 days thereafter, the department shall submit to the joint committee on finance a report that contains all of the following information:

1. An updated description of any Medical Assistance program changes implemented by the department, including any amendments to the Medical Assistance state plan.

2. An updated estimate of the projected savings associated with any changes described under subd. 1.

3. An updated projection of the total Medical Assistance program benefit expenditures during the fiscal biennium and an analysis of how these projected expenditures compare to the funding provided in the most recent biennial budget act.

SECTION 1044. 49.45 (4m) (a) 3. of the statutes is renumbered 49.45 (4m) (a) 3. (intro.) and amended to read:

49.45 **(4m)** (a) 3. (intro.) "Financial institution" ~~has the meaning given in 12 USC 3401 (1).~~ means any of the following:

SECTION 1045. 49.45 (4m) (a) 3. a. to f. of the statutes are created to read:

49.45 **(4m)** (a) 3. a. A depository institution, as defined in 12 USC 1813 (c).

b. An institution–affiliated party, as defined in 12 USC 1813 (u), of a depository institution under subd. 3. a.

c. A federal credit union, as defined in 12 USC 1752, or state credit union, as defined in 12 USC 1752.

d. An institution–affiliated party, as defined in 12 USC 1786 (r), of a credit union under subd. 3. c.

e. A benefit association, insurance company, safe deposit company, money market mutual fund, or similar entity authorized to do business in this state.

f. A broker–dealer, as defined in s. 551.102 (4).

SECTION 1045c. 49.45 (6m) (ar) 1. a. of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

49.45 **(6m)** (ar) 1. a. The department shall establish standards for payment of allowable direct care costs under par. (am) 1. bm., for facilities that do not primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state and separate standards for payment of allowable direct care costs, for facilities that primarily serve the developmentally disabled, that take into account direct care costs for a sample of all of those facilities in this state. The standards shall be adjusted by the department for regional labor cost variations. The department shall treat as a single labor region the counties of Dane, Dodge, Iowa, Columbia, Richland, Sauk, and Rock and shall adjust payment so that the direct care cost targets of facilities in Dane, Iowa, Columbia, and Sauk counties are not reduced as a result of including facilities in Dodge, Richland, and Rock Counties in this labor region. For facilities in Douglas, Dunn, Pierce, and St. Croix counties, the department shall perform the adjustment by use of the wage index that is used by the federal department of health and human services for hospital reimbursement under 42 USC 1395 to 1395ggg.

SECTION 1046. 49.45 (23) (a) of the statutes is amended to read:

49.45 **(23)** (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage ~~for basic primary and preventive care~~ to adults who are under the age of 65, who have family incomes not to exceed ~~200~~ 100 percent of the poverty line before application of the 5 percent income disregard under 42 CFR 435.603 (d) and except as provided in s. 49.471 (4m), and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq. If the department creates a policy under sub. (2m) (c) 10., this paragraph does not apply to the extent that it conflicts with the policy.

SECTION 1047. 49.45 (23) (a) of the statutes, as affected by 2011 Wisconsin Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

49.45 **(23)** (a) The department shall request a waiver from the secretary of the federal department of health and human services to permit the department to conduct a demonstration project to provide health care coverage to adults who are under the age of 65, who have family incomes not to exceed 100 percent of the poverty line before application of the 5 percent income disregard under 42 CFR 435.603 (d) and except as provided in s. 49.471 (4m), and who are not otherwise eligible for medical assistance under this subchapter, the Badger Care health care program under s. 49.665, or Medicare under 42 USC 1395 et seq.

SECTION 1048. 49.45 (23) (b) of the statutes is amended to read:

49.45 **(23)** (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost–sharing requirements. Unless otherwise provided by the department by a policy created under sub. (2m) (c), cost sharing may include an annual enrollment fee, which may not exceed $75 per year. Notwithstanding s. 227.24 (3), the plan details under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin ~~on January 1, 2009, or~~ on the effective date of the waiver~~, whichever is later~~.

SECTION 1049. 49.45 (23) (b) of the statutes, as affected by 2011 Wisconsin Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

49.45 **(23)** (b) If the waiver is granted and in effect, the department may promulgate rules defining the health care benefit plan, including more specific eligibility requirements and cost–sharing requirements. Cost sharing may include an annual enrollment fee, which may not exceed $75 per year. Notwithstanding s. 227.24 (3), the plan details under this subsection may be promulgated as an emergency rule under s. 227.24 without a finding of emergency. If the waiver is granted and in effect, the demonstration project under this subsection shall begin on the effective date of the waiver.

SECTION 1050. 49.45 (23) (c) of the statutes is created to read:

49.45 **(23)** (c) In addition to cost–sharing requirements established under par. (b), a childless adult who is eligible to receive benefits under this section; who is not disabled, pregnant, or American Indian, as Indian is defined in 42 CFR part 447, subpart A; and whose family income exceeds 133 percent of the poverty line shall pay a premium for coverage under the program under this subsection in an amount determined by the department that is based on a formula in which costs decrease for those with lower family incomes and that is no less than 3 percent of family income but no greater than 9.5 percent of family income.

SECTION 1051. 49.45 (23) (d) of the statutes is created to read:

49.45 **(23)** (d) In determining income for purposes of eligibility under this subsection, the department shall apply s. 49.471 (7) (d) to the individual to the extent the federal department of health and human services approves, if approval is required.

SECTION 1052. 49.45 (23) (e) of the statutes is created to read:

49.45 **(23)** (e) The department shall apply the definition of family income under s. 49.471 (1) (f) and the regulations defining household under 42 CFR 435.603 (f) to determinations of income for purposes of eligibility under this subsection.

SECTION 1053. 49.45 (23) (f) of the statutes is created to read:

49.45 **(23)** (f) The department may provide services to individuals who are eligible under this subsection through a medical home initiative under sub. (24j).

SECTION 1054. 49.45 (24j) of the statutes is created to read:

49.45 **(24j)** MEDICAL HOME PILOT PROJECTS. (a) The department may administer the medical home initiative as a service delivery mechanism to provide and coordinate care for individuals who are eligible for a Medical Assistance program under this subchapter that provides services under a fee–for–service model. The department may administer a medical home initiative to serve individuals who are members of any of the following populations:

1. Children who are in out–of–home care or are receiving adoption assistance under 42 USC 670 to 679c.
2. Pregnant women.
3. Individuals who are exiting mental health facilities or correctional facilities.
4. Individuals with a diagnosis of serious mental illness or substance abuse disorder.
5. Adults with two or more chronic medical conditions.
6. Other groups of individuals with conditions that the department determines would benefit from services through a medical home.

(b) The department shall provide to individuals through any medical home initiative administered under this subsection the benefits described under s. 49.46 (2) (a) and (b). The department may provide to individuals though any medical home initiative administered under this subsection benefits in addition to the standard plan benefits that are targeted to the population receiving services through the medical home.

(c) The department may elect to administer any medical home initiative under this subsection in a limited geographical area.

(d) The department may make an all–inclusive payment to the provider offering services through a medical home.

(e) If the federal department of health and human services approves the department's request to administer a medical home initiative, the department shall automatically enroll an individual who is eligible for a medical home initiative under this subsection in the medical home initiative. At any time after the first 6 months of enrollment in the medical home initiative, the individual who is enrolled in the medical home initiative may opt out of participation in the medical home initiative.

SECTION 1054j. 49.45 (25g) (c) of the statutes is amended to read:

49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (b), and shall provide for payment of a monthly per–patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per–patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per–patient care coordination fee that are no sooner than January 1, 2011. ~~The increases in reimbursement rates and monthly per–patient care coordination fees that are not provided by the federal government shall be paid from the appropriation under. s. 20.435 (1) (am).~~ If the department creates a policy under sub.

(2m) (c) 4., this paragraph does not apply to the extent it conflicts with the policy.

SECTION 1054k. 49.45 (25g) (c) of the statutes, as affected by 2011 Wisconsin Act 32 and 2013 Wisconsin Act .... (this act), is repealed and recreated to read:

49.45 **(25g)** (c) The department's proposal under par. (b) shall specify increases in reimbursement rates for providers that satisfy the conditions under par. (b), and shall provide for payment of a monthly per–patient care coordination fee to those providers. The department shall set the increases in reimbursement rates and the monthly per–patient care coordination fee so that together they provide sufficient incentive for providers to satisfy a condition under par. (b) 1. or 2. The proposal shall specify effective dates for the increases in reimbursement rates and the monthly per–patient care coordination fee that are no sooner than January 1, 2011.

SECTION 1056. 49.45 (30e) (d) of the statutes is created to read:

49.45 **(30e)** (d) *Provision of services on regional basis.* Notwithstanding par. (c) and subject to par. (e), in counties that elect to deliver the services under s. 49.46 (2) (b) 6. Lm. through the Medical Assistance program on a regional basis according to criteria established by the department, the department shall reimburse a provider of the services for the amount of the allowable charges for those services under the Medical Assistance program that is provided by the federal government and for the amount of the allowable charges that is not provided by the federal government.

SECTION 1056b. 49.45 (30e) (e) of the statutes is created to read:

49.45 **(30e)** (e) *Report; release of funds.* 1. Prior to implementing, and receiving funding for implementing, the regional basis provision of services under par. (d), the department shall submit to the joint committee on finance, no later than March 1, 2014, a request for the release of funds and a report on its proposal for implementation that includes all of the following:

a. A description of the criteria that the department will apply in its regionalization model.

b. A description of how the regions will be established and the degree of county participation in that process.

c. An updated list of the counties that have indicated, by the date of the report, that they will offer the services under s. 49.46 (2) (b) 6. Lm. through the Medical Assistance program on a regional basis according to the criteria established by the department.

d. An evaluation of the estimated long–term costs of the proposed regional model.

2. If the cochairpersons of the committee do not notify the department within 14 working days after the date that the department submits the report and the funding request that the committee has scheduled a meeting for the purpose of reviewing the proposal for implementation and the funding request, the funding shall be released and the department may implement its proposal for the regional basis provision of services on July 1, 2014. If, within 14 working days after the date that the department submits the report and the funding request, the cochairpersons notify the department that the committee has scheduled a meeting for the purpose of reviewing the proposal for implementation and the funding request, the funding shall be released, and the department may implement its proposal for the regional basis provision of services, only upon approval of the committee.

SECTION 1057. 49.45 (30g) (a) 1. of the statutes is amended to read:

49.45 **(30g)** (a) 1. An approved amendment to the state medical assistance plan ~~submitted under 42 USC 1396n (i)~~ permits reimbursement for the services under s. 49.46 (2) (b) 6. Lo. in the manner provided under this subsection.

SECTION 1058. 49.45 (30g) (a) 3. of the statutes is amended to read:

49.45 **(30g)** (a) 3. The individual, the community recovery services, and the community recovery services provider meet any condition set forth in the approved amendment to the medical assistance plan ~~submitted under 42 USC 1396n (i)~~.

SECTION 1058k. 49.45 (59) (b) of the statutes is amended to read:

49.45 **(59)** (b) Health maintenance organizations shall pay all of the moneys they receive under par. (a) to eligible hospitals, as defined in s. 50.38 (1), within 15 days after receiving the moneys. The department shall specify in contracts with health maintenance organizations to provide medical assistance a method that health maintenance organizations shall use to allocate the amounts received under par. (a) among eligible hospitals based on the number of discharges from inpatient stays and the number of outpatient visits for which the health maintenance organization paid such a hospital in the previous month for enrollees who are recipients of medical assistance~~, except enrollees who receive medical assistance under s. 49.45 (23)~~. Payments under this paragraph shall be in addition to any amount that a health maintenance organization is required by agreement between the health maintenance organization and a hospital to pay the hospital for providing services to the health maintenance organization's enrollees.

SECTION 1059. 49.453 (2) (a) (intro.) of the statutes is amended to read:

49.453 **(2)** (a) *Institutionalized individuals.* (intro.) Except as provided in sub. (8), if an institutionalized individual or his or her spouse, or another person acting on behalf of the institutionalized individual or his or her spouse, transfers assets; regardless of whether those assets, if retained, are excluded under 42 USC 1396p; for less than fair market value on or after the institutionalized individual's look–back date, the institutionalized indi-

vidual is ineligible for medical assistance for the following services for the period specified under sub. (3):

SECTION 1060. 49.453 (2) (b) (intro.) of the statutes is amended to read:

49.453 **(2)** (b) *Noninstitutionalized individuals.* (intro.) Except as provided in sub. (8), if a noninstitutionalized individual or his or her spouse, or another person acting on behalf of the noninstitutionalized individual or his or her spouse, transfers assets; regardless of whether those assets, if retained, are excluded under 42 USC 1396p; for less than fair market value on or after the noninstitutionalized individual's look–back date, the noninstitutionalized individual is ineligible for medical assistance for the following services for the period specified under sub. (3):

SECTION 1061. 49.453 (3) (a) (intro.) of the statutes is amended to read:

49.453 **(3)** (a) (intro.) The period of ineligibility under this subsection begins on either of the following for an applicant for Medical Assistance:

SECTION 1062. 49.453 (3) (ag) of the statutes is created to read:

49.453 **(3)** (ag) The period of ineligibility under this subsection for a transfer of assets made at the time the individual is receiving long–term care services through Medical Assistance begins on the first day of the month following the month in which the individual receives advance notice of the period of ineligibility.

SECTION 1063. 49.453 (4c) (c) of the statutes is created to read:

49.453 **(4c)** (c) A promissory note in which the debtor is a presumptive heir of the lender or in which neither the lender nor debtor has any incentive to enforce repayment is considered cancelled upon the death of the lender for purposes of this section.

SECTION 1064. 49.453 (8) (a) 1. of the statutes is amended to read:

49.453 **(8)** (a) 1. The assets are exempt under 42 USC 1396p (c) (2) (A), (B), or (C). To make a satisfactory showing to the state under 42 USC 1396p (c) (2) (C) and adjust the ineligibility period under sub. (3), the individual shall demonstrate that all of the assets transferred for less than fair market value, or cash equal to the value of the assets transferred for less than fair market, have been returned to him or her.

SECTION 1065. 49.455 (5) (title) of the statutes is amended to read:

49.455 **(5)** (title) RULES FOR TREATMENT OF RESOURCES; INELIGIBILITY.

SECTION 1066. 49.455 (5) (d) of the statutes is amended to read:

49.455 **(5)** (d) During a continuous period of institutionalization, after an institutionalized spouse is determined to be eligible for medical assistance, no resources of the community spouse are considered to be available to the institutionalized spouse, except that a transfer of those resources or other assets by the community spouse within the first 5 years of eligibility of the institutionalized spouse may result in a period of ineligibility under s. 49.453 (2) and (3) for the institutionalized spouse.

SECTION 1067. 49.455 (5) (e) of the statutes is created to read:

49.455 **(5)** (e) The department may deny to the institutionalized spouse eligibility for Medical Assistance if, when requested by the department, the institutionalized spouse and the community spouse do not provide the total value of their assets and information on income and resources to the extent required under federal Medicaid law or sign the application for Medical Assistance.

SECTION 1068. 49.455 (8) (d) of the statutes is renumbered 49.455 (8) (d) 1. and amended to read:

49.455 **(8)** (d) 1. If either spouse establishes at a fair hearing that the community spouse resource allowance determined under sub. (6) (b) 1. to 2. or 4. without a fair hearing does not generate enough income to raise the community spouse's income to the minimum monthly maintenance needs allowance under sub. (4) (c), the department shall establish, under subd. 2., an amount to be used under sub. (6) (b) 3. that results in a community spouse resource allowance that generates enough income to raise the community spouse's income to the minimum monthly maintenance needs allowance under sub. (4) (c).

3. Except in exceptional cases which would result in financial duress for the community spouse, the department may not establish an amount to be used under sub. (6) (b) 3. unless the institutionalized spouse makes available to the community spouse the maximum monthly income allowance permitted under sub. (4) (b) or, if the institutionalized spouse does not have sufficient income to make available to the community spouse the maximum monthly income allowance permitted under sub. (4) (b), unless the institutionalized spouse makes all of his or her income, except for an amount equal to the sum of the personal needs allowance under sub. (4) (a) 1. and any family allowances under sub. (4) (a) 3. paid by the institutionalized spouse and the amount incurred as expenses for medical or remedial care for the institutionalized spouse under sub. (4) (a) 4., available to the community spouse as a community spouse monthly income allowance under sub. (4) (b).

SECTION 1069. 49.455 (8) (d) 2. of the statutes is created to read:

49.455 **(8)** (d) 2. The department shall base the amount to be used under sub. (6) (b) 3. on the cost of a single premium lifetime annuity that pays monthly amounts that, combined with other available income, raises the community spouse's income to the minimum monthly maintenance needs allowance. Any resource, regardless of whether the resource generates income, may be transferred in an amount that, combined with the community spouse resource allowance calculated before the fair hearing, provides the community spouse with

sufficient funds to purchase the annuity. The community spouse is not required to purchase an annuity to obtain this amount.

SECTION 1070. 49.46 (1) (a) 15. of the statutes is amended to read:

49.46 **(1)** (a) 15. Any individual who is infected with tuberculosis and meets the income and resource eligibility requirements for the federal Supplemental Security Income program under 42 USC 1381 to 1383d. For purposes of this subdivision, "income" has the meaning given for "family income" in s. 49.471 (1) (f).

SECTION 1072. 49.46 (1) (c) (intro.) of the statutes is amended to read:

49.46 **(1)** (c) (intro.) Except as provided under par. (co) or (cr), a family that becomes ineligible for aid to families with dependent children under s. 49.19 because of increased income from employment or increased hours of employment or because of the expiration of the time during which the disregards under s. 49.19 (5) (a) 4. or 4m. or (am) apply shall receive medical assistance for:

SECTION 1072b. 49.46 (1) (c) (intro.) and 1. (intro.) of the statutes, as affected by 2013 Wisconsin Act .... (this act), are consolidated, renumbered 49.46 (1) (c) (intro.) and amended to read:

49.46 **(1)** (c) (intro.) Except as provided under par. ~~(co) or~~ (cr), a family that becomes ineligible for aid to families with dependent children under s. 49.19 because of increased income from employment or increased hours of employment ~~or because of the expiration of the time during which the disregards under s. 49.19 (5) (a) 4. or 4m. or (am) apply~~ shall receive medical assistance for~~:~~ ~~1. Six~~ 4 calendar months, or, if required under federal law, up to 12 months, following the month in which ~~the family~~ a parent, caretaker, or dependent child of the family becomes ineligible for aid to families with dependent children if all of the following apply:

SECTION 1072d. 49.46 (1) (c) 1. a. and b. of the statutes are renumbered 49.46 (1) (c) 1g. and 1r.

SECTION 1072f. 49.46 (1) (c) 1. c. and 2. of the statutes are repealed.

SECTION 1073. 49.46 (1) (cg) of the statutes is amended to read:

49.46 **(1)** (cg) ~~Medical~~ Except as provided under par. (cr), medical assistance shall be provided to a dependent child, a relative with whom the child is living or the spouse of the relative, if the spouse meets the requirements of s. 49.19 (1) (c) 2. a. or b., for 4 calendar months beginning with the month in which the child, relative or spouse is ineligible for aid to families with dependent children because of the collection or increased collection of maintenance or support, if the child, relative or spouse received aid to families with dependent children in 3 or more of the 6 months immediately preceding the month in which that ineligibility begins.

SECTION 1073y. 49.46 (1) (co) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is repealed.

SECTION 1074. 49.46 (1) (co) 1. of the statutes is amended to read:

49.46 **(1)** (co) 1. Except as provided under subd. 2. or par. (cr), medical assistance shall be provided to a family for 12 consecutive calendar months following the month in which the family becomes ineligible for aid to families with dependent children because of increased income from employment~~, because the family no longer receives the earned income disregard under s. 49.19 (5) (a) 4. or 4m. or (am) due to the expiration of the time limit during which the disregards are applied or because of the application of the monthly employment time eligibility limitation under 45 CFR 233.100 (a) (1) (i)~~.

SECTION 1075. 49.46 (1) (co) 2. of the statutes is amended to read:

49.46 **(1)** (co) 2. If a waiver under subd. 3. is granted and except as provided in par. (cr), the department may select individuals to receive medical assistance benefits as provided under par. (c), rather than under subd. 1., as a control group for part or all of the period during which the waiver is in effect.

SECTION 1076. 49.46 (1) (cr) of the statutes is created to read:

49.46 **(1)** (cr) To the extent approved by the federal department of health and human services, an individual or family described in par. (c), (cg), or (co) is not eligible for Medical Assistance if the federal department of health and human services approves a request from the department to deny all or some transitional Medical Assistance benefits to that individual or family, if approval is required. The department shall allow individuals who are receiving transitional Medical Assistance benefits on December 31, 2013, to continue to receive those benefits until their 12–month period ends, if required under federal law. If the federal department of health and human services approves the department's request to charge a premium to recipients of continued transitional Medical Assistance benefits, the department may charge a premium to any recipient of continued transitional Medical Assistance benefits whose income exceeds 100 percent of the poverty line.

SECTION 1076b. 49.46 (1) (cr) of the statutes, as created by 2013 Wisconsin Act .... (this act), is amended to read:

49.46 **(1)** (cr) To the extent approved by the federal department of health and human services, an individual or family described in par. (c)~~,~~ or (cg)~~, or (co)~~ is not eligible for Medical Assistance if the federal department of health and human services approves a request from the department to deny all or some transitional Medical Assistance benefits to that individual or family, if approval is required. The department shall allow individuals who are receiving transitional Medical Assistance benefits on December 31, 2013, to continue to receive those benefits until their 12–month period ends, if required under federal law. If the federal department of

health and human services approves the department's request to charge a premium to recipients of continued transitional Medical Assistance benefits, the department may charge a premium to any recipient of continued transitional Medical Assistance benefits whose income exceeds 100 percent of the poverty line.

SECTION 1078. 49.46 (2) (b) 19. of the statutes is created to read:

49.46 **(2)** (b) 19. Subject to par. (br), services provided by early intervention teachers, home trainers, parent–to–parent mentors, and developmental specialists to children in the benchmark plan under par. (br).

SECTION 1079. 49.46 (2) (b) 20. of the statutes is created to read:

49.46 **(2)** (b) 20. Subject to s. 49.45 (24j), any additional services, as determined by the department, that are targeted to a population enrolled in a medical home initiative under s. 49.45 (24j).

SECTION 1080. 49.46 (2) (bc) of the statutes is created to read:

49.46 **(2)** (bc) Subject to s. 49.45 (24j), the department may provide any of the services described in par. (a) or (b) through a medical home initiative under s. 49.45 (24j).

SECTION 1081. 49.46 (2) (br) of the statutes is created to read:

49.46 **(2)** (br) If the federal department of health and human services approves the department's request to offer a benchmark plan under this paragraph, the department may enroll any child who is receiving services through the early intervention program under s. 51.44 in a benchmark plan under this paragraph. The department may not require a child who is receiving services through the early intervention program under s. 51.44 to enroll in a benchmark plan offered under this paragraph. The department may not charge a copayment to a child who is enrolled in the benchmark plan under this paragraph for services described in par. (b) 19.

SECTION 1085. 49.47 (4) (a) 1. of the statutes is amended to read:

49.47 **(4)** (a) 1. Under 21 years of age and resides in an intermediate care facility, skilled nursing facility, or inpatient psychiatric hospital. The department shall apply the definition of family income in s. 49.471 (1) (f) to make determinations of income under this subdivision.

SECTION 1088. 49.47 (4) (b) 2w. of the statutes is amended to read:

49.47 **(4)** (b) 2w. For a person who is eligible under par. (a) 3. or 4., life insurance with cash surrender values if the total face value of all life insurance policies, including riders and other attachments, is not more than $1,500.

SECTION 1089. 49.47 (4) (c) 1. of the statutes is amended to read:

49.47 **(4)** (c) 1. Except as provided in par. (am) ~~and as limited by subd. 3.~~, eligibility exists if income does not exceed 133 1/3% of the maximum aid to families with dependent children payment under s. 49.19 (11) for the applicant's family size or the combined benefit amount available under supplemental security income under 42 USC 1381 to 1383c and state supplemental aid under s. 49.77 whichever is ~~higher~~ lower. In this subdivision "income" includes earned or unearned income that would be included in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled under 42 USC 1381 to 1385. "Income" does not include earned or unearned income which would be excluded in determining eligibility for the individual or family under s. 49.19 or 49.77, or for the aged, blind or disabled individual under 42 USC 1381 to 1385.

SECTION 1090. 49.47 (4) (c) 3. of the statutes is repealed.

SECTION 1090f. 49.47 (4) (k) of the statutes is amended to read:

49.47 **(4)** (k) Notwithstanding par. (b) 3. and s. 445.125 (1) (a), no later than 60 days after July 1, ~~2011~~ 2013, the department shall seek approval from the federal Centers for Medicare and Medicaid Services to permit ~~friends and family members of~~ any individual receiving medical assistance under this section to contribute funds to an irrevocable burial trust for the individual, up to a total irrevocable trust amount of $4,500, without the individual losing eligibility for medical assistance under this section. If the federal Centers for Medicare and Medicaid Services approves the request, the department shall implement the change under this section within 60 days after receiving approval.

SECTION 1091. 49.471 (1) (cm) of the statutes is created to read:

49.471 **(1)** (cm) "Disabled" means, when referring to an adult, meeting the disability standard for eligibility for federal supplemental security income under 42 USC 1382c (a) (3).

SECTION 1092. 49.471 (1) (f) of the statutes is amended to read:

49.471 **(1)** (f) "Family income" ~~means the total gross earned and unearned income received by all members of a family~~ has the meaning given for "household income" under 42 CFR 435.603 (d).

SECTION 1093n. 49.471 (2) of the statutes is amended to read:

49.471 **(2)** WAIVER AND STATE PLAN AMENDMENTS. The department shall request a waiver from, and submit amendments to the state Medical Assistance plan to, the secretary of the federal department of health and human services to implement BadgerCare Plus. If the state plan amendments are approved and a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, the department shall implement BadgerCare Plus beginning on January 1, 2008, the effective date of the state plan amendments, or the effective date of the waiver, whichever is latest. ~~If the state plan amendments are approved~~

~~but the terms of approval do not allow for federal funding of the cost of benefits for all or any part of one or more of the eligibility categories under sub. (4) (b), the department may at its discretion pay for the cost of benefits for all or any part of any group for which federal funding was denied exclusively with moneys from the appropriation under s. 20.435 (4) (b).~~ If the state plan amendments are not approved or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is not granted, BadgerCare Plus may not be implemented. If the state plan amendments are approved but approval is not continued or if a waiver that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted but not continued in effect, BadgerCare Plus shall be discontinued.

SECTION 1093q. 49.471 (3) (a) 1. of the statutes is amended to read:

49.471 **(3)** (a) 1. Notwithstanding ss. 49.46 (1), 49.465, 49.47 (4), and 49.665 (4), if the amendments to the state plan under sub. (2) are approved and a waiver under sub. (2) that is substantially consistent with the provisions of this section, excluding sub. (2m), is granted and in effect, an individual described in sub. (4) (a) ~~or (b)~~ or (5) is not eligible under s. 49.46, 49.465, 49.47, or 49.665 for Medical Assistance or BadgerCare health program benefits. The eligibility of an individual described in sub. (4) (a) ~~or (b)~~ or (5) for Medical Assistance benefits shall be determined under this section.

SECTION 1093s. 49.471 (3) (a) 3. of the statutes is amended to read:

49.471 **(3)** (a) 3. Notwithstanding subd. 1., an individual described in sub. (4) (a) ~~or (b)~~ or (5) who is eligible for medical assistance under s. 49.46 (1) (a) 5., 6m., 14., 14m., or 15. or (d) or 49.47 (4) (a) or (as) may receive medical assistance benefits under this section or under s. 49.46 or 49.47.

SECTION 1094. 49.471 (4) (a) (intro.) of the statutes is amended to read:

49.471 **(4)** (a) (intro.) Except as otherwise provided in this section, all of the following individuals are eligible for the benefits described in s. 49.46 (2) (a) and (b), subject to sub. (6) (k) and s. 49.45 (24j):

SECTION 1096. 49.471 (4) (a) 4. a. of the statutes is amended to read:

49.471 **(4)** (a) 4. a. The individual is a parent or caretaker relative of a dependent child who is living in the home with the parent or caretaker relative or who is temporarily absent from the home for not more than 6 months or, if the dependent child has been removed from the home for more than 6 months, the parent or caretaker relative is working toward unifying the family by complying with a permanency plan under s. 48.38 or 938.38. For purposes of this subdivision, a "dependent child" means an individual who is under the age of 18 or an individual who is age 18 and a full-time student in secondary school or equivalent vocational or technical training if before attaining the age of 19 the individual is reasonably expected to complete the school or training.

SECTION 1097. 49.471 (4) (a) 4. b. of the statutes is amended to read:

49.471 **(4)** (a) 4. b. Except as provided in ~~subd. 4. c.~~ sub. (4m), the individual's family income does not exceed ~~200~~ 100 percent of the poverty line ~~and does not include self-employment income~~ before application of the 5 percent income disregard under 42 CFR 435.603 (d).

SECTION 1098. 49.471 (4) (a) 4. c. of the statutes is repealed.

SECTION 1099. 49.471 (4) (a) 5. of the statutes is amended to read:

49.471 **(4)** (a) 5. An individual who, regardless of family income, was born on or after January 1, ~~1990~~ 1988, and who, on his or her 18th birthday, was in a foster care placement under the responsibility of ~~a~~ this state, or at the option of the department, under the responsibility of another state, and enrolled in Medical Assistance under this subchapter or a Medicaid program, as determined by the department. The coverage for an individual under this subdivision ends on the last day of the month in which the individual becomes ~~21~~ 26 years of age, unless he or she otherwise loses eligibility sooner.

SECTION 1100. 49.471 (4) (a) 7. of the statutes is amended to read:

49.471 **(4)** (a) 7. Individuals who qualify for a medical assistance eligibility extension under s. 49.46 (1) (c), (cg), or (co) when their income increases above the poverty line, except as provided in s. 49.46 (1) (cr).

SECTION 1100b. 49.471 (4) (a) 7. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.471 **(4)** (a) 7. Individuals who qualify for a medical assistance eligibility extension under s. 49.46 (1) (c)~~,~~ or (cg)~~, or (co)~~ when their income increases above the poverty line, except as provided in s. 49.46 (1) (cr).

SECTION 1100v. 49.471 (4) (b) (intro.) of the statutes is repealed.

SECTION 1101. 49.471 (4) (b) 1. of the statutes is renumbered 49.471 (4) (a) 1g.

SECTION 1102. 49.471 (4) (b) 1m. of the statutes is renumbered 49.471 (4) (a) 1m.

SECTION 1103. 49.471 (4) (b) 2. of the statutes is renumbered 49.471 (4) (a) 2m. and amended to read:

49.471 **(4)** (a) 2m. A child who is under one year of age, whose mother was determined to be eligible under subd. ~~1.~~ 1g., and who lives with his or her mother in this state.

SECTION 1104. 49.471 (4) (b) 3. of the statutes is renumbered 49.471 (4) (a) 3g.

SECTION 1105. 49.471 (4) (b) 4. of the statutes is repealed.

SECTION 1106. 49.471 (4) (c) of the statutes is repealed.

SECTION 1107. 49.471 (4) (e) of the statutes is created to read:

49.471 **(4)** (e) If the department obtains approval from the federal department of health and human services to provide an alternate benchmark plan under sub. (11r), to the extent the federal department of health and human services approves, the department may enroll in the alternate benchmark plan under sub. (11r) any individual whose family income exceeds 100 percent of the poverty line, who is either an adult who is not pregnant or a child, and who applies and is otherwise eligible to receive benefits under this section, except that the department shall enroll a child who has a parent who is enrolled in a plan under this section in the same plan as his or her parent.

SECTION 1107p. 49.471 (4m) of the statutes is created to read:

49.471 **(4m)** INCOME ELIGIBILITY EXCEPTIONS BASED ON EXCHANGE OPERATION. (a) 1. If, by October 15, 2013, the department has not received a certification of an American health benefit exchange, as described in 42 USC 18031, from the federal department of health and human services, if such certification is required under federal law, the department shall do all of the following for 90 days after December 31, 2013:

a. Allow individuals whose family income does not exceed 200 percent of the poverty line and who would otherwise be eligible for benefits under sub. (4) (a) 4. except for the income limit to be eligible to receive benefits under sub. (4) (a) 4.

b. If approved by the federal department of health and human services, allow individuals whose family income does not exceed 200 percent of the poverty line, who are receiving benefits under s. 49.45 (23) as of December 31, 2013, and who would otherwise be eligible for benefits under s. 49.45 (23) (a) except for the income limit to be eligible to receive benefits under s. 49.45 (23).

2. If, before the 90 days under subd. 1. expire, the department determines it has not yet received a certification of an American health benefit exchange, as described in 42 USC 18031, from the federal department of health and human services, if such certification is required under federal law, the department shall apply subd. 1. a. and b. income eligibility levels to eligibility determinations under sub. (4) (a) 4. and s. 49.45 (23) for a 90–day period beginning on the day after the determination is made. The department may continue to apply the income eligibility levels under subd. 1. a. and b. for additional 90–day periods if the department has not yet received any required certification of an American health benefit exchange.

3. The department shall request any necessary approval from the federal department of health and human services to provide benefits under subd. 1. b. to only those individuals receiving benefits under s. 49.45 (23) as of December 31, 2013.

(b) 1. If, after consulting with the office of the commissioner of insurance, the department determines that in at least one county of the state, but not in all counties of the state, there is no qualified health plan, as defined in 42 USC 18021 (a), offered through an American health benefit exchange in which residents of the county may enroll, the department shall allow, for 90 days after the day the department makes the determination, individuals whose family income does not exceed 200 percent of the poverty line, who would otherwise be eligible for benefits under sub. (4) (a) 4. except for the income limit, and who reside in a county in which there is no qualified health plan available for enrollment under an American health benefit exchange to be eligible to receive benefits under sub. (4) (a) 4. if any of the following is satisfied.

a. The department determines that a waiver of federal Medicaid law is not required to implement the income eligibility levels described under this subdivision.

b. The department requests a waiver of federal Medicaid law to allow parents and caretaker relatives whose income levels do not exceed 200 percent of the poverty line and who would otherwise be eligible for benefits under sub. (4) (a) 4. to receive benefits and the federal department of health and human services approves the waiver request.

2. If, before the 90 days under subd. 1. expire, and before the expiration of any subsequent 90–day period expires, the department determines that a county still has no qualified health plan available for enrollment under an American health benefit exchange, the department shall apply the income eligibility exception under subd. 1.

SECTION 1109. 49.471 (5) (b) 2. of the statutes is renumbered 49.471 (5) (b) 2. (intro.) and amended to read:

49.471 **(5)** (b) 2. (intro.) Except as provided in sub. (6) (a) 2., a child who is not an unborn child is eligible for the benefits described in s. 49.46 (2) (a) and (b) during the period beginning on the day on which a qualified entity determines, on the basis of preliminary information, that the child's family income does not exceed ~~150 percent of the poverty line~~ <u>any of the following</u> and ending on the applicable day specified in subd. 3.<u>, unless the federal department of health and human services approves the department's request to not extend eligibility to children during this period:</u>

SECTION 1110. 49.471 (5) (b) 2. a. to c. of the statutes are created to read:

49.471 **(5)** (b) 2. a. 150 percent of the poverty line for a child who is 6 years of age or older but has not yet attained the age of 19.

b. 185 percent of the poverty line for a child who is one year of age or older but has not yet attained the age of 6.

c. 300 percent of the poverty line for a child who is under one year of age.

SECTION 1111. 49.471 (5) (b) 3. a. of the statutes is amended to read:

49.471 **(5)** (b) 3. a. If the woman or child applies for benefits under sub. (4) within the time required under par. (d), the benefits specified in subd. 1. or 2., whichever is applicable, end on the day on which the department or the county department under s. 46.215, 46.22, or 46.23 determines whether the woman or child is eligible for benefits under sub. (4), except that a child who is not an unborn child is not eligible for benefits described in s. 49.46 (2) (a) and (b) during that time if the federal department of health and human services approves the department's request not to provide those benefits during that time.

SECTION 1114. 49.471 (6) (a) 1. of the statutes is amended to read:

49.471 **(6)** (a) 1. ~~Any~~ Except as provided in subd. 4., any pregnant woman, including a pregnant woman under sub. (5) (b) 1., is eligible for medical assistance under this section for any of the 3 months prior to the month of application if she met the eligibility criteria under this section in that month.

SECTION 1115. 49.471 (6) (a) 2. of the statutes is amended to read:

49.471 **(6)** (a) 2. ~~Any~~ Except as provided in subd. 3. or 4., any child who is not an unborn child, including a child under sub. (5) (b) 2., parent, or caretaker relative whose family income is less than 150 percent of the poverty line is eligible for medical assistance under this section for any of the 3 months prior to the month of application if the individual met the eligibility criteria under this section and had a family income of less than 150 percent of the poverty line in that month.

SECTION 1116. 49.471 (6) (a) 3. of the statutes is created to read:

49.471 **(6)** (a) 3. Any individual described in subd. 2. who is not disabled, not elderly, and not pregnant, who is an adult, and whose family income exceeds 133 percent of the federal poverty level is not eligible for medical assistance under this section for any of the 3 months before the month of application for medical assistance benefits.

SECTION 1117. 49.471 (6) (a) 4. of the statutes is created to read:

49.471 **(6)** (a) 4. To the extent allowed by the federal department of health and human services, any individual described in subd. 1. or 2. who is not disabled is not eligible for medical assistance under this section for any of the 3 months before the month of application for medical assistance benefits.

SECTION 1117k. 49.471 (6) (d) of the statutes is amended to read:

49.471 **(6)** (d) If an application under this section shows that an individual is an essential person, the individual shall be provided the benefits specified under sub. (4) (a) ~~or (b)~~.

SECTION 1118. 49.471 (7) (a) of the statutes is repealed.

SECTION 1119. 49.471 (7) (b) 1. of the statutes is amended to read:

49.471 **(7)** (b) 1. A pregnant woman whose family income exceeds 300 percent of the poverty line may become eligible for coverage under this section if the difference between the pregnant woman's family income and the applicable income limit under sub. (4) ~~(b)~~ (a) is obligated or expended for any member of the pregnant woman's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision continues without regard to any change in family income for the balance of the pregnancy and to the last day of the month in which the 60th day after the last day of the woman's pregnancy falls. Eligibility obtained by a pregnant woman under this subdivision extends to all pregnant women in the pregnant woman's family.

SECTION 1120. 49.471 (7) (b) 2. of the statutes is amended to read:

49.471 **(7)** (b) 2. A child who is not an unborn child, whose family income exceeds 150 percent of the poverty line, and who is ineligible under this section solely because of sub. (8) (b), or whose family income exceeds 300 percent of the poverty line, may obtain eligibility under this section if the difference between the child's family income and 150 percent of the poverty line is obligated or expended on behalf of the child or any member of the child's family for medical care or any other type of remedial care recognized under state law or for personal health insurance premiums or for both. Eligibility obtained under this subdivision during any 6–month period, as determined by the department, continues for the remainder of the 6–month period and extends to all children in the family.

SECTION 1122. 49.471 (7) (c) (intro.) of the statutes is amended to read:

49.471 **(7)** (c) (intro.) When calculating an individual's family income, the department shall do all of the following, subject to par. (d):

SECTION 1123. 49.471 (7) (c) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is repealed.

SECTION 1124. 49.471 (7) (d) of the statutes is created to read:

49.471 **(7)** (d) In addition to applying other income counting requirements the department shall do all of the following:

1. When calculating the family income of a member of a household who is not disabled, include the income of all adults residing in the home for at least 60 consecutive days but exclude the income of a grandparent in a household containing 3 generations, unless the grandparent

applies for or receives benefits as a parent or caretaker relative under this section.

2. When determining the size of a family for purposes of determining income eligibility, exclude from family size an adult whose income is included in a calculation of family income solely under subd. 1.

3. Apply this paragraph only to the extent the federal department of health and human services approves the income eligibility calculation methods, if approval is required.

SECTION 1125. 49.471 (7) (e) of the statutes is created to read:

49.471 **(7)** (e) For the purpose of determining family income, the department shall apply the regulations defining a household under 42 CFR 435.603 (f). To determine the family size for a pregnant woman, the department shall include the pregnant woman and the number of babies she is expecting.

SECTION 1126. 49.471 (8) (b) (intro.) of the statutes is amended to read:

49.471 **(8)** (b) (intro.) Except as provided in pars. (c), (cg), (cr), (ct), and (d), an individual whose family income exceeds 150 percent of the poverty line is not eligible for BadgerCare Plus if any of the following applies:

SECTION 1127. 49.471 (8) (cg) of the statutes is created to read:

49.471 **(8)** (cg) An individual who is not disabled and not pregnant, who is over 18 years of age, and whose family income exceeds 133 percent of the poverty line is not eligible for BadgerCare Plus if all of the following apply:

1. The individual has any of the following:

a. Access to individual or family health coverage provided by an employer in which the monthly premium that an employee would pay for an employee–only policy does not exceed 9.5 percent of the family's monthly income.

b. Access to individual or family health coverage under the state employee health plan.

2. The individual has access to any coverage described in subd. 1. during any of the following times:

a. The 12 months before the first day of the month in which an individual applies for and the month in which an individual applies for BadgerCare Plus.

b. The 3 months after the last day of the month in which the individual applies for BadgerCare Plus.

c. The month including the date of the annual determination of the individual's eligibility for Medical Assistance.

3. The individual does not have as a reason for not obtaining health insurance any of the good cause reasons under par. (d) 2. a. to e.

SECTION 1128. 49.471 (8) (cr) of the statutes is created to read:

49.471 **(8)** (cr) 1. Subject to subd. 4., an individual who is any of the following is not eligible for BadgerCare Plus if the criteria under par. (cg) 1. and 2. apply to that individual:

a. An individual who is not disabled and who is a child, or unborn child, of an individual whose family income is at a level determined by the department but no lower than 133 percent of the poverty line.

b. A parent or caretaker relative who is not disabled, not pregnant, and an adult and whose family income is at a level determined by the department but no lower than 100 percent of the poverty line.

c. An adult, including a pregnant individual, who is not disabled, who is under 26 years of age; who is eligible to be covered under coverage a parent receives from an employer; and whose family income is at a level determined by the department but no lower than 100 percent of the poverty line.

2. An individual under subd. 1. is not ineligible if any of the good cause reasons described in par. (d) 2. a. to e. is the reason that the individual did not obtain health insurance coverage.

3. An individual under subd. 1. c. is not ineligible if any of the following good cause reasons is the reason the individual did not obtain health insurance coverage:

a. The parent of the individual is no longer employed by the employer through which the parent was eligible for coverage, and the parent does not have current coverage.

b. The employer of the parent of the individual discontinued providing health benefits to all employees.

4. The department may apply this paragraph to eligibility determinations for BadgerCare Plus only if the federal department of health and human services approves of the conditions to make that individual ineligible, if approval is required.

SECTION 1129. 49.471 (8) (ct) of the statutes is created to read:

49.471 **(8)** (ct) 1. If the federal department of health and human services approves the department's request to add private major medical insurance as a type of coverage which causes ineligibility, an individual who is not disabled and not pregnant, who is over 18 years of age, whose family income exceeds 133 percent of the poverty line, and who has coverage provided by private major medical insurance in which the monthly premium does not exceed 9.5 percent of the family's monthly income is not eligible for BadgerCare Plus.

2. If the federal department of health and human services approves of the conditions to make that individual ineligible for BadgerCare Plus, an individual who is any of the following is not eligible for BadgerCare Plus if he or she has the major medical insurance coverage described under subd. 1.:

a. An individual who is not disabled and who is a child, or unborn child, of an individual whose family income is at a level determined by the department but no lower than 133 percent of the poverty line.

b. A parent or caretaker relative who is not disabled, not pregnant, and an adult and whose family income is at a level determined by the department but no lower than 100 percent of the poverty line.

SECTION 1130. 49.471 (8) (d) 1. a. of the statutes is amended to read:

49.471 **(8)** (d) 1. a. A pregnant woman, except as provided in pars. (cr) 1. c. and (fm) 4.

SECTION 1131. 49.471 (8) (d) 1. b. of the statutes is amended to read:

49.471 **(8)** (d) 1. b. A child described in sub. (4) (a) 2. or ~~(b) 2.~~ 2m.

SECTION 1132. 49.471 (8) (d) 1. g. of the statutes is created to read:

49.471 **(8)** (d) 1. g. An adult who is disabled.

SECTION 1133. 49.471 (8) (d) 2. dg. of the statutes is created to read:

49.471 **(8)** (d) 2. dg. The insurance is owned by someone not residing with the family and continuation of the coverage is beyond the family's control.

SECTION 1134. 49.471 (8) (d) 2. dr. of the statutes is created to read:

49.471 **(8)** (d) 2. dr. The insurance only covers services provided in a service area that is beyond a reasonable driving distance.

SECTION 1137. 49.471 (8) (fm) of the statutes is created to read:

49.471 **(8)** (fm) If an individual who is one of the following individuals had the health insurance coverage specified in par. (cg) 1. or (ct) but no longer has the coverage, the individual is not eligible for BadgerCare Plus for the 3 calendar months following the month in which the insurance coverage ended without a good cause reason specified in par. (g):

1. An individual who is not disabled and not pregnant, who is over 18 years of age, and whose family income exceeds 133 percent of the poverty line.

2. If the federal department of health and human services approves of the department's request to make such an individual ineligible, an individual who is not disabled and who is a child of an individual whose family income is at a level determined by the department but no lower than 133 percent of the poverty line.

3. If the federal department of health and human services approves of the department's request to make such an individual ineligible, a parent or caretaker relative who is not disabled, not pregnant, and an adult and whose family income is at a level determined by the department but no lower than 100 percent of the poverty line.

4. If the federal department of health and human services approves of the department's request to make such an individual ineligible, an adult, including a pregnant individual, who is not disabled, who is under 26 years of age; who is eligible to be covered under coverage a parent receives from an employer; and whose family income is at a level determined by the department but no lower than 100 percent of the poverty line.

SECTION 1138. 49.471 (8) (g) (intro.), 1., 2., 3., 4. and 5. of the statutes are amended to read:

49.471 **(8)** (g) (intro.) Any of the following is a good cause reason for purposes of ~~par.~~ pars. (f) and (fm):

1. The individual ~~or pregnant woman~~ was covered by a group health plan that was provided by a subscriber through his or her employer, and the subscriber's employment ended for a reason other than voluntary termination, unless the voluntary termination was a result of the incapacitation of the subscriber or because of an immediate family member's health condition.

2. The individual ~~or pregnant woman~~ was covered by a group health plan that was provided by a subscriber through his or her employer, the subscriber changed employers, and the new employer does not offer health insurance coverage.

3. The individual ~~or pregnant woman~~ was covered by a group health plan that was provided by a subscriber through his or her employer, and the subscriber's employer discontinued health plan coverage for all employees.

4. The ~~pregnant woman's~~ individual's coverage was continuation coverage and the continuation coverage was exhausted in accordance with 29 CFR 2590.701–2 (4).

5. The individual's ~~or pregnant woman's~~ coverage terminated due to the death or change in marital status of the subscriber.

SECTION 1139. 49.471 (8) (g) 5g. of the statutes is created to read:

49.471 **(8)** (g) 5g. The insurance coverage is owned by someone not residing with the family and continuation of the coverage is beyond the family's control.

SECTION 1140. 49.471 (8) (g) 5r. of the statutes is created to read:

49.471 **(8)** (g) 5r. The insurance coverage only covers services provided in a service area that is beyond a reasonable driving distance.

SECTION 1141. 49.471 (9) (a) 2. b. of the statutes is amended to read:

49.471 **(9)** (a) 2. b. A child described in sub. (4) (a) 2. or ~~(b) 2.~~ 2m.

SECTION 1142. 49.471 (10) (b) 1. of the statutes is amended to read:

49.471 **(10)** (b) 1. Except as provided in ~~subd.~~ subds. 1m. and 4., a recipient who is an adult, who is not a pregnant woman, and whose family income is greater than 150 percent but not greater than 200 percent of the poverty line shall pay a premium for coverage under BadgerCare Plus that does not exceed 5 percent of his or her family income. If the recipient has self–employment income and is eligible under sub. (4) (b) 4., the premium

may not exceed 5 percent of family income calculated before depreciation was deducted.

SECTION 1143. 49.471 (10) (b) 1. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.471 **(10)** (b) 1. Except as provided in subds. 1m. and 4., a recipient who is an adult, who is not a pregnant woman, and whose family income is greater than 150 percent but not greater than 200 percent of the poverty line shall pay a premium for coverage under BadgerCare Plus that does not exceed 5 percent of his or her family income. ~~If the recipient has self–employment income and is eligible under sub. (4) (b) 4., the premium may not exceed 5 percent of family income calculated before depreciation was deducted.~~

SECTION 1144. 49.471 (10) (b) 1m. of the statutes is created to read:

49.471 **(10)** (b) 1m. Except as provided in subd. 4., a recipient who is an adult parent or adult caretaker relative; who is not disabled, pregnant, or American Indian; and whose family income exceeds 133 percent of the federal poverty line shall pay a premium for coverage under BadgerCare Plus in an amount determined by the department that is based on a formula in which costs decrease for those with lower family incomes and that is no less than 3 percent of family income but no greater than 9.5 percent of family income. If the recipient has self–employment income and is eligible under sub. (4) (b) 4., the premium may not exceed 5 percent of family income calculated before depreciation was deducted. If the department intends to impose a premium under this subdivision after December 31, 2013, the department shall request from the federal department of health and human services any necessary approval to continue imposing premiums under this subdivision.

SECTION 1146. 49.471 (10) (b) 2. of the statutes is amended to read:

49.471 **(10)** (b) 2. Except as provided in subds. ~~3.~~ 3m. and 4., a recipient who is a child whose family income is greater than 200 percent of the poverty line shall pay a premium for coverage of the benefits described in sub. (11) that does not exceed the full per member per month cost of coverage for a child with a family income of 300 percent of the poverty line.

SECTION 1147. 49.471 (10) (b) 3. of the statutes is repealed.

SECTION 1148. 49.471 (10) (b) 3m. of the statutes is created to read:

49.471 **(10)** (b) 3m. A recipient who is a child, who is not disabled, and whose family income is at a level determined by the department that is at least 150 percent of the poverty line shall pay a premium in an amount determined by the department. The department may apply this subdivision only to the extent the federal department of health and human services approves applying a premium to those individuals, if approval is required.

SECTION 1149. 49.471 (10) (b) 4. (intro.) of the statutes is amended to read:

49.471 **(10)** (b) 4. (intro.) None of the following shall pay a premium, except as provided in subd. 3m.:

SECTION 1150. 49.471 (10) (b) 4. b. of the statutes is amended to read:

49.471 **(10)** (b) 4. b. A child who is eligible under sub. (4) (a) 2. or ~~(b) 2.~~ 2m.

SECTION 1151. 49.471 (10) (b) 5. of the statutes is amended to read:

49.471 **(10)** (b) 5. If a recipient who is required to pay a premium under this paragraph or under sub. (2m) or (4) (c) either does not pay a premium when due or requests that his or her coverage under this section be terminated, the recipient's coverage terminates ~~and~~. If the recipient is an adult, the recipient is not eligible for BadgerCare Plus for ~~6~~ 12 consecutive calendar months following the date on which the recipient's coverage terminated, except for any month during that ~~6–month~~ 12–month period when the recipient's family income does not exceed ~~150~~ 133 percent of the poverty line. If the recipient is a child, the recipient is not eligible for BadgerCare Plus for 3 consecutive calendar months, or up to 12 consecutive calendar months if the federal department of health and human services approves, following the date on which the recipient's coverage terminated, except for any month during that period when the recipient's family income does not exceed 150 percent of the poverty line. This period of ineligibility for a child does not apply to any child who has paid the outstanding premiums.

SECTION 1152. 49.471 (10) (b) 5. of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

49.471 **(10)** (b) 5. If a recipient who is required to pay a premium under this paragraph or under sub. (2m) ~~or (4) (c)~~ either does not pay a premium when due or requests that his or her coverage under this section be terminated, the recipient's coverage terminates. If the recipient is an adult, the recipient is not eligible for BadgerCare Plus for 12 consecutive calendar months following the date on which the recipient's coverage terminated, except for any month during that 12–month period when the recipient's family income does not exceed 133 percent of the poverty line. If the recipient is a child, the recipient is not eligible for BadgerCare Plus for 3 consecutive calendar months, or up to 12 consecutive calendar months if the federal department of health and human services approves, following the date on which the recipient's coverage terminated, except for any month during that period when the recipient's family income does not exceed 150 percent of the poverty line. This period of ineligibility for a child does not apply to any child who has paid the outstanding premiums.

SECTION 1153. 49.471 (11) (intro.) of the statutes is amended to read:

49.471 **(11)** BENCHMARK PLAN BENEFITS AND COPAYMENTS. (intro.) ~~Recipients~~ Except as provided in sub. (11r) and s. 49.45 (24j), recipients who are not eligible for the benefits described in s. 49.46 (2) (a) and (b) shall have coverage of the following benefits and pay the following copayments:

SECTION 1154. 49.471 (11) (a) of the statutes is amended to read:

49.471 **(11)** (a) Subject to sub. (6) (k), prescription drugs bearing only a generic name, as defined in s. 450.12 (1) (b), with a copayment of no more than $5 per prescription~~, and subject to the Badger Rx Gold program discounts~~.

SECTION 1155. 49.471 (11r) of the statutes is created to read:

49.471 **(11r)** ALTERNATE BENCHMARK PLAN BENEFITS AND COPAYMENTS. (a) If the department chooses to provide the alternate benchmark plan under this subsection, the department shall provide to the recipients described under sub. (4) (e) coverage for benefits similar to those in a commercial, major medical insurance policy.

(b) The department may charge copayments to recipients receiving coverage under the alternate benchmark plan under this subsection that are higher than copayments charged to recipients receiving coverage under the standard plan under s. 49.46 (2). The department may not charge to a recipient of coverage under the alternate benchmark plan under this subsection whose family income is at or below 150 percent of the poverty line a copayment that exceeds 5 percent of the individual's family income for all members of the family.

(c) 1. The department may only provide coverage under the alternate benchmark plan under this subsection to the extent the alternate benchmark plan is approved by the federal department of health and human services.

2. If the department is providing coverage under the alternate benchmark plan under this subsection the department may discontinue coverage under the benchmark plan under sub. (11) for those individuals eligible for the alternate benchmark plan under this subsection.

3. The department may provide services to individuals enrolled in the alternate benchmark plan under this subsection through a medical home initiative similar to an initiative described under s. 49.45 (24j).

SECTION 1170. 49.475 (title) of the statutes is amended to read:

49.475 (title) **Information about assistance program beneficiaries; electronic submission of claims.**

SECTION 1171. 49.475 (2) (except 49.475 (2) (title)) of the statutes is renumbered 49.475 (2) (ac), and 49.475 (2) (ac) 1. b. and 4. (intro.), as renumbered, are amended to read:

49.475 **(2)** (ac) 1. b. If subd. 1. a. applies, the nature and period of time of any coverage, benefit, or service provided, including the name, address, and identifying number of any applicable coverage plan.

4. (intro.) If all of the following apply, agree not to deny a claim submitted by the department under ~~par. (b)~~ subd. 2. solely because of the claim's submission date, the type or format of the claim form, or failure by a recipient to present proper documentation at the time of delivery of the service, benefit, or item that is the basis of the claim:

SECTION 1172. 49.475 (2) (bc) of the statutes is created to read:

49.475 **(2)** (bc) A 3rd party shall accept the submission of claims from the department under par. (ac) 2. in electronic form and shall timely pay the claims in the manner provided in s. 628.46 (1) and (2). For purposes of timely payment of claims under this paragraph, "written notice" under s. 628.46 (1) includes receipt of a claim in electronic form.

SECTION 1173. 49.475 (2m) (a) of the statutes is amended to read:

49.475 **(2m)** (a) The information that the department may request under this section is limited to the information specified in sub. (2) ~~(a)~~ (ac) 1. and does not include an employer's name unless that information is necessary for the department or a provider to obtain 3rd–party payment for an item or service.

SECTION 1174. 49.475 (2m) (b) of the statutes is amended to read:

49.475 **(2m)** (b) If information under sub. (2) ~~(a)~~ (ac) 1. may be available from more than one source that includes an employer operating a self–insured plan, the department shall seek the information first from a 3rd–party administrator or other entity identified in sub. (1) (f) 7. or pharmacy benefits manager before seeking the information from the employer.

SECTION 1175. 49.475 (3) (intro.) of the statutes is amended to read:

49.475 **(3)** WRITTEN AGREEMENT. (intro.) Upon requesting a 3rd party to provide the information under sub. (2) ~~(a)~~ (ac) 1., the department and the 3rd party shall enter into a written agreement that satisfies all of the following:

SECTION 1176. 49.475 (4) (a) of the statutes is amended to read:

49.475 **(4)** (a) A 3rd party shall provide the information requested under sub. (2) ~~(a)~~ (ac) 1. within 180 days after receiving the department's request if it is the first time that the department has requested the 3rd party to disclose information under this section.

SECTION 1177. 49.475 (4) (b) of the statutes is amended to read:

49.475 **(4)** (b) A 3rd party shall provide the information requested under sub. (2) ~~(a)~~ (ac) 1. within 30 days after receiving the department's request if the department has previously requested the 3rd party to disclose information under this section.

SECTION 1178. 49.475 (5) of the statutes is amended to read:

49.475 **(5)** REIMBURSEMENT OF COSTS. From the appropriations under s. 20.435 (4) (bm) and (pa), the department shall reimburse a 3rd party that provides information under sub. (2) ~~(a)~~ (ac) 1. for the 3rd party's reasonable costs incurred in providing the requested information, including its reasonable costs, if any, to develop and operate automated systems specifically for the disclosure of the information.

SECTION 1179. 49.496 (1) (a) of the statutes is renumbered 49.496 (1) (ah).

SECTION 1180. 49.496 (1) (af) of the statutes is created to read:

49.496 **(1)** (af) "Decedent" means a deceased recipient or a deceased nonrecipient surviving spouse, whichever is applicable.

SECTION 1181. 49.496 (1) (bk) of the statutes is created to read:

49.496 **(1)** (bk) "Long–term care program" means any of the following:

1. The family care program providing the benefit under s. 46.286.

2. The self–directed services option that operates under a waiver from the secretary of the federal department of health and human services under 42 USC 1396n (c) in which an enrolled individual selects his or her own services and service providers.

3. The family care partnership program that is an integrated health and long–term care program operated under an amendment to the state medical assistance plan under 42 USC 1396u–2 and a waiver under 42 USC 1396n (c).

4. The program for all–inclusive care for the elderly under 42 USC 1396u–4.

5. Any program that provides long–term care services and is operated by the department under an amendment to the state medical assistance plan under 42 USC 1396n (i) or 42 USC 1396u–2; a waiver of medical assistance laws under 42 USC 1396n (c), 42 USC 1396n (b) and (c), or 42 USC 1396u; or a demonstration project under 42 USC 1315 or 42 USC 1396n (c).

SECTION 1182. 49.496 (1) (bw) of the statutes is created to read:

49.496 **(1)** (bw) "Nonrecipient surviving spouse" means any person who was married to a recipient while the recipient was receiving services for which the cost may be recovered under sub. (3) (a) and who survived the recipient.

SECTION 1183. 49.496 (1) (cm) of the statutes is created to read:

49.496 **(1)** (cm) 1. "Property of a decedent" means all real and personal property to which the recipient held any legal title or in which the recipient had any legal interest immediately before death, to the extent of that title or interest, including assets transferred to a survivor, heir, or assignee through joint tenancy, tenancy in common, survivorship, life estate, living trust, or any other arrangement.

2. Notwithstanding subd. 1., "property of a decedent" includes all real and personal property in which the nonrecipient surviving spouse had an ownership interest at the recipient's death and in which the recipient had a marital property interest with that nonrecipient surviving spouse at any time within 5 years before the recipient applied for medical assistance or during the time that the recipient was eligible for medical assistance.

SECTION 1184. 49.496 (3) (a) (intro.) of the statutes is amended to read:

49.496 **(3)** (a) (intro.) Except as provided in par. (b), the department shall file a claim against the estate of a recipient, and against the estate of a nonrecipient surviving spouse, for all of the following, subject to the exclusion of any amounts under the Long–Term Care Partnership Program established under s. 49.45 (31), unless already recovered by the department under this section:

SECTION 1185. 49.496 (3) (a) 2. a. of the statutes is amended to read:

49.496 **(3)** (a) 2. a. Home–based or community–based services under 42 USC 1396d (a) (7) and (8) ~~and under any waiver granted under 42 USC 1396n (c) (4) (B) or 42 USC 1396u~~.

SECTION 1186. 49.496 (3) (a) 2. am. of the statutes is created to read:

49.496 **(3)** (a) 2. am. All services provided to an individual while the individual is participating in a long–term care program.

SECTION 1187. 49.496 (3) (a) 2. b. of the statutes is repealed.

SECTION 1188. 49.496 (3) (a) 2. c. of the statutes is repealed.

SECTION 1189. 49.496 (3) (ad) of the statutes is created to read:

49.496 **(3)** (ad) The amount the department may claim against an estate of a recipient, or an estate of a nonrecipient surviving spouse, for services that are described under par. (a) 2. am. and that are provided by a managed long–term care program funded by capitated payments is equal to the amount of the capitated payment for the recipient.

SECTION 1190. 49.496 (3) (aj) of the statutes is created to read:

49.496 **(3)** (aj) 1. Property that is subject to the department's claim under par. (a) in the estate of a recipient or in the estate of a nonrecipient surviving spouse is all property of a decedent that is included in the estate.

2. There is a presumption, which may be rebutted by clear and convincing evidence, that all property in the estate of a nonrecipient surviving spouse was marital property held with the recipient and that 100 percent of the property in the estate of the nonrecipient surviving spouse is subject to the department's claim under par. (a).

SECTION 1191. 49.496 (3) (am) (intro.) of the statutes is amended to read:

49.496 **(3)** (am) (intro.) The court shall reduce the amount of a claim under par. (a) by up to the amount specified in s. 861.33 (2) if necessary to allow the ~~recipient's~~ decedent's heirs or the beneficiaries of the ~~recipient's~~ decedent's will to retain the following personal property:

SECTION 1192. 49.496 (3) (c) 1. of the statutes is amended to read:

49.496 **(3)** (c) 1. If the department's claim is not allowable because of par. (b) and the estate includes an interest in any real property, including a home, the court exercising probate jurisdiction shall, in the final judgment or summary findings and order, assign the interest in the ~~home~~ real property subject to a lien in favor of the department for the amount described in par. (a). The personal representative or petitioner for summary settlement or summary assignment of the estate shall record the final judgment as provided in s. 863.29, 867.01 (3) (h), or 867.02 (2) (h).

SECTION 1193. 49.496 (3) (c) 2. of the statutes is amended to read:

49.496 **(3)** (c) 2. If the department's claim is not allowable because of par. (b), the estate includes an interest in any real property, including a home, and the personal representative closes the estate by sworn statement under s. 865.16, the personal representative shall stipulate in the statement that the ~~home~~ real property is assigned subject to a lien in favor of the department for the amount described in par. (a). The personal representative shall record the statement in the same manner as described in s. 863.29, as if the statement were a final judgment.

SECTION 1194. 49.496 (3) (d) (intro.) of the statutes is amended to read:

49.496 **(3)** (d) (intro.) The department may not enforce ~~the~~ a lien under par. (c) as long as any of the following survive the decedent:

SECTION 1195. 49.496 (3) (dm) of the statutes is created to read:

49.496 **(3)** (dm) All of the following apply to a lien under par. (c) that the department may not enforce because of par. (d):

1. If the decedent's surviving spouse or child who is under age 21 or disabled refinances a mortgage on the real property, the lien is subordinate to the new encumbrance.

2. The department shall release the lien in the circumstances described in s. 49.848 (5) (f).

SECTION 1196. 49.496 (6m) of the statutes is amended to read:

49.496 **(6m)** WAIVER DUE TO HARDSHIP. The department shall promulgate rules establishing standards for determining whether the application of this section would work an undue hardship in individual cases. If the department determines that the application of this section would work an undue hardship in a particular case, the department shall waive application of this section in that case. This subsection does not apply with respect to claims against the estates of nonrecipient surviving spouses.

SECTION 1197. 49.4962 of the statutes is created to read:

49.4962 Voiding certain transfers of real property. **(1)** DEFINITIONS. In this section:

(a) "Conveyance" has the meaning given in s. 706.01 (4).

(b) "Fair market value" means the price that a willing buyer would pay a willing seller for the purchase of real property.

(c) "Fraudulent transfer" means any of the following:

1. A transfer of title to real property for less than fair market value.

2. A transfer of title to real property by a conveyance that is not recorded during the lifetime of the grantor in the office of the register of deeds of the county in which the real property is located.

(d) "Grantee" has the meaning given in s. 706.01 (6).

(e) "Grantor" has the meaning given in s. 706.01 (6).

(2) VOIDABLE TRANSFERS. (a) A transfer of real property to which all of the following apply is voidable by the department:

1. The transfer was made by a grantor who was receiving or who received medical assistance, or by someone on his or her behalf, during the time that the grantor was eligible for medical assistance.

2. The department was not notified and was unaware that the transfer was made.

3. The transfer was made to hinder, delay, or defraud the department from recovering medical assistance benefits that were paid on behalf of the grantor.

(b) The department may commence an action in circuit court against the grantee to void the transfer. If the court voids the transfer, the title to the real property reverts to the grantor or his or her estate.

(3) PRESUMPTION. There is a presumption, which may be rebutted by clear and convincing evidence, that a transfer described in sub. (2) (a) 1. that is a fraudulent transfer was made to hinder, delay, or defraud the department from recovering medical assistance benefits that were paid on behalf of the grantor.

(4) BURDEN OF PROOF. With respect to a transfer under sub. (1) (c) 1., the burden of proof for establishing fair market value is on the grantee. Fair market value must be established through a credible methodology, which may include an appraisal performed by a licensed appraiser.

(5) INAPPLICABLE TO PURCHASER IN GOOD FAITH. Subsection (2) does not apply if, after the transfer described in sub. (2), the real property was transferred by a conveyance to a purchaser in good faith and for a valuable consideration and the conveyance was recorded.

(6) APPLICABILITY. This section applies to any of the following transfers of real property:

(a) A transfer that is made on or after the effective date of this paragraph .... [LRB inserts date].

(b) A transfer that was made before the effective date of this paragraph .... [LRB inserts date], if the grantor is receiving medical assistance on, or receives medical assistance after, the effective date of this paragraph .... [LRB inserts date].

SECTION 1198. 49.67 of the statutes, as affected by 2013 Wisconsin Act 8, is repealed.

SECTION 1199. 49.682 (1) (am) of the statutes is created to read:

49.682 **(1)** (am) "Decedent" means a deceased client or a deceased nonclient surviving spouse, whichever is applicable.

SECTION 1200. 49.682 (1) (d) of the statutes is created to read:

49.682 **(1)** (d) "Nonclient surviving spouse" means any person who was married to a client while the client was receiving services for which the cost may be recovered under sub. (2) (a) and who survived the client.

SECTION 1201. 49.682 (1) (e) of the statutes is created to read:

49.682 **(1)** (e) 1. "Property of a decedent" means all real and personal property to which the client held any legal title or in which the client had any legal interest immediately before death, to the extent of that title or interest, including assets transferred to a survivor, heir, or assignee through joint tenancy, tenancy in common, survivorship, life estate, living trust, or any other arrangement.

2. Notwithstanding subd. 1., "property of a decedent" includes all real and personal property in which the nonclient surviving spouse had an ownership interest at the client's death and in which the client had a marital property interest with that nonclient surviving spouse at any time within 5 years before the client applied for aid under s. 49.68, 49.683, or 49.685 or during the time that the recipient was eligible for aid under s. 49.68, 49.683, or 49.685.

SECTION 1202. 49.682 (2) (a) of the statutes is amended to read:

49.682 **(2)** (a) Except as provided in par. (d), the department shall file a claim against the estate of a client ~~or~~, and against the estate of ~~the~~ a nonclient surviving spouse ~~of a client~~, for the amount of aid under s. 49.68, 49.683, or 49.685 paid to or on behalf of the client.

SECTION 1203. 49.682 (2) (bm) of the statutes is created to read:

49.682 **(2)** (bm) 1. Property that is subject to the department's claim under par. (a) in the estate of a client or in the estate of a nonclient surviving spouse is all property of a decedent that is included in the estate.

2. There is a presumption, which may be rebutted by clear and convincing evidence, that all property in the estate of the nonclient surviving spouse was marital property held with the client and that 100 percent of the property in the estate of the nonclient surviving spouse is subject to the department's claim under par. (a).

SECTION 1204. 49.682 (2) (c) (intro.) of the statutes is amended to read:

49.682 **(2)** (c) (intro.) The court shall reduce the amount of a claim under par. (a) by up to the amount specified in s. 861.33 (2) if necessary to allow the ~~client's~~ decedent's heirs or the beneficiaries of the ~~client's~~ decedent's will to retain the following personal property:

SECTION 1205. 49.682 (2) (e) 1. of the statutes is amended to read:

49.682 **(2)** (e) 1. If the department's claim is not allowable because of par. (d) and the estate includes an interest in real property, including a home, the court exercising probate jurisdiction shall, in the final judgment or summary findings and order, assign the interest in the ~~home~~ real property subject to a lien in favor of the department for the amount described in par. (a). The personal representative or petitioner for summary settlement or summary assignment of the estate shall record the final judgment as provided in s. 863.29, 867.01 (3) (h), or 867.02 (2) (h).

SECTION 1206. 49.682 (2) (e) 2. of the statutes is amended to read:

49.682 **(2)** (e) 2. If the department's claim is not allowable because of par. (d), the estate includes an interest in real property, including a home, and the personal representative closes the estate by sworn statement under s. 865.16, the personal representative shall stipulate in the statement that the ~~home~~ real property is assigned subject to a lien in favor of the department for the amount described in par. (a). The personal representative shall record the statement in the same manner as described in s. 863.29, as if the statement were a final judgment.

SECTION 1207. 49.682 (2) (f) (intro.) of the statutes is amended to read:

49.682 **(2)** (f) (intro.) The department may not enforce ~~the~~ a lien under par. (e) as long as any of the following survive the decedent:

SECTION 1208. 49.682 (2) (fm) of the statutes is created to read:

49.682 **(2)** (fm) All of the following apply to a lien under par. (e) that the department may not enforce because of par. (f):

1. If the decedent's surviving spouse or child who is under age 21 or disabled refinances a mortgage on the real property, the lien is subordinate to the new encumbrance.

2. The department shall release the lien in the circumstances described in s. 49.848 (5) (f).

SECTION 1209. 49.682 (3) of the statutes is amended to read:

49.682 **(3)** The department shall administer the program under this section and may contract with an entity

to administer all or a portion of the program, including gathering and providing the department with information needed to recover payment of aid provided under s. 49.68, 49.683, or 49.685. All funds received under this subsection, net of any amount claimed under s. ~~867.035 (3)~~ 49.849 (5), shall be remitted for deposit in the general fund.

SECTION 1210. 49.682 (5) of the statutes is amended to read:

49.682 **(5)** The department shall promulgate rules establishing standards for determining whether the application of this section would work an undue hardship in individual cases. If the department determines that the application of this section would work an undue hardship in a particular case, the department shall waive application of this section in that case. This subsection does not apply with respect to claims against the estates of non-client surviving spouses.

SECTION 1210c. 49.686 (6) of the statutes is repealed.

SECTION 1211. 49.78 (1) (b) of the statutes is amended to read:

49.78 **(1)** (b) "Income maintenance program" means the Medical Assistance program under subch. IV ~~of ch. 49~~, the Badger Care health care program under s. 49.665, the food stamp program under 7 USC 2011 to 2036 except for the employment and training program described in s. 49.79 (9), or the cemetery, funeral, and burial expenses program under s. 49.785.

SECTION 1211b. 49.78 (2) (b) 3. of the statutes is amended to read:

49.78 **(2)** (b) 3. That the department will reimburse a multicounty consortium for services provided under the contract ~~on a risk-adjusted case load basis~~ using a method determined by the department that includes the number of cases for which the consortium is responsible and the complexity of those cases.

SECTION 1211c. 49.785 (1) (intro.) of the statutes is amended to read:

49.785 **(1)** (intro.) Except as provided in sub. (1m) and subject to s. 49.825, if any recipient specified in sub. (1c) dies and the estate of the deceased recipient is insufficient to pay the funeral, burial, and cemetery expenses of the deceased recipient, from the appropriation under s. 20.435 (4) (br) the department ~~or county or applicable tribal governing body or organization responsible for burial of the recipient~~ shall pay, to the person designated by the department ~~or county department under s. 46.215, 46.22, or 46.23 or applicable tribal governing body or organization responsible for the burial of the recipient~~, all of the following:

SECTION 1211d. 49.785 (1m) (a) of the statutes is amended to read:

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

SECTION 1211e. 49.785 (1m) (b) of the statutes is amended to read:

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

SECTION 1211f. 49.785 (1m) (c) of the statutes is amended to read:

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

SECTION 1211g. 49.785 (2) of the statutes is repealed.

SECTION 1211h. 49.785 (3) of the statutes is repealed.

SECTION 1211m. 49.79 (1) (a) of the statutes is renumbered 49.79 (1) (b).

SECTION 1211n. 49.79 (1) (am) of the statutes is created to read:

49.79 **(1)** (am) "Able-bodied adult" means an individual who is not any of the following:

1. Younger than 18 years of age.
2. Fifty years of age or older.
3. Determined by the department to be medically certified as physically or mentally unfit for employment, as described in 7 CFR 273.24 (c) (2).
4. A parent of a household member who is younger than 18 years old, even if the household member who is younger than 18 years old is not eligible for food stamps.
5. Residing in a household that includes a household member who is younger than 18 years old, even if the household member who is younger than 18 years old is not eligible for food stamps.
6. Exempt from the work requirement under the food stamp program, as described in 7 CFR 273.24 (c) (5).
7. Pregnant.

SECTION 1211v. 49.79 (7m) of the statutes is created to read:

49.79 **(7m)** VOLUNTARY REDUCTION IN BENEFITS. To the extent permitted under federal law, when the department determines that an individual or an individual's household is eligible for the food stamp program, or when the department modifies the amount of food stamp benefits for which an individual or an individual's household is eligible, the department shall allow the individual to elect to receive food stamp benefits in an amount that is less than the amount for which the individual or the individual's household is eligible.

SECTION 1212. 49.79 (9) (a) 1. of the statutes is amended to read:

49.79 **(9)** (a) 1. The department shall administer an employment and training program for recipients under the food stamp program and may contract with county departments under ss. 46.215, 46.22, and 46.23, multicounty consortia, ~~and with~~ local workforce development boards established under 29 USC 2832, tribal governing bodies, or other organizations to carry out the administrative functions. ~~The department may contract, or a~~ A county department, multicounty consortium, ~~or~~ local workforce development board, tribal governing body, or other organization may subcontract~~,~~ with a Wisconsin Works agency or another provider to administer the employment and training program under this subsection. Except as provided in subds. 2. and 3., the department may require able individuals who are 18 to 60 years of age who are not participants in a Wisconsin Works employment position to participate in the employment and training program under this subsection.

SECTION 1213. 49.79 (9) (a) 2. of the statutes is amended to read:

49.79 **(9)** (a) 2. The department may not require an individual who is a recipient under the food stamp program and who is the caretaker of a child under the age of ~~12 weeks~~ 6 to participate in any employment and training program under this subsection.

SECTION 1214. 49.79 (9) (b) (intro.) of the statutes is amended to read:

49.79 **(9)** (b) (intro.) ~~An~~ Except as provided in par. (c), an individual who fails to comply with the work requirements under par. (a) without good cause is ineligible to participate in the food stamp program as follows:

SECTION 1215. 49.79 (9) (c) of the statutes is created to read:

49.79 **(9)** (c) If the department implements a policy under sub. (10), par. (b) does not apply to an individual who is required to fulfill the work requirement under sub. (10) (a).

SECTION 1215m. 49.79 (9) (d) of the statutes is created to read:

49.79 **(9)** (d) On each January 1, beginning on January 1, 2015, the department shall provide a report to the appropriate standing committees of the legislature under s. 13.172 (3) and to the joint committee on finance that includes the following information:

1. The results of the department's ongoing evaluation of the program under this subsection to analyze the employment outcomes for participants in the program, as available.

2. An estimate of the number of able–bodied adults subject to the time limit specified in sub. (10) (a) 2. who participated in the program under this subsection in the previous 12 months.

3. The number of able–bodied adults subject to the time limit specified in sub. (10) (a) 2. who disenrolled from the food stamp program in the previous 12 months.

4. A discussion of the impacts of the work requirement policy under sub. (10) on the payment error rate under the food stamp program and on the workloads of multicounty income maintenance consortia and the Milwaukee Enrollment Services Center.

SECTION 1216. 49.79 (10) of the statutes is created to read:

49.79 **(10)** ELIGIBILITY AND WORK REQUIREMENTS FOR ABLE–BODIED ADULTS. (a) The department may implement a policy that complies with 7 CFR 273.24. If the department implements a policy under this paragraph, all of the following apply:

1. The department shall require an able–bodied adult who is participating in the food stamp program to fulfill the work requirement defined under 7 CFR 273.24 (a) (1).

2. If an able–bodied adult does not fulfill the work requirement, the department may limit the able–bodied adult's eligibility for food stamps to no more than 3 months during a 3–year period.

3. The department may exempt up to 15 percent of the able–bodied adults who are participating in the food stamp program from the time limit under subd. 2.

(b) If the department determines that a waiver, or an amendment to a waiver, is necessary to implement a policy that complies with 7 CFR 273.24, the department shall request the waiver or the amendment to the waiver from the federal department of agriculture to permit the department to implement a policy that complies with 7 CFR 273.24 as provided under this subsection.

SECTION 1217. 49.826 (2) (a) 3. of the statutes is repealed.

SECTION 1218. 49.83 of the statutes is amended to read:

49.83 Limitation on giving information. Except as provided under ss. 49.25 and 49.32 (9), (10), and (10m), no person may use or disclose information concerning applicants and recipients of relief funded by a relief block grant, aid to families with dependent children, Wisconsin Works under ss. 49.141 to 49.161, social services, child and spousal support and establishment of paternity and medical support liability services under s. 49.22, or supplemental payments under s. 49.77 for any purpose not connected with the administration of the programs, except that the ~~department~~ departments of children and families and health services may disclose, including by transmitting or granting access to electronic data, such information, including social security numbers, to the department of revenue for the sole ~~purpose~~ purposes of administering state taxes, including verifying refundable individual income tax credits, and collecting debts owed to the department of revenue. Any person violating this section may be fined not less than $25 nor more than $500 or imprisoned in the county jail not less than 10 days nor more than one year or both.