1 ***–0311/7.1*SECTION 715.** 40.03 (6) (c) of the statutes is repealed and recreated
2 to read:
3 40.03 **(6)** (c) Shall not enter into any agreement to modify or expand benefits
4 under any group insurance plan, unless the modification or expansion is required by
5 law or would maintain or reduce premium costs for the state or its employees in the
6 current or any future year. A reduction in premium costs in future years includes
7 a reduction in any increase in premium costs that would have otherwise occurred
8 without the modification or expansion. This paragraph shall not be construed to
9 prohibit the group insurance board from encouraging participation in wellness or
10 disease management programs or providing optional coverages if the premium costs
11 for those coverages are paid by the employees.
12 ***–1025/9.1*SECTION 716.** 40.03 (6) (cm) of the statutes is created to read:
13 40.03 **(6)** (cm) 1. Notwithstanding ss. 111.321, 111.322, and 111.35, beginning
14 in 2014, the group insurance board shall impose a premium surcharge for health care
15 coverage under ss. 40.51 (6) and 40.515 for eligible employees who use tobacco
16 products and may terminate the health care coverage of any eligible employee who
17 falsely claims that he or she does not use tobacco products.
18 2. The premium surcharges paid by annuitants who use tobacco products shall
19 be used to reduce future health care coverage premiums for annuitants and to
20 reimburse the department for costs incurred by the department in providing health
21 care coverage to annuitants. Annually, the secretary of administration shall
22 determine the surcharge amounts that are to be used to reimburse the department
23 for costs incurred by the department in providing health care coverage to annuitants
24 and shall transfer that amount to the appropriation account under s. 20.515 (1) (w).
25 ***–1024/7.6*SECTION 717.** 40.03 (6) (k) of the statutes is created to read:

40.03 **(6)** (k) Shall establish health savings accounts for state employees who select a high–deductible health plan under s. 40.515 for their health care coverage plan.

***–0244/1.14*SECTION 718.** 40.04 (10) of the statutes is amended to read:

40.04 **(10)** An accumulated sick leave conversion account shall be maintained within the fund, to which shall be credited all money received under s. 40.05 (4) (b), (bc), (bf), (bm), (br), and (bw) for health insurance premiums, as dividends or premium credits arising from the operation of health insurance plans and from investment income on any reserves established in the fund for health insurance purposes for retired employees and their surviving dependents, and for the payment of any employer share of OASDHI contributions for sick leave credits used to pay health insurance premiums for dependents who are not tax dependents under the Internal Revenue Code. Premium payments to health insurers authorized in s. 40.05 (4) (b), (bc), (bf), (bm), and (bw) shall be charged to this account. This subsection does not prohibit the direct payment of premiums to insurers when appropriate administrative procedures have been established for direct payments.

***–0244/1.15*SECTION 719.** 40.04 (11) of the statutes is amended to read:

40.04 **(11)** A health insurance premium credit account shall be maintained within the fund, to which shall be credited all moneys received under s. 40.05 (4) (by) for the payment of health insurance premiums, as dividends or premium credits arising from the operation of health insurance plans and from investment income on any reserves established in the fund for health insurance purposes for retired employees and their surviving dependents, and for the payment of any employer share of OASDHI contributions for health insurance premium credits used to pay health insurance premiums for dependents who are not tax dependents under the

Internal Revenue Code. Premium payments to health insurers authorized in subch. IX may only be charged to this account after all other health insurance premium credits under s. 40.05 (4) (b), (bc), (bf), (bm) and (bw) are exhausted. This subsection does not prohibit the direct payment of premiums to insurers when appropriate administrative procedures have been established for direct payments.

***–1024/7.7*SECTION 720.** 40.04 (12) of the statutes is created to read:

40.04 **(12)** The department shall establish and maintain a separate account in the fund to which shall be credited all moneys received from employees and employers in connection with health savings accounts established under s. 40.515.

***–0244/1.16*SECTION 721.** 40.05 (1) (intro.) of the statutes is amended to read:

40.05 **(1)** EMPLOYEE RETIREMENT CONTRIBUTIONS. (intro.) For Wisconsin retirement system purposes employee contributions on earnings for service credited as creditable service shall be 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,~~ and shall be made as follows:

***–0244/1.17*SECTION 722.** 40.05 (1) (a) 5. of the statutes is amended to read:

40.05 **(1)** (a) 5. Additional contributions may be made by any participant by deduction from earnings or otherwise or may be provided on behalf of any participant in any calendar year in which the participant has earnings, subject to any limitations imposed on contributions by the ~~internal revenue code~~ Internal Revenue Code, applicable regulations adopted under the ~~internal revenue code~~ Internal Revenue Code and rules of the department.

***–0244/1.18*SECTION 723.** 40.05 (1) (a) 6. of the statutes is amended to read:

40.05 **(1)** (a) 6. Under the rules promulgated under s. 40.03 (2) (r), additional contributions~~, other than the first $5,000 of contributions, or a beneficiary's prorated~~

~~share thereof,~~ that are attributable to a death benefit paid under s. 40.73, may be made to the core annuity division by any participant by rollover contribution of a payment or distribution from a pension or annuity qualified under section 401 of the Internal Revenue Code, subject to any limitations imposed on contributions by the Internal Revenue Code, applicable regulations adopted under the Internal Revenue Code, and rules of the department.

***–0244/1.19*SECTION 724.** 40.05 (2) (intro.) of the statutes is amended to read:

40.05 **(2)** EMPLOYER RETIREMENT CONTRIBUTIONS. (intro.) For Wisconsin retirement system purposes and 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~~:

***–0244/1.20*SECTION 725.** 40.05 (2r) (a) of the statutes is amended to read:

40.05 **(2r)** (a) Contributions made under this section are subject to the limitations under s. 40.32 and the ~~internal revenue code~~ Internal Revenue Code.

***–0244/1.21*SECTION 726.** 40.05 (2r) (b) (intro.) of the statutes is amended to read:

40.05 **(2r)** (b) (intro.) If a participant in the Wisconsin retirement system also participates in a different retirement plan offered by an employer that is subject to section 401 of the ~~internal revenue code~~ Internal Revenue Code and the internal revenue service seeks to disqualify one or more of the plans because the aggregate contributions to the plans exceed the contribution limits under section 415 of the ~~internal revenue code~~ Internal Revenue Code, the internal revenue service, if it permits state law to determine the order of disqualification of such retirement plans, shall disqualify the retirement plans in the following order:

***–0459/5.2*SECTION 727.** 40.05 (4) (ag) 2. of the statutes is amended to read:

40.05 **(4)** (ag) 2. For eligible employees not specified in subd. 1. and s. 40.02 (25) (b) 2., an amount not more than 88 percent of the average premium cost of plans offered in ~~the~~ each tier ~~with the lowest employee premium cost~~ under s. 40.51 (6), as determined annually by the director of the office of state employment relations under par. (ah).

***–0459/5.3*SECTION 728.** 40.05 (4) (ah) of the statutes is renumbered 40.05 (4) (ah) 1.

***–0459/5.4*SECTION 729.** 40.05 (4) (ah) 2. of the statutes is created to read:

40.05 **(4)** (ah) 2. For purposes of establishing the amount that employees are required to pay for health insurance premiums, if a tier under s. 40.51 (6) contains no health insurance plans, but that tier is used to establish the premium amounts for employees who work and reside outside of the state, the amount these employees are required to pay shall be based on the premium contribution amount for that tier in the prior year, adjusted by the average percentage change of the premium contribution amount of the other tiers from the prior year.

***–0459/5.5*SECTION 730.** 40.05 (4) (ah) 3. of the statutes is created to read:

40.05 **(4)** (ah) 3. A craft employee shall pay 100 percent of health insurance premiums, unless otherwise determined by the director.

***–1024/7.8*SECTION 731.** 40.05 (4) (ah) 4. of the statutes is created to read:

40.05 **(4)** (ah) 4. Annually, the director shall determine the amount of contributions, if any, that the state must contribute into an employee's health savings account under s. 40.515 and the amount that employees are required to pay for health insurance premiums for a high–deductible health plan under s. 40.515.

***–1025/9.2*SECTION 732.** 40.05 (4) (ah) 5. of the statutes is created to read:

40.05 **(4)** (ah) 5. For purposes of establishing the amount that employees are required to pay for health insurance premiums, the director shall consider the amount of premium surcharges that employees are required to pay under s. 40.03 (6) (cm) 1.

***–0244/1.22*SECTION 733.** 40.05 (4r) of the statutes is amended to read:

40.05 **(4r)** PAYMENT OF CERTAIN INSURANCE PREMIUMS. If an annuitant is ~~a~~ <u>an eligible retired</u> public safety officer and receives health care coverage or long–term care coverage under a plan other than one offered under subch. IV, and if the annuitant so elects by providing written notice to the department, the premium shall be paid as a deduction under s. 40.06 (1) (a) from the annuitant's annuity. If the annuitant receives an annuity that is not sufficient to cover premium payments, the annuitant shall make premium payments directly to the insurer. The department shall establish procedures to permit an annuitant who is ~~a~~ <u>an eligible retired</u> public safety officer to elect to have his or her premium paid as a deduction under s. 40.06 (1) (a) from his or her annuity. The annuitant shall provide the department with all necessary information to permit the department to make the payment in a timely manner.

***–0317/1.1*SECTION 734.** 40.07 (1r) of the statutes is created to read:

40.07 **(1r)** Upon request of the department of revenue, the department may disclose information, including social security numbers, to the department of revenue concerning an annuity only for the following purposes:

(a) To administer the payment of state taxes.

(am) To aid in collecting debts owed to the department of revenue.

(b) To locate participants, or the assets of participants, who have failed to file tax returns, underreported their taxable income, or who are delinquent debtors.

1 (c) To identify fraudulent tax returns and credit claims.

2 (d) To provide information for tax–related prosecutions.

3 ***–0244/1.23*SECTION 735.** 40.08 (2) (b) of the statutes is amended to read:

4 40.08 **(2)** (b) If permitted under a deferred compensation plan established
5 under subch. VII, insurance premiums for health or long–term care insurance
6 coverage for ~~a~~ an eligible retired public safety officer may be deducted from an
7 amount distributed under a deferred compensation plan and paid directly to an
8 insurer.

9 ***–0244/1.24*SECTION 736.** 40.08 (14) of the statutes is amended to read:

10 40.08 **(14)** ROLLOVERS TO OTHER RETIREMENT PLANS. If a participant who is
11 entitled to receive a lump sum payment or a monthly annuity certain under s. 40.24
12 (1) (f) for which the participant has specified a term of less than 120 months or an
13 annuity certain of less than 10 years in duration from the Wisconsin retirement
14 system and who has an account established under any other retirement plan located
15 in the United States so directs in writing, on a form prescribed by the department,
16 the department shall pay the lump sum payment or the monthly annuity directly to
17 the participant's account under that other retirement plan for credit under that other
18 retirement plan. The department shall cease payment of the monthly annuity
19 payments to the annuitant's account under the other retirement plan within 30 days
20 of the written request of the annuitant or written notice of the annuitant's death.
21 This subsection shall be applied in compliance with section 401 (a) (31) of the
22 Internal Revenue Code pursuant to any applicable federal regulations or guidance
23 adopted under the Internal Revenue Code.

24 ***–0244/1.25*SECTION 737.** 40.19 (5) of the statutes is created to read:

40.19 **(5)** For the purpose of complying with section 401 (a) (7) of the Internal Revenue Code, a participant shall be 100 percent vested in, and have a nonforfeitable right to, his or her retirement benefits upon attaining eligibility for the retirement benefits. A participant shall also be 100 percent vested in, and have a nonforfeitable right to, his or her accumulated employee contributions at all times. In the event of a termination of, or a complete discontinuance of employer contributions to the Wisconsin retirement system, a participant shall be 100 percent vested in, and have a nonforfeitable right to, his or her accrued retirement benefits. All such benefits are nonforfeitable to the extent funded. For the purpose of complying with section 401 (a) (8) of the Internal Revenue Code, any forfeitures of benefits by participants or former participants of the Wisconsin retirement system may not be used to pay benefit increases.

***–0310/1.1*SECTION 738.** 40.22 (2) (a) of the statutes is amended to read:

40.22 **(2)** (a) Except as provided in sub. (2m), the employee was ~~initially employed by a participating employer~~ a participating employee before July 1, 2011, and is not expected to work at least one–third of what is considered full–time employment by the department, as determined by rule.

***–0310/1.2*SECTION 739.** 40.22 (2m) (intro.) of the statutes is amended to read:

40.22 **(2m)** (intro.) An employee who was ~~initially employed by a participating employer~~ a participating employee before July 1, 2011, who is not expected to work at least one–third of what is considered full–time employment by the department, as determined by rule, and who is not otherwise excluded under sub. (2) from becoming a participating employee shall become a participating employee if he or she is subsequently employed by the state agency or other participating employer for either of the following periods:

***–0244/1.26*SECTION 740.** 40.23 (4) (a) of the statutes is amended to read:

40.23 **(4)** (a) Subject to all requirements under ~~the internal revenue code~~ section 401 (a) (9) of the Internal Revenue Code and federal regulations applicable to that section, which relate to a governmental plan, as defined in section 414 (d) of the Internal Revenue Code, the department shall distribute to the participant the entire amount that is credited to the account of a participant under the Wisconsin retirement system no later than the required beginning date, unless the department distributes this amount as an annuity or in more than one payment. If the department distributes this amount as an annuity or in more than one payment, the department shall begin the distribution no later than the required beginning date.

***–0244/1.27*SECTION 741.** 40.23 (4) (b) (intro.) of the statutes is amended to read:

40.23 **(4)** (b) (intro.) In the calendar year immediately preceding the calendar year of a participant's required beginning date, if the department distributes the amount that is credited to the account of a participant under the Wisconsin retirement system in a form other than as a lump sum payment, the department, subject to all requirements under the ~~internal revenue code~~ Internal Revenue Code, shall calculate the distribution to the participant according to one of the following:

***–0244/1.28*SECTION 742.** 40.23 (4) (e) of the statutes is amended to read:

40.23 **(4)** (e) 1. Subject to subds. 2. to 4. and section 401 (a) (9) of the Internal Revenue Code, if a participant dies before the distribution of benefits has commenced and the participant's beneficiary is the spouse or domestic partner, the department shall begin the distribution within 5 years after the date of the participant's death.

2. ~~If~~ Subject to section 401 (a) (9) of the Internal Revenue Code, if the spouse or domestic partner files a subsequent beneficiary designation with the department,

the payment of the distribution may be deferred until the January 1 of the year in which the participant would have attained the age of 70.5 years.

3. ~~If~~ Subject to section 401 (a) (9) of the Internal Revenue Code, if the spouse or domestic partner does not apply for a distribution, the distribution shall begin as an 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.

***–0244/1.29*SECTION 743.** 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:

***–0244/1.30*SECTION 744.** 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.

***–0244/1.31*SECTION 745.** 40.23 (4) (i) of the statutes is created to read:

1 40.23 **(4)** (i) Distributions of benefits shall conform to a reasonable and good
2 faith interpretation of section 401 (a) (9) of the Internal Revenue Code.

3 ***–0244/1.32*SECTION 746.** 40.23 (4) (j) of the statutes is created to read:

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

6 ***–0251/3.1*SECTION 747.** 40.26 (1) of the statutes is amended to read:

7 40.26 **(1)** Except as provided in sub. (1m) and ss. 40.05 (2) (g) 2. and 40.23 (1)
8 (am), if a participant receiving a retirement annuity, or a disability annuitant who
9 has attained his or her normal retirement date, receives earnings that are subject
10 to s. 40.05 (1) or that would be subject to s. 40.05 (1) except for the exclusion specified
11 in s. 40.22 (2) (L), the annuity shall be terminated and no annuity payment shall be
12 payable after the month in which the participant files with the department a written
13 election to be included within the provisions of the Wisconsin retirement system as
14 a participating employee.

15 ***–0251/3.2*SECTION 748.** 40.26 (1m) of the statutes is created to read:

16 40.26 **(1m)** If a participant receiving a retirement annuity, or a disability
17 annuitant who has attained his or her normal retirement date, is employed in a
18 position in covered employment in which he or she is expected to work at least
19 two–thirds of what is considered full–time employment by the department, as
20 determined under s. 40.22 (2r), the participant's annuity shall be terminated and no
21 annuity payment shall be payable until after the participant terminates covered
22 employment.

23 ***–0251/3.3*SECTION 749.** 40.26 (2) (intro.) of the statutes is amended to read:

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

***–0251/3.4*SECTION 750.** 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:

***–0244/1.33*SECTION 751.** 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.

***–0244/1.34*SECTION 752.** 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.

***–0244/1.35*SECTION 753.** 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.

***–1024/7.9*SECTION 754.** 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

1 the establishment of a health savings account. Under this option, each employee
2 shall receive health care coverage through a high–deductible health plan. The state
3 shall make contributions into each employee's health savings account in an amount
4 specified by the director of the office of state employment relations under s. 40.05 (4)
5 (ah) 4. In designing a high–deductible health plan, the group insurance board shall
6 ensure that the plan may be used in conjunction with a health savings account.

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

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

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

20 ***–0244/1.36*SECTION 755.** 40.72 (4r) of the statutes is amended to read:

21 40.72 **(4r)** At any time after an insured employee's amount of life insurance is
22 reduced under subs. (2) and (3) and life insurance premiums are no longer required
23 under s. 40.05 (6) (b), the employee may convert the present value of the life
24 insurance to pay the premiums for health or long–term care insurance provided
25 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.

***–0244/1.37*SECTION 756.** 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.

***–0244/1.38*SECTION 757.** 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.

***–0244/1.39*SECTION 758.** 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.

***–0244/1.40*SECTION 759.** 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:

***–1130/9.47*SECTION 760.** 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).

***–1130/9.48*SECTION 761.** 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.

***–1190/2.1*SECTION 762.** 42.106 (3) of the statutes is created to read:

42.106 **(3)** The state fair park board shall enter into a memorandum of understanding with the department of administration regarding the provision of police and security services to state fair park.

***–1130/9.49*SECTION 763.** 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.

***–1433/2.1*SECTION 764.** 44.16 (1) of the statutes is amended to read:

44.16 **(1)** ~~The~~ Subject to any prior action under s. 13.48 (14) (am) or 16.848 (1), the historical society may enter into a lease agreement with the Circus World Museum Foundation, Inc., for the purpose of operating Circus World Museum, located in Baraboo, Wisconsin. The lease agreement shall not include any provision for the payment of a percentage of gross admissions income at Circus World Museum to the historical society. If a lease agreement under this subsection is not in effect, the historical society shall operate and maintain Circus World Museum as provided in s. 44.20 (1).

****NOTE: This is reconciled s. 44.16 (1). This SECTION has been affected by drafts with the following LRB numbers: LRB–1130/6 and LRB–1433/1.

***–1433/2.2*SECTION 765.** 44.20 (1) of the statutes is amended to read:

44.20 **(1)** The historical society shall operate and maintain the historic sites known as Stonefield Village, Pendarvis, Villa Louis, Old Wade House, Madeline Island Museum, Old World Wisconsin, H.H. Bennett ~~Studios~~ Studio, and, if the First Capitol state park has been transferred to the historical society under 1993 Wisconsin Act 16, section 9142 (1e), First Capitol. If a lease agreement under s. 44.16

(1) is not in effect, the historical society shall also operate and maintain Circus World Museum.

***–0009/2.1*SECTION 766.** 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:

***–1130/9.50*SECTION 767.** 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.

***–0399/1.1*SECTION 768.** 45.04 (1) (a) of the statutes is amended to read:

45.04 **(1)** (a) "Duly authorized representative" means any person authorized in writing by the veteran to act for the veteran, the veteran's guardian if the veteran is adjudicated incompetent, or a legal representative if the veteran is deceased. ~~Where for proper reason no representative~~ If no person is so authorized and no guardian or legal representative has been or will be appointed, the veteran's spouse, an adult child of the veteran, or, if the veteran is unmarried, ~~either~~ a parent or adult sibling of the veteran shall be recognized as the duly authorized representative.

***–0469/1.42*SECTION 769.** 45.20 (1) (d) of the statutes is amended to read:

45.20 **(1)** (d) "Tuition," when referring to the University of Wisconsin System, means academic fees and segregated fees; when referring to the technical colleges, means "program fees" and "additional fees" as described in s. 38.24 (1m) and (1s); and when referring to a high school, a school that is approved under s. 45.03 (11), or a proprietary school that is approved under s. ~~38.50~~ 440.55, means the charge for the courses for which a person is enrolled.

***–0469/1.43*SECTION 770.** 45.20 (2) (a) 1. of the statutes is amended to read:

45.20 **(2)** (a) 1. The department shall administer a tuition reimbursement program for eligible veterans enrolling as undergraduates in any institution of higher education in this state, enrolling in a school that is approved under s. 45.03 (11), enrolling in a proprietary school that is approved under s. ~~38.50~~ 440.55, enrolling in a public or private high school, enrolling in a tribal school, as defined in s. 115.001 (15m), in any grade from 9 to 12, or receiving a waiver of nonresident tuition under s. 39.47.

***–0469/1.44*SECTION 771.** 45.20 (2) (a) 2. (intro.) of the statutes is amended to read:

45.20 **(2)** (a) 2. (intro.) A veteran who is a resident of this state and otherwise qualified to receive benefits under this subsection may receive the benefits under this subsection upon the completion of any correspondence courses or part–time classroom study from an institution of higher education located outside this state, from a school that is approved under s. 45.03 (11), or from a proprietary school that is approved under s. ~~38.50~~ 440.55, if any of the following applies:

***–0469/1.45*SECTION 772.** 45.20 (2) (c) 1. of the statutes is amended to read:

45.20 **(2)** (c) 1. A veteran who meets the eligibility requirements under par. (b) 1. may be reimbursed upon satisfactory completion of an undergraduate semester in

any institution of higher education in this state, or upon satisfactory completion of a course at any school that is approved under s. 45.03 (11), any proprietary school that is approved under s. ~~38.50~~ 440.55, any public or private high school, any tribal school, as defined in s. 115.001 (15m), that operates any grade from 9 to 12, or any institution from which the veteran receives a waiver of nonresident tuition under s. 39.47. Except as provided in par. (e), the amount of reimbursement may not exceed the total cost of the veteran's tuition minus any grants or scholarships that the veteran receives specifically for the payment of the tuition, or, if the tuition is for an undergraduate semester in any institution of higher education, the standard cost of tuition for a state resident for an equivalent undergraduate semester at the University of Wisconsin–Madison, whichever is less.

***–0469/1.46*SECTION 773.** 45.20 (2) (d) 1. (intro.) of the statutes is amended to read:

45.20 **(2)** (d) 1. (intro.) Subject to subd. 1m., a veteran's eligibility for reimbursement under this subsection at any institution of higher education in this state, at a school that is approved under s. 45.03 (11), at a proprietary school that is approved under s. ~~38.50~~ 440.55, at a public or private high school, at a tribal school, as defined in s. 115.001 (15m), that operates any grade from 9 to 12, or at an institution where he or she is receiving a waiver of nonresident tuition under s. 39.47 is limited to the following:

***–1531/P2.2*SECTION 774.** 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.

1 2. Lac Courte Oreilles Ojibwa Community College.

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

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

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

12 1. The veteran is enrolled as a member of a federally recognized American
13 Indian tribe or band in this state.

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

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

18 4. The veteran was a resident of this state at the time of his or her entry into
19 service or was a resident of this state for any consecutive 12–month period after entry
20 into service and before the date of application under par. (a). If a veteran who
21 submits an application under par. (a) meets that consecutive 12–month residency
22 requirement, the department may not require the veteran to reestablish that he or
23 she meets that residency requirement when he or she later applies for any other
24 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

1 past support, medical expenses, or birth expenses, as established by appearance of
2 the veteran's name on the statewide support lien docket under s. 49.854 (2) (b), unless
3 the veteran provides the department with one of the following:

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

8 b. A statement that the veteran is not delinquent in child support or
9 maintenance payments and does not owe past support, medical expenses, or birth
10 expenses, signed by the department of children and families or its designee within
11 7 working days before the date of the application under par. (a).

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

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

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

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

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

24 ***–0469/1.47*SECTION 775.** 45.21 (2) (a) of the statutes is amended to read:

45.21 **(2)** (a) The veteran is enrolled in a training course in a technical college under ch. 38 or in a proprietary school in the state approved by the educational approval board under s. ~~38.50~~ 440.55, other than a proprietary school offering a 4–year degree or 4–year program, or is engaged in a structured on–the–job training program that meets program requirements promulgated by the department by rule.

***–1427/P3.2*SECTION 776.** 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 receive an amount equal to 50 percent of the amount paid.

***–1427/P3.3*SECTION 777.** 45.41 (2) (b) of the statutes is repealed.

***–1427/P3.4*SECTION 778.** 45.41 (2) (c) of the statutes is repealed.

***–1427/P3.5*SECTION 779.** 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 receive ~~$30,000~~ $70,000.

***–1427/P3.6*SECTION 780.** 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.

***–1427/P3.7*SECTION 781.** 45.41 (3m) of the statutes is amended to read:

45.41 **(3m)** If the total amount of payments required 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.

***–1427/P3.8*SECTION 782.** 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.

***–1427/P3.9*SECTION 783.** 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.

***–1427/P3.10*SECTION 784.** 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.

***–0390/P3.2*SECTION 785.** 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.~~

***–0390/P3.3*SECTION 786.** 45.43 (3) of the statutes is repealed.

***–0387/7.11*SECTION 787.** 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).

***–0221/P3.1*SECTION 788.** 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.

***–1499/P2.2*SECTION 789.** 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

1 residents of this state. A veteran or a veteran's business that is awarded a grant
2 under this subsection may use the grant only to pay for costs associated with the
3 start–up of a business located in this state that the veteran owns.

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

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

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

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

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

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

24 2. The names and addresses of all of the start–up business's owners, including
25 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).

***–1231/4.14*SECTION 790.** 45.50 (2m) (e) of the statutes is amended to read:

45.50 **(2m)** (e) All moneys received as reimbursement for services to veterans homes employees or as payment for meals served to guests at veterans homes shall be accumulated in an account named "employee maintenance credits" and shall be paid into the general fund within one week after receipt and credited to the appropriation account under s. 20.485 (1) ~~(gk)~~ (r). This paragraph does not apply to any agreement entered into pursuant to par. (c).

***–0388/1.1*SECTION 791.** 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).

***–0009/2.2*SECTION 792.** 45.51 (2) (b) 1. of the statutes is repealed.

***–0007/P2.1*SECTION 793.** 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~~.

***–0057/2.1*SECTION 794.** 45.51 (3) (a) of the statutes is renumbered 45.51 (3) (a) 2.

***–0057/2.2*SECTION 795.** 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.

***–0009/2.3*SECTION 796.** 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:

***–0009/2.4*SECTION 797.** 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.

***–0009/2.5*SECTION 798.** 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:

***–0009/2.6*SECTION 799.** 45.51 (5) (f) of the statutes is repealed.

***–0009/2.7*SECTION 800.** 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:

***–0009/2.8*SECTION 801.** 45.51 (6) (b) of the statutes is repealed.

***–0009/2.9*SECTION 802.** 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.

***–0008/P2.1*SECTION 803.** 45.51 (12) of the statutes is amended to read:

45.51 **(12)** POWERS ~~OF COMMANDANT~~ OVER PERSONAL FUNDS OF MEMBERS. A commandant, the secretary, or the secretary's designee may receive, disburse, and account for funds of members.

***–0009/2.10*SECTION 804.** 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.

***–1231/4.15*SECTION 805.** 45.61 (3) of the statutes is amended to read:

45.61 **(3)** FEES AND COSTS. The department may charge a fee for burials under this section and may promulgate rules for the assessment of any fee. The cost of preparing the grave and the erection of a marker for a person described under sub. (2) (a), (b), (d), or (e) shall be paid from the appropriation under s. 20.485 (1) ~~(gk)~~ (r).

***–0009/2.11*SECTION 806.** 45.61 (4) of the statutes is renumbered 45.61 (4) (a).

***–0009/2.12*SECTION 807.** 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.

***–1231/4.16*SECTION 808.** 45.61 (5) (a) of the statutes is amended to read:

45.61 **(5)** (a) Expenses incident to the burial under this section of persons described in sub. (2) (a) and (b) to (e) shall be paid from the estate of the decedent, except that if there is no estate or the estate is insufficient, the expense of burial, or necessary part of the burial, shall be paid from the appropriation under s. 20.485 (1) ~~(gk)~~ (r) for members of veterans homes, and the amount expended for those expenses shall not exceed the amount established for funeral and burial expenses under s. 49.785 (1) (b).

***–1357/1.1*SECTION 809.** 45.70 (1) of the statutes is renumbered 45.70 (1m).

***–1357/1.2*SECTION 810.** 45.70 (1b) (title) of the statutes is created to read:

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

***–1357/1.3*SECTION 811.** 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.

***–1357/1.4*SECTION 812.** 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.

1 ***–1357/1.5*SECTION 813.** 45.70 (2) (b) of the statutes is amended to read:

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

7 ***–1427/P3.11*SECTION 814.** 45.82 (4) of the statutes is amended to read:

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

17 ***–1130/9.51*SECTION 815.** 46.03 (30) (a) of the statutes is amended to read:

18 46.03 **(30)** (a) To provide for an orderly reduction of state institutional primary
19 psychiatric services the department may approve the institutes entering into
20 contracts with county departments under s. 51.42 for providing primary psychiatric
21 care. If excess capacity exists at state operated mental health institutes, the
22 department shall, subject to ~~s.~~ ss. 13.48 (14) (am) and 16.848 (1), explore the possible
23 sale or lease of such excess facilities to a county department under s. 51.42.

24 ***–1130/9.52*SECTION 816.** 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.

***–0676/P1.1*SECTION 817.** 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.

***–1130/9.53*SECTION 818.** 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).

1 ***–0422/P4.3*SECTION 819.** 46.07 of the statutes is amended to read:

2 **46.07 Property of patients or residents.** All money including wages and
3 other property delivered to an officer or employee of any institution for the benefit
4 of a patient or resident shall immediately be delivered to the steward, who shall enter
5 the money upon the steward's books to the credit of the patient or resident. The
6 property shall be used only under the direction and with the approval of the
7 superintendent and for the crime victim and witness assistance surcharge under s.
8 973.045 (4), the delinquency victim and witness assistance surcharge under s. 938.34
9 (8d) (c), the deoxyribonucleic acid analysis surcharge under s. 973.046 (1r), the child
10 pornography surcharge under s. 973.042, the drug offender diversion surcharge
11 under s. 973.043, or the benefit of the patient or resident. If the money remains
12 uncalled for for one year after the patient's or resident's death or departure from the
13 institution, the superintendent shall deposit the money in the general fund. If any
14 patient or resident leaves property, other than money, uncalled for at an institution
15 for one year, the superintendent shall sell the property, and the proceeds shall be
16 deposited in the general fund. If any person satisfies the department, within 5 years
17 after the deposit, of his or her right to the deposit, the department shall direct the
18 department of administration to draw its warrant in favor of the claimant and it shall
19 charge the same to the appropriation made by s. 20.913 (3) (c).

20 ***–0068/5.2*SECTION 820.** 46.21 (1) (d) of the statutes is amended to read:

21 46.21 **(1)** (d) "Human services" means the total range of services to people,
22 including mental illness treatment, developmental disabilities services, physical
23 disabilities services, income maintenance, youth probation, extended supervision
24 and parole services, alcohol and drug abuse services, services to children, youth and
25 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~~.

***–0068/5.3*SECTION 821.** 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:

***–0617/2.4*SECTION 822.** 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.

***–0617/2.5*SECTION 823.** 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.

***–0617/2.6*SECTION 824.** 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).

***–0617/2.7*SECTION 825.** 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.

***–0617/2.8*SECTION 826.** 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.

***–0617/2.9*SECTION 827.** 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:

***–0617/2.10*SECTION 828.** 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).

***–0617/2.11*SECTION 829.** 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.

1 ***–0617/2.12*SECTION 830.** 46.27 (7g) (c) 6. (intro.) of the statutes is amended
2 to read:
3 46.27 **(7g)** (c) 6. (intro.) The department may not enforce ~~the~~ a lien under subd.
4 5. as long as any of the following survive the decedent:
5 ***–0617/2.13*SECTION 831.** 46.27 (7g) (c) 6m. of the statutes is created to read:
6 46.27 **(7g)** (c) 6m. All of the following apply to a lien under subd. 5. that the
7 department may not enforce because of subd. 6.:
8 a. If the decedent's surviving spouse or child who is under age 21 or disabled
9 refinances a mortgage on the real property, the lien is subordinate to the new
10 encumbrance.
11 b. The department shall release the lien in the circumstances described in s.
12 49.848 (5) (f).
13 ***–0617/2.14*SECTION 832.** 46.27 (7g) (g) of the statutes is amended to read:
14 46.27 **(7g)** (g) The department shall promulgate rules establishing standards
15 for determining whether the application of this subsection would work an undue
16 hardship in individual cases. If the department determines that the application of
17 this subsection would work an undue hardship in a particular case, the department
18 shall waive application of this subsection in that case. This paragraph does not apply
19 with respect to claims against the estates of nonclient surviving spouses.
20 ***–1096/3.1*SECTION 833.** 46.286 (1m) of the statutes is created to read:
21 46.286 **(1m)** INCOME AND ASSETS EXCLUDED. For purposes of determining a
22 person's financial eligibility under sub. (1) (b) and cost–sharing requirements under
23 sub. (2), to the extent approved by the federal government, the department or its
24 designee shall exclude any assets accumulated in an independence account, as
25 defined in s. 49.472 (1) (c), and any income or assets from retirement benefits earned

or accumulated from employment income or employer contributions while the person was employed and eligible for and receiving medical assistance under s. 49.472.

***–0617/2.15*SECTION 834.** 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.

***–0617/2.16*SECTION 835.** 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)~~.

***–1037/1.1*SECTION 836.** 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).

***–1215/1.1*SECTION 837.** 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.

***–1037/1.2*SECTION 838.** 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.

***–1037/1.3*SECTION 839.** 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.

***–1037/1.4*SECTION 840.** 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.

***–1037/1.5*SECTION 841.** 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.

***–1221/2.2*SECTION 842.** 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).

***–1221/2.3*SECTION 843.** 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).

***–1221/2.4*SECTION 844.** 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).

***–1221/2.5*SECTION 845.** 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.

***–1221/2.6*SECTION 846.** 46.56 (3) (d) 6. of the statutes is amended to read:

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

***–1221/2.7*SECTION 847.** 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 <u>or a multi–entity initiative</u> that applies for funding under sub. (15), severely emotionally disturbed children are required to be a priority target group.

***–1221/2.8*SECTION 848.** 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.

***–1221/2.9*SECTION 849.** 46.56 (4) (intro.) of the statutes is amended to read:

46.56 **(4)** ROLE OF ADMINISTERING AGENCY. (intro.) ~~The~~ <u>Except when otherwise provided in requirements established by the department under sub. (14) (e) that</u>

apply with respect to multi–entity initiatives, the administering agency designated under sub. (2) shall do all of the following:

***–1221/2.10*SECTION 850.** 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.

***–1221/2.11*SECTION 851.** 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:

***–1221/2.12*SECTION 852.** 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.

***–1221/2.13*SECTION 853.** 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.

***–1221/2.14*SECTION 854.** 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.

***–1221/2.15*SECTION 855.** 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 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:

***–1221/2.16*SECTION 856.** 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.

***–1221/2.17*SECTION 857.** 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 requirements 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.

****NOTE: This is reconciled s. 46.56 (10). This SECTION has been affected by drafts with the following LRB numbers: LRB–1221/1 and LRB–0839/P3.

***–1221/2.18*SECTION 858.** 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:

***–1221/2.19*SECTION 859.** 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.

***–1221/2.20*SECTION 860.** 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).

1 ***–1221/2.21*SECTION 861.** 46.56 (15) (b) (intro.) of the statutes is amended to
2 read:
3 46.56 **(15)** (b) (intro.) In order to apply for funds under this subsection, the
4 county board of supervisors or tribe or, for a multi–entity initiative, the county board
5 of the lead administrative county or the lead administrative tribe shall do all of the
6 following:
7 ***–1221/2.22*SECTION 862.** 46.56 (15) (b) 4. of the statutes is amended to read:
8 46.56 **(15)** (b) 4. Submit a description of the existing services and other
9 resources in the county or tribe or in the area or areas served by a multi–entity
10 initiative for children who are involved in 2 or more systems of care, an assessment
11 of any gaps in services, and a plan for using the funds received under this subsection
12 or funds from other sources to develop or expand the initiative.
13 ***–1221/2.23*SECTION 863.** 46.56 (15) (c) of the statutes is amended to read:
14 46.56 **(15)** (c) In order for a county or tribe or a multi–entity initiative to obtain
15 funds under this subsection, all of the participating agencies and organizations shall
16 provide matching funds that, in total, equal 20% of the requested funding. The
17 match may be cash or in–kind. The department shall determine what may be used
18 as in–kind match.
19 ***–1221/2.24*SECTION 864.** 46.56 (15) (d) of the statutes is amended to read:
20 46.56 **(15)** (d) In order to apply for funding, a county or tribe or a multi–entity
21 initiative shall have a coordinating committee that meets the requirements under
22 sub. (3) (a) and (b)~~,~~ and, if applicable, sub. (3) (bm) that will carry out the
23 responsibilities under sub. (3) (d).
24 ***–1037/1.6*SECTION 865.** 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.

***–1037/1.7*SECTION 866.** 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.

***–1037/1.8*SECTION 867.** 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.

***–1037/1.9*SECTION 868.** 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.

***–1037/1.10*SECTION 869.** 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:

***–0221/P3.2*SECTION 870.** 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.