



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBb0863/1
ALL:all

**SENATE AMENDMENT 2,
TO ASSEMBLY BILL 64**

September 15, 2017 - Offered by Senators SHILLING, RISSER, RINGHAND, ERPENBACH, JOHNSON, L. TAYLOR, MILLER, CARPENTER, VINEHOUT, BEWLEY, WIRCH, HANSEN and LARSON.

1 At the locations indicated, amend the bill, as shown by assembly substitute
2 amendment 1, as follows:

3 **1.** Page 11, line 16: after that line insert:

4 “**SECTION 9m.** 15.01 (4) of the statutes is amended to read:

5 15.01 (4) “Council” means a part-time body appointed to function on a
6 continuing basis for the study, and recommendation of solutions and policy
7 alternatives, of the problems arising in a specified functional area of state
8 government, except the council on physical disabilities has the powers and duties
9 specified in s. 46.29 (1) and (2), the state council on alcohol and other drug abuse has
10 the powers and duties specified in s. 14.24, the small farm higher education debt
11 council has the powers and duties specified in s. 39.52 (3) and (9), and the electronic
12 recording council has the powers and duties specified in s. 706.25 (4).”.

13 **2.** Page 12, line 7: delete lines 7 to 9.

1 **3.** Page 13, line 22: after that line insert:

2 “**SECTION 35m.** 15.137 (7) of the statutes is created to read:

3 15.137 (7) **SMALL FARM HIGHER EDUCATION DEBT COUNCIL.** There is created in the
4 department of agriculture, trade and consumer protection a small farm higher
5 education debt council consisting of the secretary of agriculture, trade and consumer
6 protection or his or her designee, the chancellor of the University of
7 Wisconsin-Extension or his or her designee, and the following members appointed
8 by the secretary of agriculture, trade and consumer protection for 3-year terms:

9 (a) An individual who administers or participates or cooperates in programs
10 of the farm service agency of the U.S. department of agriculture. The secretary may
11 consult with the farm service agency in making the appointment.

12 (b) An individual representing agricultural lenders.

13 (c) An individual representing higher education loan providers or servicers.”.

14 **4.** Page 18, line 12: delete the material beginning with that line and ending
15 with page 19, line 2.

16 **5.** Page 40, line 16: after that line insert:

17 “**SECTION 157mb.** 16.72 (2) (c) of the statutes is amended to read:

18 16.72 (2) (c) To the extent possible, the department shall write specifications
19 so as to permit the purchase of materials manufactured in the United States, as
20 defined in s. 16.754 (1) (b), or the purchase of local products or services, as defined
21 in s. 66.0145 (1) (b).

22 **SECTION 157me.** 16.754 (title) of the statutes is amended to read:

23 **16.754** (title) **Preference for local products and services and**
24 **American-made materials.**

1 **SECTION 157mf.** 16.754 (1) (a) of the statutes is renumbered 16.754 (1) (ar).

2 **SECTION 157mg.** 16.754 (1) (am) of the statutes is created to read:

3 16.754 (1) (am) “Local product or service” has the meaning given in s. 66.0145
4 (1) (b).

5 **SECTION 157mh.** 16.754 (2) (title) of the statutes is amended to read:

6 16.754 (2) (title) PURCHASE PREFERENCE PREFERENCES.

7 **SECTION 157mi.** 16.754 (2) of the statutes is renumbered 16.754 (2) (b).

8 **SECTION 157mj.** 16.754 (2) (a) of the statutes is created to read:

9 16.754 (2) (a) The department, a designated purchasing agent under s. 16.71
10 (1), and each agency making purchases under s. 16.74 shall attempt to ensure that
11 at least 20 percent of the total amount expended under this subchapter in each fiscal
12 year is for local products or services, and it shall be a further goal that the percentage
13 of the total amount expended in any fiscal year for local products or services will not
14 be lower than the percentage of the total amount expended in the previous fiscal year
15 for local products or services.

16 **SECTION 157mk.** 16.754 (2m) of the statutes is created to read:

17 16.754 (2m) DATA. For purposes of measuring compliance with sub. (2) (a), the
18 department shall collect from a person who responds to a proposal or submits a bid
19 for a contract information regarding the person’s principal place of business. The
20 department shall make available to the public on its Internet site the data it collects
21 under this subsection as well as an annual evaluation of how well the department,
22 its designated purchasing agents, and any agency making purchases under s. 16.74
23 are meeting the goal under sub. (2) (a).

24 **SECTION 157mL.** 16.754 (3) (intro.) of the statutes is amended to read:

1 16.754 **(3)** EXEMPTIONS. (intro.) Subsection (2) (b) does not apply if the
2 materials are purchased for the purpose of commercial resale or for the purpose of
3 use in the production of goods for commercial sale. Subsection (2) (b) does not apply
4 to the purchase of stationery and printing materials. Subsection (2) (b) does not
5 apply if the department determines, under s. 16.75 (1) (a) 2., that the foreign nation
6 or subdivision thereof in which the vendor is domiciled does not give preference to
7 vendors domiciled in that nation or subdivision in making governmental purchases.
8 Subsection (2) (b) does not apply if the department or other person having
9 contracting authority in respect to the purchase determines that:”.

10 **6.** Page 69, line 11: increase the dollar amount for fiscal year 2017-18 by
11 \$75,500 and increase the dollar amount for fiscal year 2018-19 by \$75,500 for the
12 purpose of increasing the authorized FTE positions for the department by 1.5 GPR
13 positions to serve as an agricultural program specialist and an economic
14 development consultant.

15 **7.** Page 79, line 7: after that line insert:

16 “(a) Broadband expansion grants;

17 general purpose revenue funding GPR C 100,000,000 -0-”.

18 **8.** Page 87, line 16: increase the dollar amount for fiscal year 2018-19 by
19 \$19,786,600 for the purpose for which the appropriation is made.

20 **9.** Page 87, line 18: increase the dollar amount for fiscal year 2017-18 by
21 \$17,291,500 and increase the dollar amount for fiscal year 2018-19 by \$16,826,200
22 for the purpose for which the appropriation is made.

23 **10.** Page 87, line 18: delete “B” and substitute “S”.

1 39.52 (6), the amount appropriated under this paragraph in fiscal year 2017-18 may
2 not exceed \$120,000, in fiscal year 2018-19 may not exceed \$240,000, in fiscal year
3 2019-20 may not exceed \$360,000, in fiscal year 2020-21 may not exceed \$480,000,
4 and in fiscal year 2021-22 and each fiscal year thereafter may not exceed \$600,000.”.

5 **18.** Page 280, line 2: delete lines 2 to 9 and substitute:

6 “20.235 (1) (fe) *Wisconsin grants; University of Wisconsin System students.* A
7 sum sufficient equal to \$0 in the 2013-14 fiscal year, equal to \$58,345,400 in the
8 2014-15 fiscal year, and equal to the amount calculated under s. 39.435 (7) for the
9 Wisconsin grant program under s. 39.435 for University of Wisconsin System
10 students, except for grants awarded under s. 39.435 (2) or (5), in the 2015-16 fiscal
11 year and the 2016-17 fiscal year, equal to \$77,779,000 in the 2017-18 fiscal year and
12 78,720,300 in the 2018-19 fiscal year, and equal to the amount calculated under s.
13 39.435 (7) for the Wisconsin grant program under s. 39.435 for University of
14 Wisconsin System students, except for grants awarded under s. 39.435 (2) or (5),
15 thereafter. Notwithstanding s. 20.002 (1), the higher educational aids board may
16 transfer moneys under this paragraph between fiscal years.”.

17 **19.** Page 286, line 8: delete lines 8 to 11.

18 **20.** Page 314, line 2: after that line insert:

19 “**SECTION 367r.** 20.410 (3) (fm) of the statutes is created to read:

20 20.410 (3) (fm) *Grants for female juvenile services.* The amounts in the
21 schedule for grants to counties under s. 301.093.”.

22 **21.** Page 410, line 22: delete the material beginning with that line and ending
23 with page 412, line 9.

24 **22.** Page 422, line 4: delete that line.

1 **23.** Page 422, line 4: after that line insert:

2 “**SECTION 704q.** 39.52 of the statutes is created to read:

3 **39.52 Small farm operators. (1) FINDINGS.** The legislature finds that
4 farming is central to this state’s traditions and economy and essential for feeding
5 residents of this state and beyond. The legislature also finds that as the population
6 of farmers ages, this state faces a challenge recruiting and retaining new farmers.
7 The legislature believes that higher education debt is a significant barrier for new
8 farmers who work towards economic viability during the early years of their careers.
9 The legislature therefore finds it in the best interest of the state to establish a
10 program to provide financial assistance to new farmers carrying student debt in their
11 first years of farming in exchange for a commitment to farming in this state. The
12 purpose of the program is to recruit and retain new Wisconsin farmers of diverse
13 backgrounds who have completed postsecondary education, regardless of field of
14 study, previous state residency, or background in agriculture, and to sustain this
15 state’s small and midsize family farms while fostering innovation in sustainable best
16 practices.

17 **(2) DEFINITIONS.** In this section:

18 (a) “Council” means the small farm higher education debt council.

19 (b) “Higher education debt” means debt, including interest, incurred in pursuit
20 of a certificate, diploma, or degree from an institution of higher education or to
21 complete a farm and industry short course offered by the University of Wisconsin
22 System, but does not include any debt reimbursed, assumed, or otherwise paid for
23 under any public or private program other than the program established under sub.

24 (3).

1 (c) "Institution of higher education" means a nonprofit or public educational
2 institution that awards an associate or baccalaureate degree and that is accredited
3 by an accrediting agency that is recognized by the secretary of the federal
4 department of education.

5 (d) "Operate a small farm" means to do both of the following:

- 6 1. Engage in agricultural activities at a small farm.
- 7 2. Participate in the day-to-day operation of a small farm.

8 (e) "Small farm" means farm premises, as specified in s. 102.04 (3), in this state
9 that, at the time of the first payment to an individual under sub. (5) or (9) (b), has
10 annual gross cash farm income that is not less than \$35,000 nor more than \$500,000
11 or 140 percent of the maximum annual gross cash farm income for a small farm under
12 the typology of the economic research service of the U.S. department of agriculture,
13 whichever is greater.

14 **(3) REIMBURSEMENT PROGRAM; ELIGIBILITY.** (a) The council shall establish a
15 program that reimburses the higher education debt under sub. (5) or (9) (b) if the
16 council finds that all of the following are satisfied:

17 1. The individual is a state resident whose primary occupation is to operate a
18 small farm.

19 2. The individual satisfies one of the following:

20 a. The individual has graduated from an institution of higher education with
21 an associate or baccalaureate degree.

22 b. The individual has completed a farm and industry short course offered by
23 the University of Wisconsin System.

24 c. The individual has obtained a technical college diploma or certificate in
25 agriculture or a field related to agriculture.

1 3. No later than 5 years after satisfying the requirement under subd. 2., the
2 individual begins to operate a small farm.

3 4. No later than 5 years after satisfying the requirement under subd. 2., the
4 individual applies to the council for reimbursement.

5 5. The individual intends to operate a small farm for at least 5 years after
6 applying to the council for reimbursement.

7 6. No other individual who also operates the small farm specified in subd. 3.
8 is reimbursed for his or her higher education debt under sub. (5) or (9) (b).

9 (b) The council shall allow an individual to apply for reimbursement prior to
10 satisfying the requirement under par. (a) 2.

11 **(4) AGREEMENTS.** (a) The board shall enter into an agreement for making
12 payments under sub. (5) or (9) (b) to an individual whom the council finds satisfies
13 the requirements under sub. (3) if the board finds all of the following:

14 1. Except as provided in subd. 2., the repayment period for each student loan
15 within the individual's higher education debt that is reimbursed under this section
16 does not exceed 10 years.

17 2. For each federal student loan within the individual's higher education debt
18 that is reimbursed under this section, the individual enters into the standard
19 repayment plan of the federal department of education for the loan.

20 (b) The board may waive a requirement under par. (a) 1. or 2. if the board finds
21 that the requirement presents a financial hardship. The board may require an
22 individual to submit documentation necessary for the board to determine whether
23 the requirement presents a financial hardship.

24 (c) An agreement under par. (a) shall do all of the following:

1 1. Express the individual's commitment to pursue a long-term career in
2 farming in this state and to make a good faith effort to comply with the requirements
3 of this section during the 5-year period in which the individual receives payments
4 under sub. (5) or (9) (b).

5 2. Require the individual to annually submit documentation showing to the
6 board's satisfaction that the individual continues to be a state resident whose
7 primary occupation is to operate a small farm and that the individual has in the
8 preceding year made all required payments on the individual's outstanding higher
9 education debt.

10 3. Except as otherwise provided in this section, require the board to make
11 annual payments under sub. (5).

12 4. Require the individual to notify the board within 60 days if the individual
13 ceases to be a state resident or ceases to have as a primary occupation the operation
14 of a small farm.

15 5. Require the individual to provide the board with any information the board
16 determines is necessary for administering this section.

17 6. Identify the higher education debt to be reimbursed.

18 7. Provide for termination of the agreement as specified in sub. (8) (a).

19 **(5) REIMBURSEMENT PAYMENTS.** Except as otherwise provided in this section, for
20 each individual with whom the board enters into an agreement under sub. (4) (a), the
21 board shall make 5 annual payments of equal amounts to the individual that in total
22 equal the total amount of the individual's outstanding higher education debts, or
23 \$30,000, whichever is less. The board shall make the first payment as soon as
24 practicable after entering into the agreement and the subsequent payments
25 annually thereafter upon receipt of the documentation required under sub. (4) (c) 2.

1 **(6) ADJUSTMENTS.** The department of administration shall annually on July 1
2 adjust the amounts appropriated under s. 20.235 (1) (em) and the amount specified
3 in sub. (5) to reflect any changes in the U.S. consumer price index for all urban
4 consumers, U.S. city average, as determined by the U.S. department of labor, for the
5 12-month period ending on the preceding December 31.

6 **(7) LIMITS.** In a fiscal year, no more than 30 percent of the amount appropriated
7 under s. 20.235 (1) (em) for the fiscal year may be used to make payments under subs.
8 (5) and (9) (b) to individuals who satisfy sub. (3) (a) 2. b. or c.

9 **(8) TERMINATION.** (a) 1. Except as provided in par. (b), on the date that an
10 individual ceases to be a state resident, or an individual's primary occupation ceases
11 to be the operation of a small farm, the board shall terminate the individual's
12 agreement under sub. (4) (a) on that date and the individual is not eligible to receive
13 any remaining payments under the agreement.

14 2. Upon termination of an agreement under subd. 1., an individual is liable to
15 the board for an amount equal to the product obtained by multiplying the amount
16 of the most recent annual payment received by the individual under sub. (5) or (9)
17 (b) by a fraction in which the denominator is 365 and the numerator is the number
18 of days after the termination date that remain in the year immediately following the
19 most recent annual payment.

20 (b) In consultation with the council, the board shall promulgate rules that allow
21 an individual to remain eligible for payments under an agreement under sub. (4) (a)
22 if, due to circumstances beyond the individual's control, the individual ceases to be
23 a state resident, or ceases to operate a small farm, for a limited period. The
24 circumstances shall include deployment in the U.S. armed services or national
25 guard. The rules shall provide for each of the following:

1 1. Suspending payments during the period the individual ceases to be a state
2 resident and reinstating payments when the individual is a state resident.

3 2. Suspending payments during the period the individual's primary occupation
4 ceases to be the operation of a small farm and reinstating payments when the
5 individual's primary occupation is the operation of a small farm.

6 **(9) APPLICANTS; FUNDING.** (a) The council shall advise the board whether an
7 applicant for reimbursement payments satisfies the requirements under sub. (3). If
8 there is not sufficient funding to make reimbursement payments to all applicants for
9 reimbursement, the council shall give priority to applicants under the following
10 categories in the council's selection of applicants with which to advise the board:

11 1. Applicants with the greatest financial need.

12 2. Applicants who are most likely to successfully continue operating a small
13 farm based on factors including an applicant's interest, training, experience,
14 business plan, and relationship with a mentor.

15 3. Applicants who own or who are working toward ownership of a small farm.

16 4. Applicants who operate small farms that employ sustainable best practices
17 for farming that are identified in the list of approved conservation enhancements and
18 practices under the Conservation Stewardship Program of the U.S. department of
19 agriculture.

20 5. Applicants who are members of groups that are underrepresented in farming
21 in this state.

22 (b) If funding is available due to agreement terminations under sub. (8) (a) or
23 (10) (b), or if funding is available because the total amount of grants made by the
24 board under sub. (5) in a fiscal year does not exceed the limit specified in s. 20.235
25 (1) (em), the council shall advise the board of other individuals who are eligible for

1 reimbursement under sub. (3). Based on the amount of funding that is available, the
2 board may make payments to eligible individuals for a total amount that is less than
3 the amount required under sub. (5).

4 **(10) PENALTIES.** (a) Any individual who intentionally provides false
5 information to the board or council under this section may be required to forfeit no
6 more than \$500.

7 (b) If an individual with whom the board has entered into an agreement under
8 sub. (4) (a) fails to comply with a requirement under sub. (4) (c) 4. or intentionally
9 provides false information to the board or council under this section, the board shall
10 terminate the agreement and the individual is liable to the board for the total amount
11 of payments made to the individual under sub. (5) together with interest at the rate
12 of 10 percent per year from the date of the payments.

13 **(11) RULES.** The board and council may promulgate rules to carry out their
14 respective duties under this section.

15 **(12) ADMINISTRATIVE SUPPORT.** The department of agriculture, trade and
16 consumer protection shall provide administrative support to the council for carrying
17 out the council's duties under this section.

18 **(13) AUDITS.** The legislative audit bureau shall evaluate the effectiveness of the
19 program established under this section in accomplishing the purposes specified in
20 sub. (1). No later than July 1, 2024, and every 10 years thereafter, the legislative
21 audit bureau shall submit a report of its evaluation to the chief clerk of each house
22 of the legislature for distribution to the appropriate standing committees under s.
23 13.172 (3). The report shall include the legislative audit bureau's recommendations
24 on terminating, continuing, revising, or expanding the program, including any
25 recommendations regarding funding the program.”.

1 **24.** Page 454, line 15: after that line insert:

2 “**SECTION 786m.** 48.67 (6) of the statutes is created to read:

3 48.67 (6) That each child welfare agency that operates a residential care center
4 for children and youth accepts as placements in that residential care center for
5 children and youth a minimum number of juveniles who are alleged to be or have
6 been adjudicated delinquent or juveniles who are in need of protection or services.
7 The department shall establish the minimum number for each residential care
8 center for children and youth based on its capacity, the population served, the type
9 of treatment and level of service provided, its capability to serve juveniles with
10 exceptional needs, and other factors determined by the department.”.

11 **25.** Page 563, line 14: after that line insert:

12 “**SECTION 983h.** 66.0145 of the statutes is created to read:

13 **66.0145 Purchases of Wisconsin goods and services. (1) DEFINITIONS.** In
14 this section:

15 (a) “Local governmental unit” has the meaning given in s. 66.0135 (1) (c).

16 (b) “Local product or service” means a product or service that is purchased from
17 a person whose principal place of business is located in this state.

18 **(2) PURCHASING GOALS.** (a) It shall be a goal of a local governmental unit that,
19 annually, at least 20 percent of the aggregate value of purchases of products and
20 services by that local governmental unit shall be local products or services, and it
21 shall be a further goal of the local governmental unit that the percentage of the
22 aggregate value of routine purchases of products and services in any year that are
23 local products and services will not be lower than the aggregate value of such routine
24 purchases in the previous year.

1 (b) A local governmental unit shall evaluate its performance in reaching the
2 goals specified in par. (a) and shall annually make this evaluation available to the
3 public, except that these requirements do not apply to any local governmental unit
4 whose governing body enacts an ordinance, adopts a resolution, or takes other official
5 action stating that it chooses not to conduct an evaluation of its performance in
6 reaching the goals.”.

7 **26.** Page 609, line 7: after that line insert:

8 “**SECTION 1023u.** 71.05 (6) (b) 54. of the statutes is created to read:

9 71.05 (6) (b) 54. For taxable years beginning after December 31, 2016, any
10 amount received by an individual under the program under s. 39.52.”.

11 **27.** Page 851, line 9: after that line insert:

12 “**SECTION 1673y.** 165.955 (3) of the statutes is created to read:

13 165.955 (3) A county shall be eligible for a grant under sub. (2) if all of the
14 following apply:

15 (a) The county’s program is designed to meet the needs of a person who abuses
16 alcohol or other drugs and who may be or has been charged with or who has been
17 convicted of a crime in that county related to the person’s use or abuse of alcohol or
18 other drugs.

19 (b) The program is designed to promote public safety, reduce prison and jail
20 populations, reduce prosecution and incarceration costs, reduce recidivism, and
21 improve the welfare of participants’ families by meeting the comprehensive needs of
22 participants.

1 (c) The program establishes eligibility criteria for a person's participation. The
2 criteria shall specify that a violent offender is not eligible to participate in the
3 program.

4 (d) Subject to par. (e), the program does not prohibit a person from beginning
5 or continuing participation in the program because he or she uses a medication that
6 is approved by the federal food and drug administration for the treatment of his or
7 her substance use disorder.

8 (e) The program allows a participant to use a medication that is approved by
9 the federal food and drug administration if all of the following are true:

10 1. A licensed health care provider, acting in the scope of his or her practice, has
11 examined the person and determined that the person's use of the medication is an
12 appropriate treatment for the person's substance use disorder.

13 2. The medication was appropriately prescribed by a person authorized to
14 prescribe medication in the state.

15 3. The person is using the medication as prescribed as part of treatment for a
16 diagnosed substance use disorder.

17 (f) Services provided under the program are consistent with evidence-based
18 practices in substance abuse and mental health treatment, as determined by the
19 department of health services, and the program provides intensive case
20 management.

21 (g) The program uses graduated sanctions and incentives to promote successful
22 substance abuse treatment.

23 (h) The program provides holistic treatment to its participants and provides
24 them services that may be needed, as determined under the program, to eliminate
25 or reduce their use of alcohol or other drugs, improve their mental health, facilitate

1 their gainful employment or enhanced education or training, provide them stable
2 housing, facilitate family reunification, ensure payment of child support, and
3 increase the payment of other court-ordered obligations.

4 (i) The program is designed to integrate all mental health services provided to
5 program participants by state and local government agencies and other
6 organizations. The program shall require regular communication among a
7 participant's substance abuse treatment providers, other service providers, the case
8 manager, and any person designated under the program to monitor the person's
9 compliance with his or her obligations under the program and any probation,
10 extended supervision, and parole agent assigned to the participant.

11 (j) The program provides substance abuse and mental health treatment
12 services through providers that are certified by the department of health services.

13 (k) The program requires participants to pay a reasonable amount for their
14 treatment, based on their income and available assets, and pursues and uses all
15 possible resources available through insurance and federal, state, and local aid
16 programs, including cash, vouchers, and direct services.

17 (L) The program is developed with input from, and implemented in
18 collaboration with, one or more circuit court judges, the district attorney, the state
19 public defender, local law enforcement officials, county agencies responsible for
20 providing social services, including services relating to alcohol and other drug
21 addiction, child welfare, mental health, and the Wisconsin Works program, the
22 departments of corrections, children and families, and health services, private social
23 services agencies, and substance abuse treatment providers.

24 (m) The county complies with other eligibility requirements established by the
25 department of justice to promote the objectives listed in pars. (a) and (b).”

1 **28.** Page 860, line 10: delete “20.155 (3) (r)” and substitute “20.155 (3) (a), (r)”.

2 **29.** Page 860, line 11: delete “and (rm)” and substitute “, and (rm)”.

3 **30.** Page 863, line 12: after that line insert:

4 “**SECTION 1712b.** 227.01 (1) of the statutes is amended to read:

5 227.01 (1) “Agency” means a board, commission, committee, department or
6 officer in the state government, except the governor, a district attorney or a military
7 or judicial officer. “Agency” includes the small farm higher education debt council.”.

8 **31.** Page 868, line 20: after that line insert:

9 “**SECTION 1771d.** 238.126 of the statutes is created to read:

10 **238.126 Program targeting.** Beginning with the 2017-19 fiscal biennium,
11 the corporation shall target new funding it receives in the appropriations under s.
12 20.192 (1) (a) and (r) toward economic development programs that benefit small
13 businesses, start-ups, businesses located in rural areas, and businesses certified
14 under ss. 16.283, 16.285, and 16.287.”.

15 **32.** Page 869, line 21: after that line insert:

16 “**SECTION 1774o.** 238.165 of the statutes is created to read:

17 **238.165 Entrepreneurial tax credit access grants.** (1) The corporation
18 shall establish and administer a program to make grants under this section. The
19 corporation may award a grant under the program to a person who intends to use the
20 grant to secure financing for making expenditures that would qualify for a credit
21 under s. 71.07 (2dy) or (3g) (a) 2., 71.28 (1dy) or (3g) (a) 2., or 71.47 (1dy) or (3g) (a)
22 2., if the expenditures are made for a business located in this state that has fewer
23 than 25 employees in this state or less than \$5,000,000 in gross receipts for the
24 taxable year in which the person applies for a grant under this section.

1 **(2)** Any person who wishes to receive a grant under this section shall complete
2 and submit an application to the corporation and enter into an agreement with the
3 corporation to use the grant to secure financing for making expenditures described
4 under sub. (1) and to repay any or all of the grant proceeds to the corporation if the
5 person fails to comply with the agreement. An agreement under this subsection may
6 provide that repayment shall be obtained through full or partial repayment of the
7 principal amount of the grant plus interest, through receipt of a share of future
8 profits from or an interest in a product or process, or through any other appropriate
9 means.

10 **(3)** (a) No person may receive a grant under this section unless the person has
11 submitted business and financing plans to a commercial lending institution and
12 submitted copies of the plans to the corporation. Before awarding a grant, the
13 corporation shall verify that the lender has approved the person's plans and will
14 underwrite a loan for expenditures described under sub. (1), contingent on the
15 person receiving a grant under this section.

16 (b) The amount of any grant awarded under this section is the amount equal
17 to 95 percent of the tax credit that the recipient could otherwise receive for making
18 expenditures described under sub. (1), except that the amount of the grant may not
19 exceed an amount equal to 20 percent of the cost of the project that is being financed.

20 (c) The corporation shall require, as a condition of the grant, that the recipient
21 contribute to a project an amount that is not less than the amount the recipient
22 receives as a grant under this section for the project.

23 **(4)** A person who receives a grant under this section to secure financing for
24 making an expenditure described under sub. (1) may not claim a credit under s. 71.07

1 (2dy) or (3g) (a) 2., 71.28 (1dy) or (3g) (a) 2., or 71.47 (1dy) or (3g) (a) 2. for that
2 expenditure.

3 (5) (a) The corporation shall pay grants under this section from the
4 appropriation under s. 20.192 (1) (r). The total amount that the corporation may
5 award under this section in a fiscal year is \$8,000,000.

6 (b) The corporation shall establish policies and procedures to administer this
7 section.

8 (c) The corporation may not award grants under this section after January 1,
9 2019.”

10 **33.** Page 898, line 1: before that line insert:

11 “**SECTION 1850m.** 301.093 of the statutes is created to read:

12 **301.093 Grants for female juvenile services.** The department shall
13 provide grants to counties to provide females in the juvenile justice system with
14 gender-responsive and culturally responsive, trauma-informed, and
15 developmentally appropriate services.”

16 **34.** Page 939, line 25: after that line insert:

17 “**SECTION 2257s.** 977.08 (4m) (c) of the statutes is amended to read:

18 977.08 (4m) (c) Unless otherwise provided by a rule promulgated under s.
19 977.02 (7r) or by a contract authorized under sub. (3) (f), for cases assigned on or after
20 July 29, 1995, and before the effective date of this paragraph [LRB inserts date],
21 private local attorneys shall be paid \$40 per hour for time spent related to a case,
22 excluding travel, and \$25 per hour for time spent in travel related to a case if any
23 portion of the trip is outside the county in which the attorney’s principal office is

1 located or if the trip requires traveling a distance of more than 30 miles, one way,
2 from the attorney's principal office.

3 **SECTION 2257t.** 977.08 (4m) (d) of the statutes is created to read:

4 977.08 (4m) (d) Unless otherwise provided by a rule promulgated under s.
5 977.02 (7r) or by a contract authorized under sub. (3) (f), for cases assigned on or after
6 the effective date of this paragraph [LRB inserts date], private local attorneys
7 shall be paid \$50 per hour for time spent related to a case, excluding travel, and \$25
8 per hour for time spent in travel related to a case if any portion of the trip is outside
9 the county in which the attorney's principal office is located or if the trip requires
10 traveling a distance of more than 30 miles, one way, from the attorney's principal
11 office.”.

12 **35.** Page 1017, line 13: after that line insert:

13 “(3m) INITIAL MEMBERS; SMALL FARM HIGHER EDUCATION DEBT COUNCIL.
14 Notwithstanding the length of term for certain members of the small farm higher
15 education debt council that is specified in section 15.137 (7) (intro.) of the statutes,
16 the initial member appointed under section 15.137 (7) (a) of the statutes shall have
17 a term expiring on July 1, 2019, the initial member appointed under section 15.137
18 (7) (b) of the statutes shall have a term expiring on July 1, 2020, and the initial
19 member appointed under section 15.137 (7) (c) of the statutes shall have a term
20 expiring on July 1, 2021.”.

21 **36.** Page 1022, line 19: after that line, before the material inserted by
22 assembly amendment 20 to assembly substitute amendment 1, insert:

23 “(3c) TECHNICAL ASSISTANCE TO EXAMINE CRIMINAL JUSTICE SYSTEM ISSUES. The
24 governor, supreme court, and the legislature, by December 31, 2017, are requested

1 to jointly request that the Council of State Governments Justice Center provide
2 technical assistance in conjunction with the state's existing justice system to
3 examine areas including crime, arrests, prison admissions, length of confinement
4 and supervision time, probation and postrelease supervision populations, recidivism
5 rates, behavioral health, unemployment, incarceration resulting from revocation of
6 community supervision, and modifying sentences based on risk. The technical
7 assistance received shall be coordinated by the legislative council staff.”.

8 **37.** Page 1067, line 6: after that line insert:

9 “(5f) PROCUREMENT FROM WISCONSIN BUSINESSES.

10 (a) The treatment of section 66.0145 of the statutes and the creation of section
11 16.754 (2) (a) of the statutes first apply to purchases made in the fiscal year that
12 begins in the year after this paragraph takes effect.

13 (b) The treatment of section 16.754 (2m) of the statutes first applies to
14 responses made and bids submitted in the fiscal year that begins in the year after
15 this paragraph takes effect.”.

16 **38.** At the appropriate places, insert all of the following:

17 “SECTION 1. 13.172 (1) of the statutes is amended to read:

18 13.172 (1) In this section, “agency” means an office, department, agency,
19 institution of higher education, association, society, or other body in state
20 government created or authorized to be created by the constitution or any law, that
21 is entitled to expend moneys appropriated by law, including the legislature and the
22 courts, and any authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 238,
23 239, or 279.

24 SECTION 2. 13.48 (13) (a) of the statutes is amended to read:

1 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or
2 facility that is constructed for the benefit of or use of the state, any state agency,
3 board, commission or department, the University of Wisconsin Hospitals and Clinics
4 Authority, the Fox River Navigational System Authority, the Wisconsin Student
5 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or
6 any local professional baseball park district created under subch. III of ch. 229 if the
7 construction is undertaken by the department of administration on behalf of the
8 district, shall be in compliance with all applicable state laws, rules, codes and
9 regulations but the construction is not subject to the ordinances or regulations of the
10 municipality in which the construction takes place except zoning, including without
11 limitation because of enumeration ordinances or regulations relating to materials
12 used, permits, supervision of construction or installation, payment of permit fees, or
13 other restrictions.

14 **SECTION 3.** 13.62 (2) of the statutes is amended to read:

15 13.62 (2) “Agency” means any board, commission, department, office, society,
16 institution of higher education, council, or committee in the state government, or any
17 authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,
18 or 279, except that the term does not include a council or committee of the legislature.

19 **SECTION 4.** 13.94 (1) (dt) of the statutes is created to read:

20 13.94 (1) (dt) Biennially, beginning in 2019, conduct a financial audit of the
21 Wisconsin Student Loan Refinancing Authority and a program evaluation audit of
22 the programs administered by the Wisconsin Student Loan Refinancing Authority
23 under ch. 239. The legislative audit bureau shall file a copy of each audit report
24 under this paragraph with the distributees specified in par. (b).

25 **SECTION 5.** 13.94 (1s) (c) 9. of the statutes is created to read:

1 13.94 (1s) (c) 9. The Wisconsin Student Loan Refinancing Authority for the cost
2 of the audit required to be performed under sub. (1) (dt).

3 **SECTION 6.** 13.94 (4) (a) 1. of the statutes is amended to read:

4 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
5 credentialing board, commission, independent agency, council or office in the
6 executive branch of state government; all bodies created by the legislature in the
7 legislative or judicial branch of state government; any public body corporate and
8 politic created by the legislature including specifically the Fox River Navigational
9 System Authority, the Lower Fox River Remediation Authority, the Wisconsin
10 Aerospace Authority, the Wisconsin Student Loan Refinancing Authority, the
11 Wisconsin Economic Development Corporation, a professional baseball park district,
12 a local professional football stadium district, a local cultural arts district, and a
13 long-term care district under s. 46.2895; every Wisconsin works agency under subch.
14 III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical
15 college district boards; every county department under s. 51.42 or 51.437; every
16 nonprofit corporation or cooperative or unincorporated cooperative association to
17 which moneys are specifically appropriated by state law; and every corporation,
18 institution, association or other organization which receives more than 50 percent
19 of its annual budget from appropriations made by state law, including subgrantee or
20 subcontractor recipients of such funds.

21 **SECTION 7.** 13.95 (intro.) of the statutes is amended to read:

22 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be
23 known as the “Legislative Fiscal Bureau” headed by a director. The fiscal bureau
24 shall be strictly nonpartisan and shall at all times observe the confidential nature
25 of the research requests received by it; however, with the prior approval of the

1 requester in each instance, the bureau may duplicate the results of its research for
2 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's
3 designated employees shall at all times, with or without notice, have access to all
4 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the
5 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
6 Wisconsin Student Loan Refinancing Authority, the Wisconsin Economic
7 Development Corporation, and the Fox River Navigational System Authority, and to
8 any books, records, or other documents maintained by such agencies or authorities
9 and relating to their expenditures, revenues, operations, and structure.

10 **SECTION 8.** 16.002 (2) of the statutes is amended to read:

11 16.002 (2) "Departments" means constitutional offices, departments, and
12 independent agencies and includes all societies, associations, and other agencies of
13 state government for which appropriations are made by law, but not including
14 authorities created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,
15 or 279.

16 **SECTION 9.** 16.004 (4) of the statutes is amended to read:

17 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the
18 department as the secretary designates may enter into the offices of state agencies
19 and authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237,
20 238, 239, and 279, and may examine their books and accounts and any other matter
21 that in the secretary's judgment should be examined and may interrogate the
22 agency's employees publicly or privately relative thereto.

23 **SECTION 10.** 16.004 (5) of the statutes is amended to read:

24 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and
25 authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237, 238,

1 239, and 279, and their officers and employees, shall cooperate with the secretary
2 and shall comply with every request of the secretary relating to his or her functions.

3 **SECTION 11.** 16.004 (12) (a) of the statutes is amended to read:

4 16.004 (12) (a) In this subsection, “state agency” means an association,
5 authority, board, department, commission, independent agency, institution, office,
6 society, or other body in state government created or authorized to be created by the
7 constitution or any law, including the legislature, the office of the governor, and the
8 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,
9 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
10 Wisconsin Economic Development Corporation, the Wisconsin Student Loan
11 Refinancing Authority, and the Fox River Navigational System Authority.

12 **SECTION 12.** 16.045 (1) (a) of the statutes is amended to read:

13 16.045 (1) (a) “Agency” means an office, department, independent agency,
14 institution of higher education, association, society, or other body in state
15 government created or authorized to be created by the constitution or any law, that
16 is entitled to expend moneys appropriated by law, including the legislature and the
17 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 232,
18 233, 234, 237, 238, 239, or 279.

19 **SECTION 13.** 16.15 (1) (ab) of the statutes is amended to read:

20 16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but
21 excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox
22 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,
23 and the Wisconsin Economic Development Corporation.

24 **SECTION 14.** 16.41 (4) of the statutes is amended to read:

1 16.41 (4) In this section, “authority” means a body created under subch. II of
2 ch. 114 or under ch. 231, 233, 234, 237, 238, 239, or 279.

3 **SECTION 15.** 16.417 (1) (b) of the statutes is amended to read:

4 16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or
5 ch. 231, 232, 233, 234, 237, 238, 239, or 279.

6 **SECTION 16.** 16.52 (7) of the statutes is amended to read:

7 16.52 (7) PETTY CASH ACCOUNT. With the approval of the secretary, each agency
8 that is authorized to maintain a contingent fund under s. 20.920 may establish a
9 petty cash account from its contingent fund. The procedure for operation and
10 maintenance of petty cash accounts and the character of expenditures therefrom
11 shall be prescribed by the secretary. In this subsection, “agency” means an office,
12 department, independent agency, institution of higher education, association,
13 society, or other body in state government created or authorized to be created by the
14 constitution or any law, that is entitled to expend moneys appropriated by law,
15 including the legislature and the courts, but not including an authority created in
16 subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238, 239, or 279.

17 **SECTION 17.** 16.528 (1) (a) of the statutes is amended to read:

18 16.528 (1) (a) “Agency” means an office, department, independent agency,
19 institution of higher education, association, society, or other body in state
20 government created or authorized to be created by the constitution or any law, that
21 is entitled to expend moneys appropriated by law, including the legislature and the
22 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
23 234, 237, 238, 239, or 279.

24 **SECTION 18.** 16.53 (2) of the statutes is amended to read:

1 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed
2 invoice, the agency shall notify the sender of the invoice within 10 working days after
3 it receives the invoice of the reason it is improperly completed. In this subsection,
4 “agency” means an office, department, independent agency, institution of higher
5 education, association, society, or other body in state government created or
6 authorized to be created by the constitution or any law, that is entitled to expend
7 moneys appropriated by law, including the legislature and the courts, but not
8 including an authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238,
9 239, or 279.

10 **SECTION 19.** 16.54 (9) (a) 1. of the statutes is amended to read:

11 16.54 (9) (a) 1. “Agency” means an office, department, independent agency,
12 institution of higher education, association, society or other body in state
13 government created or authorized to be created by the constitution or any law, which
14 is entitled to expend moneys appropriated by law, including the legislature and the
15 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
16 234, 237, 238, 239, or 279.

17 **SECTION 20.** 16.765 (1) of the statutes is amended to read:

18 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
19 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
20 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin
21 Student Loan Refinancing Authority, the Wisconsin Economic Development
22 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
23 include in all contracts executed by them a provision obligating the contractor not
24 to discriminate against any employee or applicant for employment because of age,
25 race, religion, color, handicap, sex, physical condition, developmental disability as

1 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national
2 origin and, except with respect to sexual orientation, obligating the contractor to take
3 affirmative action to ensure equal employment opportunities.

4 **SECTION 21.** 16.765 (2) of the statutes is amended to read:

5 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
6 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
7 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin
8 Student Loan Refinancing Authority, the Wisconsin Economic Development
9 Corporation, and the Bradley Center Sports and Entertainment Corporation shall
10 include the following provision in every contract executed by them: “In connection
11 with the performance of work under this contract, the contractor agrees not to
12 discriminate against any employee or applicant for employment because of age, race,
13 religion, color, handicap, sex, physical condition, developmental disability as defined
14 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
15 not be limited to, the following: employment, upgrading, demotion or transfer;
16 recruitment or recruitment advertising; layoff or termination; rates of pay or other
17 forms of compensation; and selection for training, including apprenticeship. Except
18 with respect to sexual orientation, the contractor further agrees to take affirmative
19 action to ensure equal employment opportunities. The contractor agrees to post in
20 conspicuous places, available for employees and applicants for employment, notices
21 to be provided by the contracting officer setting forth the provisions of the
22 nondiscrimination clause”.

23 **SECTION 22.** 16.765 (5) of the statutes is amended to read:

24 16.765 (5) The head of each contracting agency and the boards of directors of
25 the University of Wisconsin Hospitals and Clinics Authority, the Fox River

1 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox
2 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,
3 the Wisconsin Economic Development Corporation, and the Bradley Center Sports
4 and Entertainment Corporation shall be primarily responsible for obtaining
5 compliance by any contractor with the nondiscrimination and affirmative action
6 provisions prescribed by this section, according to procedures recommended by the
7 department. The department shall make recommendations to the contracting
8 agencies and the boards of directors of the University of Wisconsin Hospitals and
9 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
10 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin
11 Student Loan Refinancing Authority, the Wisconsin Economic Development
12 Corporation, and the Bradley Center Sports and Entertainment Corporation for
13 improving and making more effective the nondiscrimination and affirmative action
14 provisions of contracts. The department shall promulgate such rules as may be
15 necessary for the performance of its functions under this section.

16 **SECTION 23.** 16.765 (6) of the statutes is amended to read:

17 16.765 (6) The department may receive complaints of alleged violations of the
18 nondiscrimination provisions of such contracts. The department shall investigate
19 and determine whether a violation of this section has occurred. The department may
20 delegate this authority to the contracting agency, the University of Wisconsin
21 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the
22 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
23 Wisconsin Student Loan Refinancing Authority, the Wisconsin Economic
24 Development Corporation, or the Bradley Center Sports and Entertainment
25 Corporation for processing in accordance with the department's procedures.

1 **SECTION 24.** 16.765 (7) (intro.) of the statutes is amended to read:

2 16.765 (7) (intro.) When a violation of this section has been determined by the
3 department, the contracting agency, the University of Wisconsin Hospitals and
4 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
5 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin
6 Student Loan Refinancing Authority, the Wisconsin Economic Development
7 Corporation, or the Bradley Center Sports and Entertainment Corporation, the
8 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the
9 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the
10 Lower Fox River Remediation Authority, the Wisconsin Student Loan Refinancing
11 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
12 Sports and Entertainment Corporation shall:

13 **SECTION 25.** 16.765 (7) (d) of the statutes is amended to read:

14 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
15 further violations of this section and to report its corrective action to the contracting
16 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River
17 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox
18 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,
19 the Wisconsin Economic Development Corporation, or the Bradley Center Sports
20 and Entertainment Corporation.

21 **SECTION 26.** 16.765 (8) of the statutes is amended to read:

22 16.765 (8) If further violations of this section are committed during the term
23 of the contract, the contracting agency, the Fox River Navigational System Authority,
24 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
25 Wisconsin Student Loan Refinancing Authority, the Wisconsin Economic

1 Development Corporation, or the Bradley Center Sports and Entertainment
2 Corporation may permit the violating party to complete the contract, after complying
3 with this section, but thereafter the contracting agency, the Fox River Navigational
4 System Authority, the Wisconsin Aerospace Authority, the Lower Fox River
5 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the
6 Wisconsin Economic Development Corporation, or the Bradley Center Sports and
7 Entertainment Corporation shall request the department to place the name of the
8 party on the ineligible list for state contracts, or the contracting agency, the Fox River
9 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox
10 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,
11 the Wisconsin Economic Development Corporation, or the Bradley Center Sports
12 and Entertainment Corporation may terminate the contract without liability for the
13 uncompleted portion or any materials or services purchased or paid for by the
14 contracting party for use in completing the contract.

15 **SECTION 27.** 16.85 (2) of the statutes is amended to read:

16 16.85 (2) To furnish engineering, architectural, project management, and other
17 building construction services whenever requisitions therefor are presented to the
18 department by any agency. The department may deposit moneys received from the
19 provision of these services in the account under s. 20.505 (1) (kc) or in the general
20 fund as general purpose revenue — earned. In this subsection, “agency” means an
21 office, department, independent agency, institution of higher education, association,
22 society, or other body in state government created or authorized to be created by the
23 constitution or any law, which is entitled to expend moneys appropriated by law,
24 including the legislature and the courts, but not including an authority created in
25 subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238, 239, or 279.

1 **SECTION 28.** 16.865 (8) of the statutes is amended to read:

2 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a
3 proportionate share of the estimated costs attributable to programs administered by
4 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department
5 may charge premiums to agencies to finance costs under this subsection and pay the
6 costs from the appropriation on an actual basis. The department shall deposit all
7 collections under this subsection in the appropriation account under s. 20.505 (2) (k).
8 Costs assessed under this subsection may include judgments, investigative and
9 adjustment fees, data processing and staff support costs, program administration
10 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this
11 subsection, “agency” means an office, department, independent agency, institution
12 of higher education, association, society, or other body in state government created
13 or authorized to be created by the constitution or any law, that is entitled to expend
14 moneys appropriated by law, including the legislature and the courts, but not
15 including an authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237,
16 238, 239, or 279.

17 **SECTION 29.** 19.42 (10) (t) of the statutes is created to read:

18 19.42 (10) (t) The chief executive officer and members of the board of directors
19 of the Wisconsin Student Loan Refinancing Authority.

20 **SECTION 30.** 19.42 (13) (q) of the statutes is created to read:

21 19.42 (13) (q) The chief executive officer and members of the board of directors
22 of the Wisconsin Student Loan Refinancing Authority.

23 **SECTION 31.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
24 insert the following amounts for the purposes indicated:

2017-18	2018-19
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1 **20.195 Wisconsin Student Loan Refinancing**

2 **Authority**

3 (1) STUDENT LOAN REFINANCING PROGRAM

4 (a) Initial funding GPR B -0- -0-

5 **SECTION 32.** 20.195 of the statutes is created to read:

6 **20.195 Wisconsin Student Loan Refinancing Authority.** There is
7 appropriated to the Wisconsin Student Loan Refinancing Authority for the following
8 programs:

9 **(1) STUDENT LOAN REFINANCING PROGRAM.** (a) *Initial funding.* Biennially, the
10 amounts in the schedule to fund the initial costs of operating the Wisconsin Student
11 Loan Refinancing Authority and to start the student loan refinancing program under
12 ch. 239.

13 **SECTION 33.** 39.28 (7) of the statutes is created to read:

14 39.28 (7) The board shall create on its Internet site a link to that portion of the
15 department of financial institutions' Internet site created under s. 224.30 (6) (c) and
16 (d).

17 **SECTION 34.** 39.54 of the statutes is created to read:

18 **39.54 Student lending transparency.** (1) In this section, "institution of
19 higher education" means an institution or college campus within the University of
20 Wisconsin System, a technical college within the technical college system, a tribally
21 controlled college, or a private, nonprofit institution of higher education located in
22 this state that provides an educational program for which the institution awards an

1 associate degree or higher or provides a program that is acceptable toward such a
2 degree.

3 (2) Each institution of higher education shall provide to a prospective or newly
4 accepted student and to the student's parents clearly outlined and
5 easy-to-understand information pertaining to all of the following:

6 (a) The total cost of attendance at the institution of higher education.

7 (b) The approximate or, if known, the actual total amount of financial aid that
8 the student would receive from the institution of higher education, and the
9 approximate or, if known, the actual total amount of student loan debt that the
10 student would accumulate, over the course of 4 years if the student were to attend
11 the institution of higher education for 4 years.

12 (c) Student loan rates, repayment plans, default rates, and the actual monthly
13 payment that would be required to pay the student loan debt described in par. (b)
14 when the loan becomes due.

15 (3) Each institution of higher education shall create on its Internet site a link
16 to that portion of the department of financial institutions' Internet site created under
17 s. 224.30 (6) (c) and (d).

18 **SECTION 35.** 39.56 of the statutes is created to read:

19 **39.56 Loan counseling. (1) DEFINITION.** In this section, "institution of higher
20 education" means an institution or college campus within the University of
21 Wisconsin System, a technical college under ch. 38, or any private, nonprofit,
22 educational institution located in this state that provides an educational program for
23 which it awards an associate degree or higher.

24 (2) **APPLICABILITY.** This section applies to any student loan offered by an
25 institution of higher education or a private lender or recommended to a student by

1 an institution of higher education, other than a federally funded, federally insured,
2 or federally guaranteed loan for which counseling is required by 20 USC 1092.

3 **(3) ENTRANCE COUNSELING.** (a) Before a student enters into a student loan
4 agreement, an institution of higher education shall provide the student with
5 comprehensive information on the terms and conditions of a loan and the
6 responsibilities the student has with respect to the loan. The institution shall
7 provide the information during a counseling session conducted in person, on a
8 written form provided to the student that the student signs and returns, or online,
9 with the student acknowledging receipt of the information. The information
10 provided shall include all of the following:

11 1. To the extent practicable, the effect of accepting the loan to be disbursed on
12 the eligibility of the borrower for other forms of student financial assistance.

13 2. How interest accrues and is capitalized during periods when the interest is
14 not paid by the borrower.

15 3. The definitions of full-time and half-time enrollment at the institution of
16 higher education, during regular terms and intersession terms, if applicable, and the
17 consequences of not maintaining full-time or half-time enrollment.

18 4. The importance of contacting the appropriate office at the institution of
19 higher education if the borrower withdraws before completing his or her program of
20 study so that the institution can provide counseling under sub. (4).

21 5. Sample monthly repayment amounts, based on a range of levels of
22 indebtedness.

23 6. The obligation of the borrower to repay the full amount of the loan,
24 irrespective of whether the borrower completes his or her program of study at the
25 institution.

1 7. The likely consequences of default on the loan, including adverse credit
2 reports, delinquent debt collection procedures, and litigation.

3 8. Whether the student has reached the limit on his or her federal student loan
4 opportunities.

5 9. The name of, and contact information for, an individual the borrower may
6 contact if he or she has any questions about the borrower's rights and responsibilities
7 or the terms and conditions of the loan.

8 10. How a student or any member of the public may file a complaint about a
9 lender with the federal Consumer Financial Protection Bureau by calling a toll-free
10 telephone number, or by completing a complaint form, which may be obtained on the
11 bureau's Internet site. The institution of higher education shall also include the
12 toll-free telephone number and Internet site address of the bureau.

13 (b) In conjunction with providing information under par. (a), the institution of
14 higher education shall also do all of the following:

15 1. Clearly distinguish private loans from federal loans in individual financial
16 aid awards by stating, for any private loans included by the institution as part of the
17 institution's award package, all of the following:

18 a. Whether the rate is fixed or variable.

19 b. An explanation that private student loan lenders can offer variable interest
20 rates that can increase or decrease over time, depending on market conditions.

21 c. An explanation that private student loans have a range of interest rates and
22 fees and students should determine the interest rate of, and any fees associated with,
23 the private student loan included in their financial aid award package before
24 accepting the loan.

1 d. An explanation that students should contact the lender of the private
2 student loan or their institution's financial aid office if they have any questions about
3 a private student loan.

4 e. An explanation that the interest rate on a private student loan may depend
5 on the borrower's credit rating.

6 2. If the institution of higher education provides a private loan lender list,
7 provide general information about the loans available through the lender and
8 disclose the basis for each lender's inclusion on the list. The institution shall also
9 disclose with the list that the student may choose any lender.

10 (c) 1. A lender may not accept a final and complete application for a private
11 student loan from an applicant, or assess any fees upon an applicant, without first
12 receiving certification from the applicant's institution of higher education that the
13 applicant has received counseling from the institution under pars. (a) and (b) and
14 that the counseling was conducted in person, unless the certification specified that
15 the applicant elected to receive the counseling in a manner other than in person.

16 2. The certification required by subd. 1. shall be signed by the applicant and
17 the institutional counselor, and shall include the date of the counseling and the
18 name, address, and telephone number of both the counselor and the applicant. An
19 electronic facsimile copy of the counseling certification satisfies the requirement
20 under this subdivision. The lender shall maintain the certification in an accurate,
21 reproducible, and accessible format for the term of the student loan.

22 **(4) EXIT COUNSELING.** (a) As close as practicable to the date that a student
23 graduates from, transfers from, withdraws from, or otherwise completes his or her
24 program of study at the institution of higher education, the institution shall provide
25 the student with information relating to all of the following:

1 1. Repayment plans that are available, including a description of the different
2 features of each plan and sample information showing the average anticipated
3 monthly payments, and the difference in interest paid and total payments, under
4 each plan.

5 2. Debt management strategies designed to facilitate the repayment of
6 indebtedness.

7 3. The options to prepay each loan, pay each loan on a shorter schedule, or
8 change repayment plans.

9 4. The likely consequences of default on the loan, including adverse credit
10 reports, delinquent debt collection procedures, and litigation.

11 5. The effects of consolidation on a borrower's underlying loan benefits.

12 6. Grace periods, loan forgiveness, cancellation, and deferment opportunities.

13 7. The borrower benefit programs of different lenders.

14 8. The tax benefits that may be available to borrowers.

15 9. How to enroll in income-based repayment.

16 (b) With respect to a student who leaves an institution of higher education
17 without the knowledge of the institution, the institution shall attempt to provide the
18 information described in par. (a) to the student in writing.

19 **(5) FEE.** An institution of higher education may assess a reasonable fee to the
20 lender to defray the cost of counseling under this section in an amount not exceeding
21 \$50. The higher educational aids board and the department of financial institutions
22 shall jointly promulgate rules to implement and administer this subsection.

23 **SECTION 36.** 39.57 of the statutes is created to read:

24 **39.57 Student loan debt reports. (1)** By January 1 of each year, the Board
25 of Regents of the University of Wisconsin System shall provide to the board the

1 average amount of student loan incurred in the previous year by resident
2 undergraduate students enrolled in each institution within that system, the
3 technical college system board shall provide to the board the average amount of
4 student loan debt incurred in the previous year by resident undergraduate students
5 enrolled in each technical college within that system, each tribally controlled college
6 in this state shall provide to the board the average amount of student loan debt
7 incurred in the previous year by resident undergraduate students enrolled in that
8 tribally controlled college, and the Wisconsin Association of Independent Colleges
9 and Universities or a successor organization shall provide to the board the average
10 amount of student loan debt incurred in the previous year by resident undergraduate
11 students enrolled in each of the private, nonprofit accredited institutions of higher
12 education in this state.

13 **(2)** By March 1 of each year, the board shall do all of the following:

14 (a) Compile the information provided to the board under sub. (1) and, from that
15 information, compute the statewide average amount of student loan debt incurred
16 in the previous year by resident undergraduate students enrolled in the institutions
17 specified in sub. (1).

18 (b) Compare the amount computed under par. (a) to the national average
19 amount of student loan debt incurred in the previous year by undergraduate
20 students enrolled in institutions of higher education in the United States.

21 (c) Compare the amount computed under par. (a) to the statewide average
22 amount of student loan debt incurred in the previous year by undergraduate
23 students in the state with the lowest ratio of statewide average student loan debt to
24 the lowest quintile of state per capita income.

1 (d) Submit to the joint committee on finance a report regarding student loan
2 debt incurred in the previous year by resident undergraduate students at the
3 institutions specified in sub. (1). The report shall include the information provided
4 to the board under sub. (1), the statewide average amount of student loan debt
5 computed under par. (a), and the comparisons described in pars. (b) and (c).

6 **SECTION 37.** 40.02 (54) (n) of the statutes is created to read:

7 40.02 (54) (n) The Wisconsin Student Loan Refinancing Authority.

8 **SECTION 38.** 70.11 (38v) of the statutes is created to read:

9 70.11 (38v) WISCONSIN STUDENT LOAN REFINANCING AUTHORITY. All property
10 owned by the Wisconsin Student Loan Refinancing Authority, provided that use of
11 the property is primarily related to the purposes of the Wisconsin Student Loan
12 Refinancing Authority.

13 **SECTION 39.** 71.05 (6) (b) 28. am. of the statutes is amended to read:

14 71.05 (6) (b) 28. am. Notwithstanding subd. 28. a., for taxable years beginning
15 after December 31, 2008, the department of revenue and the Board of Regents of the
16 University of Wisconsin System shall continue making the calculation described
17 under subd. 28. a. Notwithstanding subd. 28. a., once this calculation exceeds
18 \$6,000, the deduction for tuition expenses, including any amount paid by a claimant
19 in the year to which the claim relates on a loan, the proceeds of which were used by
20 the claimant to pay the claimant's expenses for tuition, fees, books, room and board,
21 and educational supplies that were directly related to the claimant's attendance at
22 an eligible educational institution, as defined in s. 18.81 (2), and mandatory student
23 fees, as described in subd. 28. (intro.), shall be based on an amount equal to not more
24 than twice the average amount charged by the Board of Regents of the University
25 of Wisconsin System at 4-year institutions for resident undergraduate academic fees

1 for the most recent fall semester, as determined by the Board of Regents by
2 September 1 of that semester, per student for each year to which the claim relates,
3 and the deduction that may be claimed under this subd. 28. am. first applies to
4 taxable years beginning on the January 1 after the calculation of the Board of
5 Regents, that must occur by September 1, exceeds \$6,000.

6 **SECTION 40.** 71.05 (6) (b) 28. j. of the statutes is created to read:

7 71.05 (6) (b) 28. j. The provisions of subd. 28. b., c., d., and g. do not apply to
8 a taxable year that begins after December 31, 2017.

9 **SECTION 41.** 77.54 (9a) (a) of the statutes is amended to read:

10 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin
11 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin
12 Economic Development Corporation, the Wisconsin Student Loan Refinancing
13 Authority, and the Fox River Navigational System Authority.

14 **SECTION 42.** 100.45 (1) (dm) of the statutes is amended to read:

15 100.45 (1) (dm) "State agency" means any office, department, agency,
16 institution of higher education, association, society, or other body in state
17 government created or authorized to be created by the constitution or any law which
18 is entitled to expend moneys appropriated by law, including the legislature and the
19 courts, the Wisconsin Housing and Economic Development Authority, the Bradley
20 Center Sports and Entertainment Corporation, the University of Wisconsin
21 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities
22 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic
23 Development Corporation, the Wisconsin Student Loan Refinancing Authority, and
24 the Fox River Navigational System Authority.

25 **SECTION 43.** 224.30 (6) of the statutes is created to read:

1 224.30 (6) STUDENT LENDING TRANSPARENCY. (a) In this subsection:

2 1. “Higher education expenses” includes all of the following:

3 a. Tuition and fees.

4 b. Books and supplies

5 c. Room and board.

6 2. “Private student loan” means a loan issued by a private lending institution
7 for the purpose of paying for or financing higher education expenses.

8 3. “Private lending institution” means any private entity that itself or through
9 an affiliate makes available student loans to pay for or finance higher education
10 expenses.

11 4. “Student borrower” means any individual who borrows money from a private
12 lending institution to finance higher education expenses.

13 (b) The department shall compile data related to private student loans for the
14 purpose of comparing private lending institutions’ student loan interest rates and
15 repayment plans, including all of the following:

16 1. Policies relating to deferment and forbearance.

17 2. Loan default policies and penalties.

18 3. Any other information that the department deems relevant for the purpose
19 of creating a list of private lending institutions that provide the lowest rates and best
20 repayment options on student loans.

21 (c) 1. Using the data compiled under par. (b), the department shall create and
22 maintain a list of private lending institutions that provide the lowest rates and best
23 repayment options on student loans.

24 2. In addition to the list under subd. 1., the department shall compile a list of
25 the 10 best private lending institutions based on rates and policies that are most

1 favorable to the student borrower. The department may also consider the private
2 lending institutions' policies for allowing a student borrower to borrow more than 10
3 percent over the student borrower's total cost of higher education expenses when
4 determining if a private lending institution should be placed on this list.

5 (d) The department shall place the lists created and compiled under par. (c) at
6 an easily accessible location on the department's Internet site. The department shall
7 update its Internet site on a monthly basis to ensure that the student loan
8 information in these lists is current and accurate. Information pertaining to lending
9 institutions that do not make the list compiled under par. (c) 2. shall also be posted
10 on the department's Internet site and those lending institutions that provide the
11 worst rates and strictest repayment options shall be clearly indicated.

12 (e) The department shall make any list or other data under this subsection that
13 appears on the department's Internet site available to be linked as provided in ss.
14 39.28 (7) and 39.54 (3).

15 (f) The department may satisfy its duties under this subsection through a
16 designee or 3rd-party contractor.

17 **SECTION 44.** 230.03 (3) of the statutes is amended to read:

18 230.03 (3) "Agency" means any board, commission, committee, council, or
19 department in state government or a unit thereof created by the constitution or
20 statutes if such board, commission, committee, council, department, unit, or the
21 head thereof, is authorized to appoint subordinate staff by the constitution or
22 statute, except the Board of Regents of the University of Wisconsin System, a
23 legislative or judicial board, commission, committee, council, department, or unit
24 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,
25 234, 237, 238, 239, or 279. "Agency" does not mean any local unit of government or

1 body within one or more local units of government that is created by law or by action
2 of one or more local units of government.

3 **SECTION 45.** Chapter 239 of the statutes is created to read:

4 **CHAPTER 239**

5 **WISCONSIN STUDENT LOAN**

6 **REFINANCING AUTHORITY**

7 **239.01 Definitions.** In this chapter:

8 (1) "Authority" means the Wisconsin Student Loan Refinancing Authority.

9 (2) "Board" means the governing board of the authority.

10 (3) "Qualified education loan" has the meaning given in 26 USC 221 (d).

11 **239.02 Creation and organization of authority.** (1) (a) There is created an
12 authority, which is a public body corporate and politic, to be known as the "Wisconsin
13 Student Loan Refinancing Authority." The members of the board shall consist of all
14 of the following:

15 1. One member of the majority party in each house of the legislature.

16 2. One member of the minority party in each house of the legislature.

17 3. One undergraduate student enrolled at least half-time and in good academic
18 standing at an institution within the University of Wisconsin System who is at least
19 18 years old and a resident of this state.

20 4. One student enrolled at least half-time and in good academic standing at a
21 technical college who is at least 18 years old and a resident of this state.

22 5. One undergraduate student enrolled at least half-time and in good academic
23 standing at a private, nonprofit institution of higher education located in this state
24 who is at least 18 years old and a resident of this state.

1 6. Two members who have at least 10 years experience in making qualified
2 education loans or loan refinancing, but any person having a financial interest in or
3 whose employer is primarily engaged in the business of making qualified education
4 loans is not eligible for appointment under this subdivision, and any member
5 appointed under this subdivision who acquires such an interest while serving as a
6 member shall resign from the board.

7 (b) 1. The members specified in par. (a) 1. and 2. shall be appointed as are the
8 members of standing committees in their respective houses.

9 2. The members specified in par. (a) 3. to 5. shall be nominated by the governor,
10 and with the advice and consent of the senate appointed, for 2-year terms.

11 3. The members specified in par. (a) 6. shall be nominated by the governor, and
12 with the advice and consent of the senate appointed, for 3-year terms.

13 **(2)** If a student member of the board appointed under sub. (1) (a) 3. to 5. loses
14 his or her student status upon which the appointment was based, he or she ceases
15 to be a member of the board upon the appointment of a qualified successor to the
16 board. A student member who loses his or her student status solely because he or
17 she graduates from an institution of higher education may complete his or her
18 current term on the board.

19 **(3)** The members of the board shall annually elect a chairperson and may elect
20 other officers as they consider appropriate. A majority of the members of the board
21 constitutes a quorum for the purpose of conducting its business and exercising its
22 powers and for all other purposes, notwithstanding the existence of any vacancies.
23 Action may be taken by the board upon a vote of a majority of the voting members
24 present.

1 (4) A member of the board may not be compensated for his or her services but
2 shall be reimbursed for actual and necessary expenses, including travel expenses,
3 incurred in the performance of his or her duties.

4 (5) No cause of action of any nature may arise against and no civil liability may
5 be imposed upon a member of the board for any act or omission in the performance
6 of his or her powers and duties under this chapter, unless the person asserting
7 liability proves that the act or omission constitutes willful misconduct.

8 (6) The board shall appoint a chief executive officer who shall not be a member
9 of the board and who shall serve at the pleasure of the board. The chief executive
10 officer shall receive such compensation as the board fixes. The chief executive officer
11 or other person designated by resolution of the board shall keep a record of the
12 proceedings of the authority and shall be custodian of all books, documents, and
13 papers filed with the authority, the minute book or journal of the authority, and its
14 official seal. The chief executive officer or other person may cause copies to be made
15 of all minutes and other records and documents of the authority and may give
16 certificates under the official seal of the authority to the effect that such copies are
17 true copies, and all persons dealing with the authority may rely upon such
18 certificates.

19 **239.03 Powers of board.** The board shall have all the powers necessary or
20 convenient to carry out the purposes and provisions of this chapter. In addition to
21 all other powers granted the board under this chapter, the board may specifically:

22 (1) Adopt, amend, and repeal any bylaws, policies, and procedures for the
23 regulation of its affairs and the conduct of its business.

24 (2) Have a seal and alter the seal at pleasure.

25 (3) Maintain an office.

1 (4) Sue and be sued.

2 (5) Accept gifts, grants, loans, or other contributions from private or public
3 sources.

4 (6) Establish the authority's annual budget and monitor the fiscal
5 management of the authority.

6 (7) Execute contracts and other instruments required for the operation of the
7 authority.

8 (8) Employ any officers, agents, and employees that it may require and
9 determine their qualifications, duties, and compensation.

10 (9) Issue notes, bonds, and any other obligations.

11 (10) Make loans and provide grants.

12 (11) Incur debt.

13 (12) Procure liability insurance.

14 **239.04 Duties of board.** The board shall develop and implement a program
15 under which state residents may refinance qualified education loans. The board
16 shall develop the program to include all of the following:

17 (1) The authority shall provide a loan to an eligible individual to pay all or part
18 of the individual's qualified education loans.

19 (2) The authority may only issue loans under the program that satisfy the
20 exception to discharge under 11 USC 523 (a) (8).

21 (3) The authority shall establish eligibility criteria to participate in the
22 program.

23 (4) The board shall set the interest rate on loans made under the program to
24 be as low as possible but still sufficient to fully pay all expenses of the program and
25 to provide necessary reserves, as determined by the board.

1 (5) The authority shall establish policies governing the ability of borrowers to
2 defer loan payments or to enter into forbearances.

3 **239.05 Issuance of bonds.** (1) The authority may issue bonds for any
4 corporate purpose. All bonds are negotiable for all purposes, notwithstanding their
5 payment from a limited source.

6 (2) Except as otherwise expressly provided by the authority, every issue of its
7 notes or bonds shall be general obligations of the authority payable out of any
8 revenues or moneys of the authority, subject only to any agreements with the holders
9 of particular notes or bonds pledging any particular receipts or revenues.

10 (3) All bonds issued by the authority are negotiable investment securities
11 under ch. 408.

12 (4) The authority may not issue bonds unless the issuance is first authorized
13 by a bond resolution. Bonds shall bear the dates, mature at the times not exceeding
14 50 years from their dates of issue, bear interest at the rates, be payable at the times,
15 be in the denominations, be in the form, carry the registration and conversion
16 privileges, be executed in the manner, be payable in lawful money of the United
17 States at the places, and be subject to the terms of redemption, that the bond
18 resolution provides. The bonds shall be executed by the manual or facsimile
19 signatures of the officers of the authority designated by the board. The bonds may
20 be sold at public or private sale at the price, in the manner, and at the time
21 determined by the board. Pending preparation of definitive bonds, the authority may
22 issue interim receipts or certificates that shall be exchanged for the definitive bonds.

23 (5) The board may include in bond resolution provisions, which shall be a part
24 of the contract with the holders of the bonds that are authorized by the bond
25 resolution, regarding any of the following:

1 (a) Pledging or assigning specified assets or revenues of the authority.

2 (b) Setting aside reserves or sinking funds, and the regulation, investment, and
3 disposition of these funds.

4 (c) Limitations on the purpose to which or the investments in which the
5 proceeds of the sale of any issue of bonds may be applied.

6 (d) Limitations on the issuance of additional bonds, the terms upon which
7 additional bonds may be issued and secured, and the terms upon which additional
8 bonds may rank on a parity with, or be subordinate or superior to, other bonds.

9 (e) Funding, refunding, advance refunding, or purchasing outstanding bonds.

10 (f) Procedures, if any, by which the terms of any contract with bondholders may
11 be amended, the amount of bonds the holders of which must consent to the
12 amendment, and the manner in which this consent may be given.

13 (g) Defining the acts or omissions to act that constitute a default in the duties
14 of the authority to the bondholders, and providing the rights and remedies of the
15 bondholders in the event of a default.

16 (h) Other matters relating to the bonds that the board considers desirable.

17 **(6)** Neither the members of the board nor any person executing the bonds is
18 liable personally on the bonds or subject to any personal liability or accountability
19 by reason of the issuance of the bonds, unless the personal liability or accountability
20 is the result of willful misconduct.

21 **239.06 Bond security.** The authority may secure bonds by a trust agreement,
22 trust indenture, indenture of mortgage, or deed of trust by and between the authority
23 and one or more corporate trustees. A bond resolution providing for the issuance of
24 bonds so secured shall mortgage, pledge, assign, or grant security interests in some
25 or all of the revenues to be received by, and property of, the authority and may contain

1 those provisions for protecting and enforcing the rights and remedies of the
2 bondholders that are reasonable and proper and not in violation of law. A bond
3 resolution may contain other provisions determined by the board to be reasonable
4 and proper for the security of the bondholders.

5 **239.07 Bonds not public debt. (1)** The state is not liable on bonds, and the
6 bonds are not a debt of the state. All bonds shall contain a statement to this effect
7 on the face of the bond. A bond issue does not, directly, indirectly, or contingently,
8 obligate the state or a political subdivision of the state to levy any tax or make any
9 appropriation for payment of the bonds. Nothing in this section prevents the
10 authority from pledging its full faith and credit to the payment of bonds.

11 **(2)** Nothing in this chapter authorizes the authority to create a debt of the state,
12 and all bonds issued by the authority are payable, and shall state that they are
13 payable, solely from the funds pledged for their payment in accordance with the bond
14 resolution authorizing their issuance or in any trust indenture or mortgage or deed
15 of trust executed as security for the bonds. The state is not liable for the payment
16 of the principal of or interest on a bond or for the performance of any pledge,
17 mortgage, obligation, or agreement that may be undertaken by the authority. The
18 breach of any pledge, mortgage, obligation, or agreement undertaken by the
19 authority does not impose pecuniary liability upon the state or a charge upon its
20 general credit or against its taxing power.

21 **239.08 State pledge.** The state pledges to and agrees with the bondholders,
22 and persons that enter into contracts with the authority under this chapter, that the
23 state will not limit or alter the rights vested in the authority by this chapter before
24 the authority has fully met and discharged the bonds, and any interest due on the
25 bonds, and has fully performed its contracts, unless adequate provision is made by

1 law for the protection of the bondholders or those entering into contracts with the
2 authority.

3 **239.09 Liability limited.** Neither the state nor any political subdivision of
4 the state, nor any officer, employee, or agent of the state or a political subdivision of
5 the state who is acting within the scope of employment or agency, is liable for any
6 debt, obligation, act, or omission of the authority.

7 **239.10 Annual report. (1)** Annually, the board shall submit to the chief clerk
8 of each house of the legislature, for distribution to the legislature under s. 13.172 (2),
9 a report on the activities of the authority, including all of the following:

10 (a) Its operations, accomplishments, goals, and objectives.

11 (b) A statement of income and expenses for the fiscal year.

12 (c) Its assets and liabilities at the end of its fiscal year.

13 (d) A schedule of its bonds and notes outstanding at the end of its fiscal year,
14 together with a statement of the amounts redeemed and incurred during such fiscal
15 year.

16 **(2)** The authority, annually on January 15, shall file with the department of
17 administration and the joint legislative council a complete and current listing of all
18 forms, reports, and papers required by the authority to be completed by any person,
19 other than a governmental body, as a condition of obtaining the approval of the
20 authority or for any other reason. The authority shall attach a blank copy of each
21 such form, report, or paper to the listing.”.

22 **39.** Page 607, line 7: after “expenses” insert “, including any amount paid by
23 a claimant in the year to which the claim relates on a loan, the proceeds of which were
24 used by the claimant to pay the claimant’s expenses for tuition, fees, books, room and

1 board, and educational supplies that were directly related to the claimant's
2 attendance at an eligible educational institution, as defined in s. 18.81 (2)."

3 **40.** Page 607, line 16: after "expenses" insert ", including any amount paid by
4 a claimant in the year to which the claim relates on a loan, the proceeds of which were
5 used by the claimant to pay the claimant's expenses for tuition, fees, books, room and
6 board, and educational supplies that were directly related to the claimant's
7 attendance at an eligible educational institution, as defined in s. 18.81 (2)."

8 **41.** Page 1053, line 7: after that line insert:

9 "(3w) WISCONSIN STUDENT LOAN REFINANCING AUTHORITY. Notwithstanding the
10 length of terms specified for the members of the board of the Wisconsin Student Loan
11 Refinancing Authority under section 239.02 of the statutes, of the 5 members
12 appointed under section 239.02 (1) (a) 3. to 6. of the statutes, one of the initial
13 members shall be appointed for a term expiring on July 1, 2019, 2 of the initial
14 members shall be appointed for terms expiring on July 1, 2020, and the remaining
15 2 initial members shall be appointed for terms expiring on July 1, 2021."

16 **42.** Page 1072, line 7: after that line insert:

17 "(19w) TUITION EXPENSES DEDUCTION. The treatment of section 71.05 (6) (b) 28.
18 (intro.) (as it relates to student loans) and j. of the statutes first applies to taxable
19 years beginning on January 1 of the year in which this subsection takes effect, except
20 that if this subsection takes effect after July 31 the treatment of section 71.05 (6) (b)
21 28. (intro.) (as it relates to student loans), am., h. (as it relates to student loans), and
22 j. of the statutes first applies to taxable years beginning on January 1 of the year
23 following the year in which this subsection takes effect."

24 **43.** Page 1079, line 5: after that line insert:

1 “(1w) FINANCIAL AID INFORMATION. The treatment of sections 39.28 (7), 39.54,
2 and 224.30 (6) of the statutes takes effect on the first day of the 7th month beginning
3 after publication.”.

4 **44.** At the appropriate places, insert all of the following:

5 “**SECTION 1.** 48.48 (9m) of the statutes is amended to read:

6 48.48 **(9m)** To license shelter care facilities as provided in s. 48.66 (1) (a) and
7 secured residential care centers for children and youth.

8 **SECTION 2.** 48.605 of the statutes is created to read:

9 **48.605 Secure residential care centers for children and youth licensed.**

10 No person may hold in secure custody juveniles who have been convicted under s.
11 938.183 or adjudicated delinquent under s. 938.183 or 938.34 (4d), (4h), or (4m)
12 without first obtaining a license from the department to operate a secured residential
13 care center for children and youth. To obtain a license to operate a secured
14 residential care center for children and youth, a person must be a county department
15 or licensed as a child welfare agency, meet the minimum requirements for a license
16 established by the department under s. 48.67, and meet the requirements specified
17 in s. 48.685.

18 **SECTION 3.** 48.66 (1) (a) of the statutes is amended to read:

19 48.66 **(1)** (a) Except as provided in s. 48.715 (6) and (7), the department shall
20 license and supervise child welfare agencies, as required by s. 48.60, group homes,
21 as required by s. 48.625, shelter care facilities, as required by s. 938.22, secured
22 residential care centers for children and youth, as required by s. 48.605, and child
23 care centers, as required by s. 48.65. The department may license foster homes, as
24 provided by s. 48.62, and may license and supervise county departments in

1 accordance with the procedures specified in this section and in ss. 48.67 to 48.74. In
2 the discharge of this duty the department may inspect the records and visit the
3 premises of all child welfare agencies, group homes, shelter care facilities, and child
4 care centers and visit the premises of all foster homes in which children are placed.

5 **SECTION 4.** 48.66 (1) (b) of the statutes, as affected by 2017 Wisconsin Act 47,
6 is repealed.

7 **SECTION 5.** 48.66 (1) (c) of the statutes is amended to read:

8 48.66 (1) (c) A license issued under par. (a) ~~or (b)~~, other than a license to operate
9 a foster home or secured residential care center for children and youth, is valid until
10 revoked or suspended. A license issued under ~~this subsection~~ par. (a) to operate a
11 foster home or secured residential care center for children and youth may be for any
12 term not to exceed 2 years from the date of issuance. No license issued under par.
13 (a) ~~or (b)~~ is transferable.

14 **SECTION 6.** 48.66 (2m) (a) 1. of the statutes is amended to read:

15 48.66 (2m) (a) 1. Except as provided in subd. 2., the department shall require
16 each applicant for a license under sub. (1) (a) to operate a child welfare agency,
17 secured residential care center for children and youth, group home, shelter care
18 facility, or child care center who is an individual to provide that department with the
19 applicant's social security number, and shall require each applicant for a license
20 under sub. (1) (a) to operate a child welfare agency, group home, shelter care facility,
21 or child care center who is not an individual to provide that department with the
22 applicant's federal employer identification number, when initially applying for or
23 applying to continue the license.

24 **SECTION 7.** 48.66 (2m) (am) of the statutes is repealed.

25 **SECTION 8.** 48.66 (2m) (b) of the statutes is amended to read:

1 48.66 **(2m)** (b) If an applicant who is an individual fails to provide the
2 applicant's social security number to the department or if an applicant who is not an
3 individual fails to provide the applicant's federal employer identification number to
4 the department, that department may not issue or continue a license under sub. (1)
5 (a) to operate a child welfare agency, secured residential care center for children and
6 youth, group home, shelter care facility, or child care center to or for the applicant
7 unless the applicant is an individual who does not have a social security number and
8 the applicant submits a statement made or subscribed under oath or affirmation as
9 required under par. (a) 2.

10 **SECTION 9.** 48.66 (2m) (bm) of the statutes is repealed.

11 **SECTION 10.** 48.66 (2m) (cm) of the statutes is repealed.

12 **SECTION 11.** 48.67 (intro.) of the statutes is amended to read:

13 **48.67 Rules governing child welfare agencies, secured residential care**
14 **centers for children and youth, child care centers, foster homes, group**
15 **homes, shelter care facilities, and county departments.** (intro.) The
16 department shall promulgate rules establishing minimum requirements for the
17 issuance of licenses to, and establishing standards for the operation of, child welfare
18 agencies, secured residential care centers for children and youth, child care centers,
19 foster homes, group homes, shelter care facilities, and county departments. Those
20 rules shall be designed to protect and promote the health, safety, and welfare of the
21 children in the care of all licensees. The department shall consult with the
22 department of safety and professional services, the department of public instruction,
23 and the child abuse and neglect prevention board, and, for rules pertaining to
24 secured residential care centers for children and youth, the department of
25 corrections before promulgating those rules. For foster homes, those rules shall

1 include the rules promulgated under s. 48.62 (8). Those rules shall include rules that
2 require all of the following:

3 **SECTION 12.** 48.67 (3) (c) of the statutes is amended to read:

4 48.67 (3) (c) That all staff members of a shelter care facility or a secured
5 residential care center for children and youth who provide care and supervision for
6 children have current proficiency in the use of an automated external defibrillator,
7 as defined in s. 256.15 (1) (cr), achieved through instruction provided by an
8 individual, organization, or institution of higher education that is approved under
9 s. 46.03 (38) to provide such instruction or through instruction obtained in
10 connection with military service, as defined in s. 111.32 (12g), if the staff member or
11 shelter care facility demonstrates to the satisfaction of the department that the
12 instruction obtained in that connection is substantially equivalent to the instruction
13 provided by a person approved under s. 46.03 (38), and that all shelter care facilities
14 have readily available on the premises of the shelter care facility a staff member or
15 other person who has that proficiency.

16 **SECTION 13.** 48.67 (5) of the statutes is amended to read:

17 48.67 (5) That all child welfare agencies that operate a residential care center
18 for children and youth, all group homes, all secured residential care centers for
19 children and youth, and all shelter care facilities employ on the site of the center,
20 group home, or shelter care facility at all times a staff member designated as an
21 out-of-home care provider for purposes of making decisions concerning the
22 participation of a child placed in the center, group home, or shelter care facility in age
23 or developmentally appropriate activities. Those rules shall also require an
24 out-of-home care provider so designated to receive training in knowledge and skills
25 relating to the use of the reasonable and prudent parent standard in making

1 decisions concerning a child's participation in age or developmentally appropriate
2 activities. In addition, those rules shall require an out-of-home care provider so
3 trained to make reasonable and prudent parenting decisions in accordance with the
4 reasonable and prudent parent standard.

5 **SECTION 14.** 48.715 (6) of the statutes is amended to read:

6 48.715 (6) The department shall deny, suspend, restrict, refuse to renew, or
7 otherwise withhold a license under s. 48.66 (1) (a) or a probationary license under s.
8 48.69 to operate a child welfare agency, secured residential care center for children
9 and youth, group home, shelter care facility, or child care center, ~~and the department~~
10 ~~of corrections shall deny, suspend, restrict, refuse to renew, or otherwise withhold a~~
11 ~~license under s. 48.66 (1) (b) to operate a secured residential care center for children~~
12 ~~and youth~~, for failure of the applicant or licensee to pay court-ordered payments of
13 child or family support, maintenance, birth expenses, medical expenses, or other
14 expenses related to the support of a child or former spouse or for failure of the
15 applicant or licensee to comply, after appropriate notice, with a subpoena or warrant
16 issued by the department or a county child support agency under s. 59.53 (5) and
17 related to paternity or child support proceedings, as provided in a memorandum of
18 understanding entered into under s. 49.857. Notwithstanding s. 48.72, an action
19 taken under this subsection is subject to review only as provided in the memorandum
20 of understanding entered into under s. 49.857 and not as provided in s. 48.72.

21 **SECTION 15.** 48.981 (1) (cu) of the statutes is amended to read:

22 48.981 (1) (cu) "Juvenile correctional officer" means a person employed by the
23 state, a political subdivision of the state, a child welfare agency that is licensed under
24 s. 48.66 (1) (b) (a), or a private entity contracting under s. 938.222 whose principal

1 duty is the supervision of juveniles held in a juvenile detention facility, a juvenile
2 correctional facility, or a secured residential care center for children and youth.

3 **SECTION 16.** 49.857 (1) (d) 3. of the statutes is amended to read:

4 49.857 (1) (d) 3. A license issued under s. 48.66 (1) (a) ~~or (b)~~.

5 **SECTION 17.** 73.0301 (1) (d) 2. of the statutes is amended to read:

6 73.0301 (1) (d) 2. A license issued by the department of children and families
7 under s. 48.66 (1) (a) to a child welfare agency, secured residential care center for
8 children and youth, group home, shelter care facility, or child care center, as required
9 by s. 48.60, 48.605, 48.625, 48.65, or 938.22 (7).

10 **SECTION 18.** 108.227 (1) (e) 2. of the statutes is amended to read:

11 108.227 (1) (e) 2. A license issued by the department of children and families
12 under s. 48.66 (1) (a) to a child welfare agency, secured residential care center for
13 children and youth, group home, shelter care facility, or child care center, as required
14 by s. 48.60, 48.605, 48.625, 48.65, or 938.22 (7).

15 **SECTION 19.** 301.20 (title) of the statutes is repealed.

16 **SECTION 20.** 301.20 of the statutes is renumbered 301.26 (2) (b) and amended
17 to read:

18 301.26 (2) (b) ~~The department, with the approval of the governor, may purchase~~
19 ~~or accept a gift of land for a suitable site for an additional training school for~~
20 ~~delinquent boys and erect and equip such buildings as it considers necessary at such~~
21 ~~time as funds may be allocated for that purpose by the building commission. The~~
22 ~~training school or other additional facilities for delinquent boys financed by the~~
23 ~~authorized 1965-67 building program shall be located north of a line between La~~
24 ~~Crosse and Manitowoc. The department shall operate and maintain the institution~~
25 Type 1 juvenile correctional facility financed by the authorized 1965-67 building

1 program and located in Irma, Lincoln County, for the treatment of delinquent boys
2 juveniles who are adjudged delinquent and placed under the supervision of the
3 department under s. 938.34 (4h) or (4m).

4 (d) All laws pertaining to the care of juveniles received under s. 938.34 shall
5 apply to a facility that is contracted for, maintained, or operated by the department
6 under this subsection. Officers and employees of the ~~institution~~ facility are subject
7 to the same laws as apply to other facilities described in s. 938.52.

8 **SECTION 21.** 301.26 (2) (title) and (a) of the statutes are created to read:

9 301.26 (2) (title) JUVENILE CORRECTIONAL FACILITIES. (a) In this subsection:

10 1. "Type 1 juvenile correctional facility" has the meaning given under s. 938.02
11 (19).

12 2. "Type 2 residential care center for children and youth" has the meaning given
13 under s. 938.02 (19r).

14 **SECTION 22.** 301.26 (2) (c) of the statutes is created to read:

15 301.26 (2) (c) The department shall, under s. 301.08 (1) (b) 3., contract for the
16 supervision, maintenance, and operation of a residential care center for children and
17 youth, which the department shall designate as a Type 2 residential care center for
18 children and youth, and a Type 1 juvenile correctional facility to be located in the
19 same building or set of buildings in a county with a population of 750,000 or more.

20 **SECTION 23.** 938.02 (15g) of the statutes is amended to read:

21 938.02 (15g) "Secured residential care center for children and youth" means
22 a residential care center for children and youth operated by a child welfare agency
23 that is licensed under s. 48.66 (1) (b) (a) to hold in secure custody persons adjudged
24 delinquent.

25 **SECTION 24.** 938.22 (1) (a) of the statutes is amended to read:

