



State of Wisconsin
2017 - 2018 LEGISLATURE

January 2018 Special Session

LRB-5222/1
TJD&EAW:emw/amn/ahe

ASSEMBLY BILL 3

January 26, 2018 - Introduced by COMMITTEE ON ASSEMBLY ORGANIZATION, Representatives VOS, FELZKOWSKI, THIESFELDT, SANFELIPPO, TUSLER, PETERSEN, DUCHOW, PETRYK, KUGLITSCH, TITTL, KNODL, BRANDTJEN, MURPHY, SPIROS, WICHGERS, BERNIER, KLEEFISCH, ROHRKASTE, KATSMA, BORN, KREMER and SWEARINGEN, cosponsored by Senators KAPENGA, CRAIG, DARLING, LEMAHIEU, MARKLEIN, STROEBEL, VUKMIR and WANGGAARD, by request of Governor Scott Walker. Referred to Committee on Public Benefit Reform.

1 **AN ACT** *to amend* 49.145 (3) (a); and *to create* 49.145 (3) (c), 49.155 (1m) (cr),
2 49.155 (2m) and 49.79 (1p) of the statutes; **relating to:** asset restrictions on
3 eligibility for FoodShare, Wisconsin Works, and Wisconsin Shares.

Analysis by the Legislative Reference Bureau

This bill changes the financial eligibility requirements for Wisconsin Works (W-2), Wisconsin Shares, and FoodShare.

Under current law, the Department of Children and Families administers the W-2 program, which provides work experience and benefits for low-income custodial parents who are at least 18 years old. Under current law, an individual is only eligible for W-2 if he or she meets certain eligibility criteria, including that the individual's family may not have more than \$2,500 in liquid assets. Combined equity in vehicles up to \$10,000 and a homestead are excluded from the calculation of liquid assets under current law. The bill specifies that a homestead is excluded from the calculation of liquid assets if it is valued at no more than 200 percent of the statewide median value for homes, unless the individual qualifies for a hardship exemption established by DCF by rule. In addition, any agricultural land owned by the family is excluded when calculating the value of the homestead under the bill.

Under current law, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, who needs child care services to participate in various education or work activities, and who satisfies other eligibility criteria may receive a child care subsidy for child care services under Wisconsin Shares. Under current law, an individual is only eligible for Wisconsin Shares if he

or she meets certain eligibility criteria, including that the individual's family may not have more than \$25,000 in liquid assets. The bill provides that an individual is not eligible for Wisconsin Shares if his or her family owns more than one home or owns a home that is used as the individual's primary residence and that is valued at more than 200 percent of the statewide median home value. Any agricultural land owned by the family is excluded when calculating the value of the primary residence under the bill. The bill also specifies that an individual is not eligible for Wisconsin Shares if his or her family owns personal vehicles with a combined equity value of more than \$20,000. These restrictions only apply to new applicants under Wisconsin Shares under the bill.

The bill grants DCF the authority to promulgate a rule to establish a hardship exemption for the asset limitations for Wisconsin Shares. Under the bill, if an individual qualifies for a hardship limitation under the rule promulgated by DCF, the asset limitations established under the bill for Wisconsin Shares do not apply to that individual.

The bill provides a similar asset-related restriction on eligibility for FoodShare. FoodShare, also known as the food stamp program and the federal Supplemental Nutrition Assistance Program, is administered by the Department of Health Services. FoodShare provides benefits to eligible low-income households for the purchase of food. As of July 1, 2018, unless the federal government disapproves, an individual who is not elderly, blind, or disabled and whose household has more than \$25,000 in liquid assets, such as cash or financial resources that can be converted to cash without penalties, is ineligible for FoodShare benefits. The bill, to the extent allowed under federal law, makes an individual who is not elderly or disabled and who is at least 19 years of age ineligible to participate in FoodShare in a month if the individual owns more than one home; the individual owns a primary residence that is worth more than 200 percent of the statewide median home value, excluding the value of agricultural land; or the combined equity value of vehicles, except those used for business purposes, owned by the individual is more than \$20,000. The asset restriction does not apply to an individual who has a hardship exemption, if DHS promulgates rules regarding a hardship exemption.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 49.145 (3) (a) of the statutes is amended to read:
- 2 49.145 (3) (a) *Resource limitations.* The individual is a member of a Wisconsin
- 3 ~~works~~ Works group whose assets do not exceed \$2,500 in combined equity value. ~~In~~
- 4 Except as provided under par. (c), in determining the combined equity value of

1 assets, the Wisconsin ~~works~~ Works agency shall exclude the equity value of vehicles
2 up to a total equity value of \$10,000, and one home, valued at no more than 200
3 percent of the statewide median value for homes, that serves as the homestead for
4 the Wisconsin ~~works~~ Works group. In calculating the value of the homestead, the
5 Wisconsin Works agency shall exclude the value of agricultural land owned by the
6 Wisconsin Works group.

7 **SECTION 2.** 49.145 (3) (c) of the statutes is created to read:

8 49.145 (3) (c) *Hardship exemption.* The department may promulgate a rule
9 that establishes a hardship exemption for the resource limitation under par. (a). If
10 an individual qualifies for a hardship exemption under the department's rule, the
11 Wisconsin Works agency shall exclude the equity value of vehicles up to a total equity
12 value of \$10,000, and of one home, valued at any amount, that serves as the
13 homestead for the Wisconsin Works group in determining whether the Wisconsin
14 Works group's combined equity value of assets exceeds \$2,500.

15 **SECTION 3.** 49.155 (1m) (cr) of the statutes is created to read:

16 49.155 (1m) (cr) Except as provided under sub. (2m), the individual's family
17 meets all of the following asset restrictions:

18 1. The individual's family owns no more than one home, which is used as the
19 individual's primary residence, and which is valued at no more than 200 percent of
20 the statewide median value for homes. In calculating the value of a home under this
21 subdivision, the value of any agricultural land owned by the individual's family shall
22 be excluded.

23 2. The combined equity value of any vehicles, except those used for business
24 purposes, owned by the individual's family is no more than \$20,000.

25 **SECTION 4.** 49.155 (2m) of the statutes is created to read:

1 49.155 **(2m)** **HARDSHIP EXEMPTION.** The department may promulgate a rule that
2 establishes a hardship exemption for the asset restrictions under sub. (1m) (cr). If
3 the individual qualifies for a hardship exemption under the department’s rule, the
4 asset restrictions under sub. (1m) (cr) do not apply to the individual.

5 **SECTION 5.** 49.79 (1p) of the statutes is created to read:

6 49.79 **(1p)** **ELIGIBILITY; RESTRICTIONS ON CERTAIN ASSETS.** (a) In this subsection,
7 “elderly, blind, or disabled individual” has the meaning given for “elderly or disabled
8 member” in 7 USC 2012 (j).

9 (b) To the extent allowed under federal law, an individual who is not an elderly,
10 blind, or disabled individual and who is at least 19 years of age is ineligible to
11 participate in the food stamp program in a month in which any of the following
12 applies:

13 1. The individual owns more than one home.

14 2. The individual owns a primary residence that is worth more than 200 percent
15 of the statewide median home value. In calculating the home value, the value of any
16 agricultural land owned by the individual is excluded.

17 3. The combined equity value of vehicles, except those used for business
18 purposes, owned by the individual is more than \$20,000.

19 (c) If the department promulgates a rule establishing a hardship exemption,
20 par. (b) does not apply to an individual who meets the criteria for a hardship
21 exemption.

22 **SECTION 6. Initial applicability.**

23 (1) **WISCONSIN SHARES ELIGIBILITY REQUIREMENTS.** The creation of section 49.155
24 (1m) (cr) of the statutes first applies to a Wisconsin Shares participant who applies
25 for the program on the effective date of this subsection.

