



State of Wisconsin
2015 - 2016 LEGISLATURE

LRBa2443/1
MDK:jld

**SENATE AMENDMENT 2,
TO ASSEMBLY BILL 740**

March 15, 2016 - Offered by Senators HANSEN, WIRCH, C. LARSON, RINGHAND,
HARRIS DODD, VINEHOUT, MILLER and BEWLEY.

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

3 **1.** Page 1, line 1: delete “students and making” and substitute “students.”

4 **2.** Page 1, line 2: delete “an appropriation” and substitute “Medicaid
5 expansion, eligibility for BadgerCare Plus and BadgerCare Plus Core, the individual
6 income tax subtract modification for tuition and student fees, and making
7 appropriations”.

8 **3.** Page 1, line 3: before that line insert:

9 “**SECTION 1c.** 49.45 (23) (a) of the statutes is amended to read:

10 49.45 (23) (a) The department shall request a waiver from the secretary of the
11 federal department of health and human services to permit the department to
12 conduct a demonstration project to provide health care coverage to adults who are
13 under the age of 65, who have family incomes not to exceed ~~100~~ 133 percent of the

1 poverty line ~~before application of the 5 percent income disregard under 42 CFR~~
2 ~~435.603 (d)~~ except as provided in s. 49.471 (4g), and who are not otherwise eligible
3 for medical assistance under this subchapter, the Badger Care health care program
4 under s. 49.665, or Medicare under 42 USC 1395 et seq.

5 **SECTION 1g.** 49.471 (1) (cr) of the statutes is created to read:

6 49.471 (1) (cr) “Enhanced federal medical assistance percentage” means a
7 federal medical assistance percentage described under 42 USC 1396d (y) or (z).

8 **SECTION 1L.** 49.471 (4) (a) 4. b. of the statutes is amended to read:

9 49.471 (4) (a) 4. b. ~~The~~ Except as provided in sub. (4g), the individual’s family
10 income does not exceed ~~100~~ 133 percent of the poverty line ~~before application of the~~
11 ~~5 percent income disregard under 42 CFR 435.603 (d)~~.

12 **SECTION 1p.** 49.471 (4g) of the statutes is created to read:

13 49.471 (4g) MEDICAID EXPANSION; FEDERAL MEDICAL ASSISTANCE PERCENTAGE. (a)
14 For services provided to individuals described under sub. (4) (a) 4. and s. 49.45 (23),
15 the department shall comply with all federal requirements to qualify for the highest
16 available enhanced federal medical assistance percentage. The department shall
17 submit any amendment to the state medical assistance plan, request for a waiver of
18 federal Medicaid law, or other approval required by the federal government to
19 provide services to the individuals described under sub. (4) (a) 4. and s. 49.45 (23) and
20 qualify for the highest available enhanced federal medical assistance percentage.

21 (b) If the department does not qualify for an enhanced federal medical
22 assistance percentage, or if the enhanced federal medical assistance percentage
23 obtained by the department is lower than printed in federal law as of July 1, 2013,
24 for individuals eligible under sub. (4) (a) 4. or s. 49.45 (23), the department shall
25 submit to the joint committee on finance a fiscal analysis comparing the cost to

1 maintain coverage for adults who are not pregnant and not elderly at up to 133
2 percent of the poverty line to the cost of limiting eligibility to those adults with family
3 incomes up to 100 percent of the poverty line. The department may reduce income
4 eligibility for adults who are not pregnant and not elderly from up to 133 percent of
5 the poverty line to up to 100 percent of the poverty line only if this reduction in income
6 eligibility levels is approved by the joint committee on finance.

7 **SECTION 1t.** 71.05 (6) (b) 28. (intro.), am. and h. of the statutes are amended
8 to read:

9 71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses,
10 including any amount paid by a claimant in the year to which the claim relates on
11 a loan, the proceeds of which were used by the claimant to pay the claimant's
12 expenses for tuition, fees, books, room and board, and educational supplies that were
13 directly related to the claimant's attendance at an eligible educational institution,
14 as defined in s. 18.81 (2), and mandatory student fees for a student who is the
15 claimant or who is the claimant's child and the claimant's dependent who is claimed
16 under section 151 (c) of the Internal Revenue Code, to attend any university, college,
17 technical college or a school approved under s. 38.50, that is located in Wisconsin or
18 to attend a public vocational school or public institution of higher education in
19 Minnesota under the Minnesota-Wisconsin reciprocity agreement under s. 39.47,
20 calculated as follows:

21 am. Notwithstanding subd. 28. a., for taxable years beginning after December
22 31, 2008, the department of revenue and the Board of Regents of the University of
23 Wisconsin System shall continue making the calculation described under subd. 28.
24 a. Notwithstanding subd. 28. a., once this calculation exceeds \$6,000, the deduction
25 for tuition expenses, including any amount paid by a claimant in the year to which

1 the claim relates on a loan, the proceeds of which were used by the claimant to pay
2 the claimant's expenses for tuition, fees, books, room and board, and educational
3 supplies that were directly related to the claimant's attendance at an eligible
4 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as
5 described in subd. 28. (intro.), shall be based on an amount equal to not more than
6 twice the average amount charged by the Board of Regents of the University of
7 Wisconsin System at 4-year institutions for resident undergraduate academic fees
8 for the most recent fall semester, as determined by the Board of Regents by
9 September 1 of that semester, per student for each year to which the claim relates,
10 and the deduction that may be claimed under this subd. 28. am. first applies to
11 taxable years beginning on the January 1 after the calculation of the Board of
12 Regents, that must occur by September 1, exceeds \$6,000.

13 h. No modification may be claimed under this subdivision for an amount paid
14 for tuition expenses, including any amount paid by a claimant in the year to which
15 the claim relates on a loan, the proceeds of which were used by the claimant to pay
16 the claimant's expenses for tuition, fees, books, room and board, and educational
17 supplies that were directly related to the claimant's attendance at an eligible
18 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as
19 described under this subdivision, if the source of the payment is an amount
20 withdrawn from a college savings account, as described in s. 16.641 or from a college
21 tuition and expenses program, as described in s. 16.64, and if the owner of the
22 account or a parent, grandparent, great-grandparent, aunt, or uncle of the
23 beneficiary, who contributed to the account, has claimed a deduction under subd. 32.
24 or 33. that relates to such an amount.

25 **SECTION 1x.** 71.05 (6) (b) 28. j. of the statutes is created to read:

1 71.05 (6) (b) 28. j. The provisions of subd. 28. b., c., d., and g. do not apply to
2 a taxable year that begins after December 31, 2015.

3 **SECTION 2m. Nonstatutory provisions.**

4 (1c) SUPPLEMENTAL FINANCIAL AID. Of the moneys appropriated to the Board of
5 Regents of the University of Wisconsin System under section 20.285 (1) (a) of the
6 statutes for the 2015-16 fiscal year, the board shall allocate \$64,900,000 to provide
7 supplemental financial aid to students. Of the moneys appropriated to the Board of
8 Regents of the University of Wisconsin System under section 20.285 (1) (a) of the
9 statutes for the 2015-16 fiscal year, the board shall allocate \$182,600,000 to provide
10 supplemental financial aid to students.”.

11 **4.** Page 1, line 7: delete that line and substitute “by \$38,000,000, and the dollar
12 amount for fiscal year 2016-17 is increased by \$38,000,000”.

13 **5.** Page 1, line 8: after that line insert:

14 “(2c) MEDICAL ASSISTANCE. In the schedule under section 20.005 (3) of the
15 statutes for the appropriation to the department of health services under section
16 20.435 (4) (b) of the statutes, as affected by the acts of 2015, the dollar amount for
17 fiscal year 2015-16 is decreased by \$102,900,000 to provide Medical Assistance to
18 certain adults with incomes up to 133 percent of the federal poverty line. In the
19 schedule under section 20.005 (3) of the statutes for the appropriation to the
20 department of health services under section 20.435 (4) (b) of the statutes, as affected
21 by the acts of 2015, the dollar amount for fiscal year 2016-17 is decreased by
22 \$220,600,000 to provide Medical Assistance to certain adults with incomes up to 133
23 percent of the federal poverty line.

1 (3c) UNIVERSITY OF WISCONSIN SYSTEM. In the schedule under section 20.005 (3)
2 of the statutes for the appropriation to the Board of Regents of the University of
3 Wisconsin System under section 20.285 (1) (a) of the statutes, as affected by the acts
4 of 2015, the dollar amount for fiscal year 2015-16 is increased by \$64,900,000 to
5 increase funding for the purpose for which the appropriation is made. In the
6 schedule under section 20.005 (3) of the statutes for the appropriation to the Board
7 of Regents of the University of Wisconsin System under section 20.285 (1) (a) of the
8 statutes, as affected by the acts of 2015, the dollar amount for fiscal year 2016-17
9 is increased by \$182,600,000 to increase funding for the purpose for which the
10 appropriation is made.

11 **SECTION 3m. Initial applicability.**

12 (1c) INDIVIDUAL INCOME TAX SUBTRACT MODIFICATION. The treatment of section
13 71.05 (6) (b) 28. (intro.), am., h., and j. of the statutes first applies to taxable years
14 beginning on January 1 of the year in which this subsection takes effect, except that
15 if this subsection takes effect after July 31 this act first applies to taxable years
16 beginning on January 1 of the year following the year in which this subsection takes
17 effect.

18 **SECTION 4m. Effective dates.** This act takes effect on the day after
19 publication, except as follows:

20 (1c) The treatment of sections 49.45 (23) (a) and 49.471 (1) (cr), (4) (a) 4. b., and
21 (4g) of the statutes takes effect on April 1, 2016, or on the day after publication,
22 whichever is later.”

23 (END)