



State of Wisconsin  
1997 - 1998 LEGISLATURE

LRB-4438/2

ALL:all:all

## 1997 ASSEMBLY BILL 650

December 4, 1997 - Introduced by Representatives JENSEN, FREESE and FOTI.  
Referred to Joint survey committee on Tax Exemptions.

1     **AN ACT** *to repeal* 66.46 (6) (dm) 3. b., 85.52 (3) (dm) and 86.195 (2) (ag) 16m.; **to**  
2     *renumber and amend* 48.685 (2) (b) 3. and 50.065 (2) (b) 3.; **to consolidate,**  
3     *renumber and amend* 66.46 (6) (dm) 3. (intro.) and a.; **to amend** 20.285 (1)  
4     (rc), 20.927 (2) (a), 20.927 (2) (b), 20.9275 (2) (a) (intro.), 29.50 (1) (e), 48.685 (1)  
5     (a), 48.685 (2) (am) (intro.), 48.685 (2) (b) 1. (intro.), 48.685 (2) (bg), 48.685 (2)  
6     (c), 48.685 (3) (a), 48.685 (3) (b), 48.685 (6) (b), 48.685 (7) (a), 49.141 (1) (p),  
7     49.141 (7) (c) (intro.), 49.22 (2m), 49.45 (18) (b) 6., 50.065 (1) (b), 50.065 (1) (c)  
8     (intro.), 50.065 (1) (c) 3., 50.065 (2) (a) (intro.), 50.065 (2) (am) (intro.), 50.065  
9     (2) (b) 1. (intro.), 50.065 (2) (bg), 50.065 (2) (c), 50.065 (3) (a), 50.065 (3) (b),  
10     50.065 (5) (intro.), 50.065 (5m), 50.065 (6) (a), 50.065 (6) (b), 50.065 (7) (a), 59.53  
11     (5), 66.04 (2) (b), 66.46 (6) (c), 66.46 (7) (a), 70.375 (6), 71.07 (2dx) (a) 5., 71.28  
12     (1dx) (a) 5., 71.47 (1dx) (a) 5., 71.83 (1) (d) 2., 77.21 (1), 77.51 (4) (c) 6., 77.52 (2)  
13     (a) 1., 77.54 (30) (d), 85.52 (3) (cm), 146.40 (4r) (am), 348.27 (9m) (a) 3., 565.05  
14     (1) (intro.), 565.05 (1) (a), 565.17 (5) (a), 632.746 (2) (b), 980.06 (2) (c) and 980.08

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1 (5); and **to create** 20.927 (2m) and (2r), 36.54 (2) (f), 48.685 (5) (f), 48.685 (7)  
2 (am), 50.065 (1) (c) 6., 50.065 (2) (am) 5., 50.065 (2) (b) 1. e., 50.065 (5) (f), 50.065  
3 (7) (am), 66.04 (2s), 66.46 (6) (dp) and 707.46 (3) of the statutes; **relating to:**  
4 restrictions on payment for abortions with public funds; changing the  
5 prohibition on use of federal, state or local funds for abortion-related activities  
6 by a pregnancy program, project or service; exempting the sales of flex-time  
7 time-share property from the sales tax and imposing the real estate transfer  
8 fee on all sales of time-share property; the penalty provision for premature  
9 sales or transfers of business assets or assets used in farming that were  
10 received from family members; pregnancy as a preexisting condition; transfers  
11 from the segregated transportation fund to the segregated transportation  
12 infrastructure loan fund, and the transportation infrastructure loan program;  
13 changing conflict of interest provisions and lottery participation restrictions  
14 that affect certain employees of the department of revenue; the indexing of the  
15 mining tax; criminal history and abuse record searches of persons applying to  
16 the department of health and family services for a license, certification or  
17 registration to operate certain entities that care for children or adults and of  
18 employees, prospective employees, adult residents and prospective adult  
19 residents of those entities; copayments under the medical assistance program  
20 for specialized medical vehicle services; the delegation of authority by local  
21 units of government over funds held in trust for certain pension plans; the  
22 transportation and sale of fish; restrictions on the placement of sexually violent  
23 persons who are granted supervised release; eliminating cross-references to  
24 the Wisconsin works health plan; tax increment sharing for tax incremental  
25 financing districts in Oshkosh that contain polluted soil; specific information

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1 signs along STH 172; weight limitations for vehicles and combinations of  
2 vehicles transporting bulk potatoes; grants awarded by the environmental  
3 education board that are related to forestry; provision of information necessary  
4 for the administration of child support and economic support programs; and  
5 making an appropriation.

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***Analysis by the Legislative Reference Bureau***

***Restrictions on payment for abortions with public funds***

Currently, with certain exceptions, abortions may not be authorized or paid for with federal funds passing through the state treasury or with state, county, city, village or town funds. The exceptions are for abortions that are directly and medically necessary to save the life of or to prevent grave, long-lasting physical damage to the woman, or in a case of sexual assault or incest that has been reported to law enforcement authorities. These abortions may be paid for with public funds if, before performing the abortion, the physician signs a certification attesting to the direct medical necessity of the abortion or attesting to his or her belief that sexual assault or incest occurred. The certification must be affixed to the claim form or invoice that is submitted to any state agency or fiscal intermediary for payment.

This bill requires that the physician's certification also be affixed when submitted by an individual health care provider to a health care coverage provider for payment or for submittal to any agency or fiscal intermediary of the state for payment. In addition, the bill requires that the health care coverage provider submit a quarterly report to the public agency that contracted for the provider's services, specifying the number of, reason for and total cost of any permitted abortions provided under public funds in the previous quarter. The agency must forward a copy of each report to the department of health and family services, which must annually publish a summary of this information.

***Use of public funds for abortion-related activities***

Under current law, as affected by 1997 Wisconsin Act 27 (the budget act), state agencies and local governmental units may not authorize payment of federal, state or local funds that involve pregnancy programs, projects or services if the program, project or service engages in abortion-related activities using the federal, state or local funds or is funded from another source that requires performance of the abortion-related activities. The prohibited activities are providing abortions, promoting, encouraging or counseling in favor of abortions or making abortion referrals. If these prohibitions are violated, the grant or other funding of federal, state or local money is terminated, the grantee is required to return any money received and the grantee may not receive the federal, state or local moneys for 2

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years. A “pregnancy program, project or service” is defined as a program, project or service of an organization that provides services for pregnancy prevention, family planning, pregnancy testing, pregnancy counseling, prenatal care, pregnancy services and reproductive health care services that are related to pregnancy.

The bill changes the prohibition on use of federal, state or local funds for abortion-related activities to apply the prohibition to a pregnancy program, project or service that uses state, local or federal funds and that engages in the prohibited activities.

***Sales tax exemption for flex-time transactions and real estate transfer fee for time-share sales***

Time shares in property are sold on either a fixed-time basis (the time of occupancy and the unit are specified at the time of the sale) or a flex-time basis (the time of occupancy and the unit are subject to availability and to making a reservation). Fixed-time transactions, like conveyances of real property, are exempt from the sales tax. Flex-time transactions, like rentals of hotel and motel rooms, are subject to the sales tax. The bill exempts flex-time transactions from the sales tax. By requiring that all contracts for the sale of time shares must be recorded, the bill also subjects all sales of time shares to the real estate transfer fee.

***Penalty for premature farming sales or asset transfers***

Generally, under current law, starting with taxable years that begin on January 1, 1999, 100% of the the gain realized on the sale or transfer of business assets or assets used in farming to persons who are related to the seller or transferor by blood, marriage or adoption within the 3rd degree of kinship is exempt from taxation. Also under current law, if the person who purchases or receives such business assets or assets used in farming sells or otherwise disposes of the assets within 2 years after the person purchases or receives the assets, the person is liable for a penalty. The penalty is equal to the amount of the capital gains exclusion received by the seller or transferor when the person purchased or received the assets, prorated based on the number of months the person held the assets. For example, a person who held the assets for 18 months of the 2-year period during which the penalty applies would be liable for 25% of the amount of the capital gains exclusion received by the seller or transferor.

Under the bill, the penalty on the sale or disposal of such assets within 2 years after the person purchases or receives the assets is equal to the amount of income tax on the capital gains the original seller or transferor of the assets would have been liable for if the exemption for sales or transfers to a person who is related to the seller or transferor by blood, marriage or adoption within the 3rd degree of kinship did not exist. The proration provision of the current law penalty provision is not changed under the bill.

***Pregnancy as a preexisting condition***

Under current law, a group health benefit plan, which is a health benefit plan that is issued to an employer on behalf of a group that consists of at least 2 employees,

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may not impose a preexisting condition exclusion related to pregnancy as a preexisting condition. The bill qualifies that requirement by specifying that the preexisting condition exclusion related to pregnancy may not be imposed for the purpose of coverage of expenses related to prenatal and postnatal care, delivery and complications of pregnancy.

***Transfers from transportation fund to transportation infrastructure loan fund***

Under current law, the department of transportation (DOT) administers a transportation infrastructure loan program, under which DOT makes loans for highway projects or transit capital improvement projects. The loans are paid from the segregated transportation infrastructure loan fund (loan fund). That segregated fund is capitalized with federal moneys and state moneys in matching amounts required by the federal government as a condition of receiving these federal moneys. The joint committee on finance is specifically authorized to transfer state moneys from the segregated transportation fund to the loan fund in amounts not to exceed the amounts necessary to match the federal funds received. The joint committee on finance is also generally authorized to supplement appropriations and to transfer moneys between appropriations.

The bill specifies that the authority of the joint committee on finance to transfer state moneys to the loan fund is limited to transfers of moneys from the transportation fund to the loan fund only in amounts not to exceed the amounts necessary to match federal funds received, and that the joint committee on finance may not exercise its general authority to make such transfers.

Current law also generally prohibits DOT from encumbering or expending any moneys on a project for which a loan is made under the transportation infrastructure loan program. The bill eliminates this prohibition.

***Conflict of interest and lottery participation restrictions for DOR employes***

Under current law, no employe of the department of revenue (DOR) who performs any duty related to the state lottery or the executive assistant or the secretary or deputy secretary of revenue may do any of the following:

1. Have a direct or indirect interest in, or be employed by, any vendor while serving as a DOR employe performing any duty related to the state lottery or as the executive assistant or as secretary or deputy secretary of revenue or for 2 years following the person's termination of service.
2. Have a direct or indirect interest in or be employed by a business which has entered into a lottery retailer contract.
3. Accept or agree to accept money or any other thing of value from any vendor, retailer or person who has submitted a bid, proposal or application to be a lottery vendor or lottery retailer.

In addition, no DOR employe who performs any duty related to the state lottery or the executive assistant or the secretary or deputy secretary of revenue and no member of such a person's immediate family may purchase a lottery ticket or lottery share.

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The bill narrows the application of these restrictions from applying to all DOR employes who perform any duty related to the state lottery to only employes in the lottery division of DOR.

***Indexing the mining tax***

The bill makes a technical change that indicates the indexing of certain elements of the mining tax has occurred since 1983.

***Criminal abuse history and record searches for facilities***

Under current law, the department of health and family services (DHFS) may not license a person to operate certain facilities that provide care for children or adults (entities), for example, child caring institutions, group homes, foster homes, day care centers, community-based residential facilities and nursing homes, if DHFS knows or should know that the person has been convicted of, or has pending against him or her a charge for, a serious crime, as defined by DHFS by rule, that the person has been found to have abused or neglected a client or a child or to have misappropriated the property of a client or, if the person must be credentialed by the department of regulation and licensing (DORL), that the person's credential is not current or is limited so as to prevent the person from providing adequate care to a client, unless the person demonstrates that he or she has been rehabilitated. Similarly, under current law, an entity may not hire or contract with a person who will be under the entity's control and who is expected to have access to the entity's clients and may not permit to reside at the entity a person who is expected to have access to the entity's clients if the entity knows or should know that any of those conditions apply to that person, unless the person demonstrates that he or she has been rehabilitated. Current law requires DHFS to obtain, with respect to a person applying for a license to operate an entity, and an entity to obtain, with respect to a prospective employe, contractor or resident, a criminal history search, information contained in the client abuse registry maintained by DHFS, information maintained by DORL regarding the status of the person's credentials, if applicable, and information maintained by DHFS regarding any substantiated reports of child abuse or neglect against the person (criminal history search and abuse record law).

The bill makes all of the following changes relating to the criminal history and abuse record search law:

1. Extends the applicability of the law to prohibiting DHFS not only from *licensing*, but also from *certifying or registering* a person to operate an entity if the person is a person who may not be licensed under current law.

2. Limits the application of the law to children and adults who receive *direct care or treatment* services from an entity and to entities that are licensed or certified by, or registered with, but not otherwise *regulated* by, DHFS to provide *direct care or treatment* to clients. The bill also excludes public health dispensaries from coverage under the law.

3. Requires DHFS, in defining by rule "serious crime" for purposes of the law, to include in that definition not only crimes involving abuse or neglect of a client for which a person *may not* demonstrate that he or she has been rehabilitated, but also

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crimes involving misappropriation of the property of a client or abuse or neglect of a client for which a person *may* demonstrate that he or she has been rehabilitated. The bill also requires DHFS to establish a separate list of crimes or acts involving abuse or neglect of a client for which no person may demonstrate that he or she has been rehabilitated. Under current law, the list of offenses for which no person may demonstrate that he or she has been rehabilitated is limited to certain offenses listed in the statutes.

4. Requires an entity to report to DHFS, for inclusion in the client abuse registry, and to report to DORL, for purposes of credentialing a person, misappropriation only of *a client's* property, and not of *any* property, by a person employed by or under contract with the entity.

5. Transfers from the entity to DHFS the responsibility for investigating the background of a resident or prospective resident of the entity who is expected to have access to the entity's clients.

6. Includes among the information that DHFS must obtain in investigating the background of a person applying for a license, certification or registration to operate an entity for the care of adults and of a prospective resident of an entity and that an entity providing care for adults must obtain in investigating the background of a prospective employe or contractor, information regarding any previous denials of a license, certification or registration or of employment, a contract or permission to reside at an entity for a reason specified under current law. Under current law, DHFS must obtain that information with respect to a person applying for a license to operate an entity to provide care for children, but not for adults, and an entity that provides care for children, but not for adults, must obtain that information with respect to a prospective employe, contractor or resident.

7. Requires an entity, which under current law may obtain the information required under current law with respect to a person from another entity or from a temporary employment agency if the other entity or temporary employment agency has already obtained that information with respect to that person within the last 4 years, to obtain updated information with respect to that person if the entity has reasonable grounds to believe that the information obtained from the other entity or temporary employment agency is no longer accurate.

***Medical assistance copayments for specialized medical vehicle services***

Under current law, certain specified services under the medical assistance program are not subject to recipient cost sharing or "copayments", including specialized medical vehicle services (SMV services). The budget act reduced medical assistance benefits funding to reflect benefit savings from the creation of a copayment for SMV services, but did not amend the statutory prohibition on copayments for SMV services. The bill removes that statutory prohibition.

***Transportation and sale of fish***

Under current law, state fish hatcheries, the propagation, transportation and transplanting of fish by the department of natural resources (DNR), the removal of deleterious fish by DNR, the transportation of fish in or out of the state by other

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states or by the federal government and the transportation and sale of fish by any person are exempt from any law that protects wild animals. The bill limits this exemption for the transportation and sale of fish to those fish that are raised on fish farms.

***Placement of sexually violent persons on supervised release***

Currently, a person who is found by a jury or a judge to be a sexually violent person must be committed to the custody of DHFS for control, care and treatment. A sexually violent person is a person who has committed certain sexually violent offenses and who is dangerous because he or she suffers from a mental disorder that makes it substantially probable that the person will engage in acts of sexual violence. A person found to be a sexually violent person must be committed either to institutional care or for supervised release to the community. A person initially committed to institutional care is placed in a mental health facility by DHFS, but the person may later be given supervised release if it is no longer substantially probable that the person will engage in acts of sexual violence if he or she is not confined in a mental health unit or facility.

Generally, if a sexually violent person is given supervised release, the social services department of the person's county of residence must prepare a plan identifying the treatment and services the person will receive in the community. If the county of residence declines to prepare such a plan, DHFS must try to arrange for another county to prepare a plan for the person and accept the supervision and residence of the person.

However, if DHFS cannot get another county to prepare a plan, the court must designate a county to prepare a plan and place the person on supervised release in that county, except that the court may not designate the county where the facility in which the person was committed for institutional care is located unless that county is also the person's county of residence.

The bill provides that if a sexually violent person is being given supervised release and the court must designate a county to prepare a plan for and accept the supervision and residence of the person, the court may not designate any county where there is a facility in which persons are placed after being committed to institutional care for being a sexually violent predator, regardless of whether the person was actually placed in the facility of that county, unless that county is the person's county of residence.

***Wisconsin works health plan technical changes***

The budget act eliminated the Wisconsin works health plan. The bill eliminates cross-references to the Wisconsin works health plan that erroneously remained in the budget act.

The bill also transfers 2 full-time general program revenue positions in DHFS from the subunit of DHFS primarily concerned with general administration to the subunit of DHFS primarily concerned with health services planning, regulation and delivery.



**ASSEMBLY BILL 650*****Tax increment sharing for tax incremental financing districts***

Under the current tax incremental financing (TIF) program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50% of the area to be included in the TID is blighted, in need of rehabilitation or suitable for industrial sites. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board and creation by the city or village of a joint review board to review the proposal. The joint review board, which is made up of representatives of the overlying taxing jurisdictions of the proposed TID, must approve the project plan or the TID may not be created. If an existing TID project plan is amended by a planning commission, these steps are also required.

Also under current law, once a TID has been created, DOR calculates the "tax increment base value" of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a "value increment" is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment". The tax increment is placed in a special fund that may only be used to pay back the costs of the TID. The costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or 23 years, or 27 years in certain cases, after the TID is created, whichever is sooner. TIDs are required to terminate, under current law and with one exception, once these costs are paid back, 16 years, or 20 years in certain cases, after the last expenditure identified in the project plan is made or when the creating city or village dissolves the TID, whichever occurs first. Current law also provides that in general, unless the project plan is amended, no expenditure of tax increments may be made later than 7 years, or 10 years in certain cases, after the TID is created. In no event, however, may the total number of years during which expenditures are made plus the total number of years during which tax increments are allocated exceed 27 years.

Also under current law, once a TID pays off the aggregate of all of its project costs under its project plan but not later than the date on which it would otherwise have to terminate, a planning commission may allocate positive tax increments generated by that TID (a donor TID) to another TID (a donee TID) created by that planning commission in which environmental pollution exists to the extent that development has not been able to proceed according to the project plan because of the environmental pollution. This increment sharing may only occur in TIDs created by the cities of Kenosha, Glendale and Oshkosh. The provision that allows such increment sharing does not apply after January 1, 2002, for Glendale and Oshkosh and does not apply after August 1, 2016, for Kenosha.

Under the bill the increment sharing provision, as it relates to the city of Oshkosh, does not apply after January 1, 2016. Also under the bill, a donor TID

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created by the city of Oshkosh is not required to pay off its project costs before contributing to the donee TID.

***Specific information signs along STH 172***

Under current law, DOT may authorize the erection of specific information signs on designated highways. The signs indicate that certain businesses located near a highway are available to provide gas, food, lodging or camping to motorists. The budget act designated STH 172 from I 43 southeast of Green Bay to STH 54 west of Ashwaubenon as a highway on which DOT may authorize the erection of specific information signs.

The bill repeals the designation of STH 172 from I 43 southeast of Green Bay to STH 54 west of Ashwaubenon as a highway on which DOT may authorize the erection of specific information signs.

***Weight limitations for vehicles transporting bulk potatoes***

Under current law, DOT may issue annual and consecutive month permits for overweight vehicles and combinations of vehicles that are transporting bulk potatoes from storage facilities to food processing facilities. A permit does not authorize the operation of a vehicle or vehicle combination at a maximum gross weight of more than 90,000 pounds. A permit is valid on designated portions of USH 51 and I 39 that are part of the national system of interstate and defense highways.

The bill provides that any annual or consecutive month permit DOT issues for an overweight vehicle or vehicle combination that is transporting bulk potatoes from storage facilities to food processing facilities is not valid on any part of the national system of interstate and defense highways, except to the extent permitted by federal law without any loss or reduction of federal aid or other sanction.

***Grants awarded by the environmental education board***

Current law authorizes the environmental education board to award grants to nonprofit corporations and public agencies to develop, disseminate and present environmental education programs. Moneys are appropriated from the conservation fund for such grants that are related to forestry.

The bill allows the environmental education board to use up to 5% of the amount appropriated from the conservation fund to administer the grants that are related to forestry.

***Information for administration of child and spousal support and economic support programs***

Under current law, the department of workforce development may request from any person any information that it determines is appropriate and necessary for the administration of child and spousal support programs and certain economic support programs, such as aid to families with dependent children and medical assistance. The person is required to provide the information within 7 days of receiving the

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request. The bill adds the Wisconsin works program to the list of economic support programs covered by the provision.

***Delegation of investment authority by local governments***

Under current law, any county, city, village, town, school district, drainage district, technical college district and certain other local governing boards (local governmental units) may delegate the investment authority over any of their funds, not immediately needed, to banks and certain trust companies. Such funds must be invested in certain time deposits of a bank, trust company, credit union or savings and loan association, or in fixed income U.S. government or federal, state or local government agency securities.

Under this bill, local governmental units may invest supplemental early retirement pension funds that are not immediately needed in a variety of financial instruments, consistent with the current statutory "prudent person" standard of responsibility. These investments may be made with an investment manager who meets the requirements and qualifications specified in the trust's investment policy and who is registered as an investment adviser under the Investment Advisers Act of 1940.

***Other***

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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

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

1           **SECTION 1.** 20.285 (1) (rc) of the statutes, as created by 1997 Wisconsin Act 27,  
2 is amended to read:

3           20.285 (1) (rc) Environmental education; forestry. From the conservation fund,  
4 the amounts in the schedule for environmental education grants related to forestry  
5 under s. 36.54 (2) and to administer such grants.

6           **SECTION 2.** 20.927 (2) (a) of the statutes is amended to read:

7           20.927 (2) (a) This section does not apply to the performance by a physician of  
8 an abortion which is directly and medically necessary to save the life of the woman  
9 or in a case of sexual assault or incest, provided that prior thereto the physician signs

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1 a certification which so states, and provided that, in the case of sexual assault or  
2 incest the crime has been reported to the law enforcement authorities. The  
3 certification shall be affixed to the claim form or invoice when submitted to any  
4 agency or fiscal intermediary of the state for payment, or when submitted by an  
5 individual health care provider to a health care coverage provider for payment or for  
6 submittal to any agency or fiscal intermediary of the state for payment, and shall  
7 specify and attest to the direct medical necessity of such abortion upon the best  
8 clinical judgment of the physician or attest to his or her belief that sexual assault or  
9 incest has occurred.

10 **SECTION 3.** 20.927 (2) (b) of the statutes is amended to read:

11 20.927 (2) (b) This section does not apply to the performance by a physician of  
12 an abortion if, due to a medical condition existing prior to the abortion, the physician  
13 determines that the abortion is directly and medically necessary to prevent grave,  
14 long-lasting physical health damage to the woman, provided that prior thereto the  
15 physician signs a certification which so states. The certification shall be affixed to the  
16 claim form or invoice when submitted to any agency or fiscal intermediary of the  
17 state for payment, or when submitted by an individual health care provider to a  
18 health care coverage provider for payment or for submittal to any agency or fiscal  
19 intermediary of the state for payment, and shall specify and attest to the direct  
20 medical necessity of such abortion upon the best clinical judgment of the physician.

21 **SECTION 4.** 20.927 (2m) and (2r) of the statutes are created to read:

22 20.927 (2m) Quarterly, following any annual quarter in which health care  
23 services have been provided under coverage that is affected by sub. (1), the health  
24 care coverage provider shall submit a written report to the agency which contracted  
25 for the services of the provider. The report shall specify the number of abortions, if

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1 any, provided in the previous quarter by the provider to individuals who have  
2 coverage for abortions, as permitted under sub. (2) (a) or (b), the reason for each  
3 abortion, and the total cost of each abortion.

4 **(2r)** A copy of each report submitted under sub. (2m) shall be forwarded to the  
5 department of health and family services, which shall review the data for compliance  
6 with this section and annually publish a summary of the information obtained under  
7 this subsection.

8 **SECTION 5.** 20.9275 (2) (a) (intro.) of the statutes, as created by 1997 Wisconsin  
9 Act 27, is amended to read:

10 20.9275 (2) (a) (intro.) The pregnancy program, project or service using the  
11 state, local or federal funds does any of the following using the state, local or federal  
12 funds:

13 **SECTION 6.** 29.50 (1) (e) of the statutes, as affected by 1997 Wisconsin Act 27,  
14 is amended to read:

15 29.50 (1) (e) The transportation and sale of farm-raised fish.

16 **SECTION 7.** 36.54 (2) (f) of the statutes is created to read:

17 36.54 (2) (f) The environmental education board may use up to 5% of the  
18 amount appropriated under s. 20.285 (1) (rc) to administer the grants under this  
19 subsection that are related to forestry.

20 **SECTION 8.** 48.685 (1) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
21 is amended to read:

22 48.685 (1) (a) "Client" means a child who receives direct care or treatment  
23 services from an entity.

24 **SECTION 9.** 48.685 (2) (am) (intro.) of the statutes, as created by 1997 Wisconsin  
25 Act 27, is amended to read:

**ASSEMBLY BILL 650****SECTION 9**

1           48.685 (2) (am) (intro.) Subject to subd. 5. and par. (bd), the department, a  
2 county department or a school board shall obtain all of the following with respect to  
3 a person specified under par. (a) (intro.) and a person specified under par. (ag) (intro.)  
4 who is a resident or prospective resident of an entity:

5           **SECTION 10.** 48.685 (2) (b) 1. (intro.) of the statutes, as created by 1997  
6 Wisconsin Act 27, is amended to read:

7           48.685 (2) (b) 1. (intro.) Subject to subds. 1. e., and 2. and 3. par. (bd), every  
8 entity shall obtain all of the following with respect to a person specified under par.  
9 (ag) (intro.) who is an employe, prospective employe, contractor or prospective  
10 contractor of the entity:

11           **SECTION 11.** 48.685 (2) (b) 3. of the statutes, as created by 1997 Wisconsin Act  
12 27, is renumbered 48.685 (2) (bd) and amended to read:

13           48.685 (2) (bd) ~~Subdivision 1. does~~ Paragraphs (am) and (b) 1. do not apply with  
14 respect to a person under 18 years of age whose background information form under  
15 sub. (6) (am) indicates that the person is not ineligible to be employed, contracted  
16 with or permitted to reside at the entity for a reason specified in par. (ag) 1. to 5. and  
17 with respect to whom the entity otherwise has no reason to believe that the person  
18 is ineligible to be employed, contracted with or permitted to reside at the entity for  
19 any of those reasons.

20           **SECTION 12.** 48.685 (2) (bg) of the statutes, as created by 1997 Wisconsin Act  
21 27, is amended to read:

22           48.685 (2) (bg) If an entity takes an action specified in par. (ag) (intro.) with  
23 respect to ~~a person~~ an employe, prospective employe, contractor or prospective  
24 contractor for whom, within the last 4 years, the information required under par. (b)  
25 1. a. to c. and e. has already been obtained, either by another entity or by a temporary

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1 employment agency, the entity may obtain the information required under par. (b)  
2 1. a. to c. and e. from that other entity or temporary employment agency, which shall  
3 provide the information, if possible, to the entity. If an entity cannot obtain the  
4 information required under par. (b) 1. a. to c. and e. from another entity or from a  
5 temporary employment agency or if an entity has reasonable grounds to believe that  
6 any information obtained from another entity or from a temporary employment  
7 agency is no longer accurate, the entity shall obtain that information from the  
8 sources specified in par. (b) 1. a. to c. and e.

9 **SECTION 13.** 48.685 (2) (c) of the statutes, as created by 1997 Wisconsin Act 27,  
10 is amended to read:

11 48.685 (2) (c) If the background information form completed by a person under  
12 sub. (6) (am) indicates that the person is not ineligible to be employed, contracted  
13 with or permitted to reside at an entity for a reason specified in par. (ag) 1. to 5., an  
14 entity may employ or contract with the person or permit the person to reside at the  
15 entity for not more than 60 days pending the receipt of the information sought under  
16 par. (am) or (b) 1. An entity shall provide supervision for a person who is employed,  
17 contracted with or permitted to reside as permitted under this paragraph.

18 **SECTION 14.** 48.685 (3) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
19 is amended to read:

20 48.685 (3) (a) Every 4 years or at any time within that period that the  
21 department, a county department or a school board considers appropriate, the  
22 department, county department or school board shall request the information  
23 specified in sub. (2) (am) 1. to 5. for all persons who are licensed, certified or  
24 contracted to operate an entity and for all persons specified in par. (ag) (intro.) who  
25 are residents of an entity.

**ASSEMBLY BILL 650****SECTION 15**

1           **SECTION 15.** 48.685 (3) (b) of the statutes, as created by 1997 Wisconsin Act 27,  
2 is amended to read:

3           48.685 **(3)** (b) Every 4 years or at any time within that period that an entity  
4 considers appropriate, the entity shall request the information specified in sub. (2)  
5 (b) 1. a. to e. for all persons specified in sub. (2) (ag) (intro.) who are employes or  
6 contractors of the entity.

7           **SECTION 16.** 48.685 (5) (f) of the statutes is created to read:

8           48.685 **(5)** (f) An offense that is included in the list established by the  
9 department by rule promulgated under sub. (7) (am).

10          **SECTION 17.** 48.685 (6) (b) of the statutes, as created by 1997 Wisconsin Act 27,  
11 is amended to read:

12          48.685 **(6)** (b) For persons specified under par. (a) who are ~~regulated, licensed~~  
13 ~~or certified by, or registered with, by~~ the department, for persons specified in par.  
14 (am) 2. who are residents or prospective residents of an entity licensed by the  
15 department, and for other persons specified by the department by rule, the entity  
16 shall send the background information form to the department. ~~For all other persons~~  
17 ~~specified in par. (a) and for~~ For persons specified under par. (a) who are certified by  
18 a county department, for persons specified in par. (am) 2. who are residents or  
19 prospective residents of an entity certified by a county department and for other  
20 persons specified by the department by rule, the entity shall send the background  
21 information form to the county department. For persons specified under par. (a) who  
22 are contracted with by a school board, for persons specified in par. (am) 2. who are  
23 residents or prospective residents of an entity contracted with by a school board and  
24 for other persons specified by the department by rule, the entity shall send the  
25 background information form to the school board. For persons specified under par.



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1 (am) 1., the entity shall maintain the background information form on file for  
2 inspection by the department.

3 **SECTION 18.** 48.685 (7) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
4 is amended to read:

5 48.685 (7) (a) Establish by rule a definition of "serious crime" for the purpose  
6 of this section. The definition shall include only crimes or acts that are substantially  
7 related to the care of a client, shall include those crimes or acts that are included in  
8 the list established under par. (am), shall include the offenses specified in sub. (5) (a)  
9 to (e) and shall include classes of crimes or acts involving misappropriation of the  
10 property of a client or abuse or neglect of a client for which ~~no~~ a person who has  
11 committed any of those crimes or acts may be permitted to demonstrate under sub.  
12 (5) that he or she has been rehabilitated. ~~The definition may also include other~~  
13 ~~crimes or acts that do not involve abuse or neglect of a client but that are~~  
14 ~~substantially related to the care of a client for which no person who committed any~~  
15 ~~of those crimes or acts may be permitted to demonstrate under sub. (5) that he or she~~  
16 ~~has been rehabilitated.~~

17 **SECTION 19.** 48.685 (7) (am) of the statutes is created to read:

18 48.685 (7) (am) Establish by rule a list of crimes or acts, in addition to those  
19 offenses specified in sub. (5) (a) to (e), involving the abuse or neglect of a client for  
20 which no person who has committed any of those crimes or acts may be permitted to  
21 demonstrate under sub. (5) that he or she has been rehabilitated. The list may also  
22 include other crimes or acts, in addition to those offenses specified in sub. (5) (a) to  
23 (e), that do not involve the abuse or neglect of a client, but that are substantially  
24 related to the care of a client, for which no person who has committed any of those

**ASSEMBLY BILL 650****SECTION 19**

1 crimes or acts may be permitted to demonstrate under sub. (5) that he or she has been  
2 rehabilitated.

3 **SECTION 20.** 49.141 (1) (p) of the statutes, as affected by 1997 Wisconsin Act 27,  
4 is amended to read:

5 49.141 (1) (p) "Wisconsin works" means the assistance program for families  
6 with dependent children, administered under ss. 49.141 to 49.161, ~~except that~~  
7 ~~"Wisconsin works" does not include the Wisconsin works health plan under s. 49.153,~~  
8 ~~unless a waiver under s. 49.153 (1m) is granted and in effect or federal legislation~~  
9 ~~that permits the application of s. 49.153 is enacted.~~

10 **SECTION 21.** 49.141 (7) (c) (intro.) of the statutes, as created by 1997 Wisconsin  
11 Act 27, is amended to read:

12 49.141 (7) (c) Except as provided in par. (d), in addition to the penalties  
13 applicable under par. (a) or (b), a person shall be suspended from participating in  
14 Wisconsin works, ~~except s. 49.153~~, for a period of 10 years, beginning on the date of  
15 conviction, if the person is convicted in a federal or state court for any of the following:

16 **SECTION 22.** 49.22 (2m) of the statutes, as affected by 1997 Wisconsin Act 27,  
17 is amended to read:

18 49.22 (2m) The department may request from any person any information it  
19 determines appropriate and necessary for the administration of this section, ss.  
20 49.141 to 49.161, 49.19, 49.46, 49.468 and 49.47 and programs carrying out the  
21 purposes of 7 USC 2011 to 2029. Any person in this state shall provide this  
22 information within 7 days after receiving a request under this subsection. Except  
23 as provided in sub. (2p) and subject to sub. (12), the department or the county child  
24 support agency under s. 59.53 (5) may disclose information obtained under this

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1 subsection only in the administration of this section, ss. 49.141 to 49.161, 49.19,  
2 49.46 and 49.47 and programs carrying out the purposes of 7 USC 2011 to 2029.

3 **SECTION 23.** 49.45 (18) (b) 6. of the statutes is amended to read:

4 49.45 (18) (b) 6. Transportation by common carrier or private motor vehicle, if  
5 authorized in advance by a county department under s. 46.215 or 46.22, ~~or by~~  
6 ~~specialized medical vehicle.~~

7 **SECTION 24.** 50.065 (1) (b) of the statutes, as created by 1997 Wisconsin Act 27,  
8 is amended to read:

9 50.065 (1) (b) "Client" means a person who receives direct care or treatment  
10 services from an entity.

11 **SECTION 25.** 50.065 (1) (c) (intro.) of the statutes, as created by 1997 Wisconsin  
12 Act 27, is amended to read:

13 50.065 (1) (c) (intro.) "Entity" means a facility, organization or service that is  
14 ~~regulated~~, licensed or certified by or registered with the department to provide direct  
15 care or treatment services to clients. "Entity" includes a personal care worker agency  
16 and a supportive home care service agency. "Entity" does not include any of the  
17 following:

18 **SECTION 26.** 50.065 (1) (c) 3. of the statutes, as created by 1997 Wisconsin Act  
19 27, is amended to read:

20 50.065 (1) (c) 3. A person certified as a medical assistance provider, as defined  
21 in s. 49.43 (10), who is not otherwise ~~regulated~~, licensed or certified by or registered  
22 with the department.

23 **SECTION 27.** 50.065 (1) (c) 6. of the statutes is created to read:

24 50.065 (1) (c) 6. A public health dispensary established under s. 252.10.

**ASSEMBLY BILL 650****SECTION 28**

1           **SECTION 28.** 50.065 (2) (a) (intro.) of the statutes, as created by 1997 Wisconsin  
2 Act 27, is amended to read:

3           50.065 (2) (a) (intro.) Notwithstanding s. 111.335, and except as provided in  
4 sub. (5), the department may not license, certify or register a person to operate an  
5 entity or continue the license, certification or registration of a person to operate an  
6 entity if the department knows or should have known any of the following:

7           **SECTION 29.** 50.065 (2) (am) (intro.) of the statutes, as created by 1997  
8 Wisconsin Act 27, is amended to read:

9           50.065 (2) (am) (intro.) The Subject to par. (bd), the department shall obtain  
10 all of the following with respect to a person specified under par. (a) (intro.) and a  
11 person specified under par. (ag) (intro.) who is a resident or prospective resident of  
12 an entity:

13           **SECTION 30.** 50.065 (2) (am) 5. of the statutes is created to read:

14           50.065 (2) (am) 5. Information maintained by the department under this  
15 section regarding any denial to the person of a license, certification or registration  
16 or of a continuation of a license, certification or registration to operate an entity for  
17 a reason specified in par. (a) 1. to 5. and regarding any denial to the person of  
18 employment at, a contract with or permission to reside at an entity for a reason  
19 specified in par. (ag) 1. to 5. If the information obtained under this subdivision  
20 indicates that the person has been denied a license, certification or registration,  
21 continuation of a license, certification or registration, a contract, employment or  
22 permission to reside as described in this subdivision, the department, a county  
23 department or a school board need not obtain the information specified in subds. 1.  
24 to 4.

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1           **SECTION 31.** 50.065 (2) (b) 1. (intro.) of the statutes, as created by 1997  
2 Wisconsin Act 27, is amended to read:

3           50.065 (2) (b) 1. (intro.) Subject to ~~subds. subd. 2. and 3.~~ par. (bd), every entity  
4 shall obtain all of the following with respect to a person specified under par. (ag)  
5 (intro.) who is an employe or contractor or a prospective employe or contractor of the  
6 entity:

7           **SECTION 32.** 50.065 (2) (b) 1. e. of the statutes is created to read:

8           50.065 (2) (b) 1. e. Information maintained by the department under this  
9 section regarding any denial to the person of a license, certification or registration  
10 or of a continuation of a license, certification or registration to operate an entity for  
11 a reason specified in par. (a) 1. to 5. and regarding any denial to the person of  
12 employment at, a contract with or permission to reside at an entity for a reason  
13 specified in par. (ag) 1. to 5. If the information obtained under this subd. 1. e.  
14 indicates that the person has been denied a license, certification or registration,  
15 continuation of a license, certification or registration, a contract, employment or  
16 permission to reside as described in this subd. 1. e., the entity need not obtain the  
17 information specified in subd. 1. a. to d.

18           **SECTION 33.** 50.065 (2) (b) 3. of the statutes, as created by 1997 Wisconsin Act  
19 27, is renumbered 50.065 (2) (bd) and amended to read:

20           50.065 (2) (bd) ~~Subdivision 1. does~~ Paragraphs (am) and (b) 1. do not apply with  
21 respect to a person under 18 years of age whose background information form under  
22 sub. (6) (am) indicates that the person is not ineligible to be employed, contracted  
23 with or permitted to reside at the entity for a reason specified in par. (ag) 1. to 5. and  
24 with respect to whom the entity otherwise has no reason to believe that the person

**ASSEMBLY BILL 650****SECTION 33**

1 is ineligible to be employed, contracted with or permitted to reside at the entity for  
2 any of those reasons.

3 **SECTION 34.** 50.065 (2) (bg) of the statutes, as created by 1997 Wisconsin Act  
4 27, is amended to read:

5 50.065 (2) (bg) If an entity takes an action specified in par. (ag) (intro.) with  
6 respect to ~~a person~~ an employe, prospective employe, contractor or prospective  
7 contractor for whom, within the last 4 years, the information required under par. (b)  
8 1. a. to c. and e. has already been obtained, either by another entity or by a temporary  
9 employment agency, the entity may obtain the information required under par. (b)  
10 1. a. to c. and e. from that other entity or temporary employment agency, which shall  
11 provide the information, if possible, to the entity. If an entity cannot obtain the  
12 information required under par. (b) 1. a. to c. and e. from another entity or from a  
13 temporary employment agency or if an entity has reasonable grounds to believe that  
14 any information obtained from another entity or from a temporary employment  
15 agency is no longer accurate, the entity shall obtain that information from the  
16 sources specified in par. (b) 1. a. to c and e.

17 **SECTION 35.** 50.065 (2) (c) of the statutes, as created by 1997 Wisconsin Act 27,  
18 is amended to read:

19 50.065 (2) (c) If the background information form completed by a person under  
20 sub. (6) (am) indicates that the person is not ineligible to be employed, contracted  
21 with or permitted to reside at an entity for a reason specified in par. (ag) 1. to 5., an  
22 entity may employ or contract with the person or permit the person to reside at the  
23 entity for not more than 60 days pending the receipt of the information sought under  
24 par. (am) or (b) 1. An entity shall provide supervision for a person who is employed  
25 or contracted with or permitted to reside as permitted under this paragraph.

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1           **SECTION 36.** 50.065 (3) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
2 is amended to read:

3           50.065 (3) (a) Every 4 years or at any time within that period that the  
4 department considers appropriate, the department shall request the information  
5 specified in sub. (2) (am) 1. to 4. for all persons who are licensed to operate an entity  
6 and for all persons specified in par. (ag) (intro.) who are residents of an entity.

7           **SECTION 37.** 50.065 (3) (b) of the statutes, as created by 1997 Wisconsin Act 27,  
8 is amended to read:

9           50.065 (3) (b) Every 4 years or at any other time within that period that an  
10 entity considers appropriate, the entity shall request the information specified in  
11 sub. (2) (b) 1. a. to d. for all persons specified in sub. (2) (ag) (intro.) who are employes  
12 or contractors of the entity.

13           **SECTION 38.** 50.065 (5) (intro.) of the statutes, as created by 1997 Wisconsin Act  
14 27, is amended to read:

15           50.065 (5) (intro.) The department may license, certify or register to operate  
16 an entity a person who otherwise may not be licensed certified or registered for a  
17 reason specified in sub. (2) (a) 1. to 5., and an entity may employ, contract with or  
18 permit to reside at the entity a person who otherwise may not be employed,  
19 contracted with or permitted to reside at the entity for a reason specified in sub. (2)  
20 (ag) 1. to 5., if the person demonstrates to the department by clear and convincing  
21 evidence and in accordance with procedures established by the department by rule  
22 that he or she has been rehabilitated. No person who has been convicted of any of  
23 the following offenses may be permitted to demonstrate that he or she has been  
24 rehabilitated:

25           **SECTION 39.** 50.065 (5) (f) of the statutes is created to read:

**ASSEMBLY BILL 650****SECTION 39**

1           50.065 (5) (f) An offense that is included in the list established by the  
2 department by rule promulgated under sub. (7) (am).

3           **SECTION 40.** 50.065 (5m) of the statutes, as created by 1997 Wisconsin Act 27,  
4 is amended to read:

5           50.065 (5m) Notwithstanding s. 111.335, the department may refuse to license,  
6 certify or register a person to operate an entity, and an entity may refuse to employ,  
7 contract with or permit to reside at the entity a person specified in sub. (2) (ag)  
8 (intro.), if the person has been convicted of an offense that the department has not  
9 defined as a “serious crime” by rule promulgated under sub. (7) (a), or specified in the  
10 list established by rule under sub. (7) (b), but that is, in the estimation of the  
11 department or entity, substantially related to the care of a client.

12           **SECTION 41.** 50.065 (6) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
13 is amended to read:

14           50.065 (6) (a) The department shall require any person who applies for  
15 issuance or continuation of a license, certification or registration to operate an entity  
16 to complete a background information form that is provided by the department.

17           **SECTION 42.** 50.065 (6) (b) of the statutes, as created by 1997 Wisconsin Act 27,  
18 is amended to read:

19           50.065 (6) (b) For persons specified under par. (a) who are ~~regulated~~, licensed  
20 or certified by, or registered with, the department, for person specified in par. (am)  
21 2., and for other persons specified by the department by rule, the entity shall send  
22 the background information form to the department. ~~For all other persons specified~~  
23 ~~in par. (a) and for persons specified under par. (am) 1.,~~ the entity shall maintain the  
24 background information form on file for inspection by the department.



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1           **SECTION 43.** 50.065 (7) (a) of the statutes, as created by 1997 Wisconsin Act 27,  
2 is amended to read:

3           50.065 (7) (a) Establish by rule a definition of “serious crime” for the purpose  
4 of this section. The definition shall include only crimes or acts that are substantially  
5 related to the care of a client, shall include those crimes or acts that are included in  
6 the list established under par. (am), shall include the offenses specified in sub. (5) (a)  
7 to (e) and shall include classes of crimes or acts involving abuse or neglect of a client  
8 for which no a person who has committed any of those crimes or acts may be  
9 permitted to demonstrate under sub. (5) that he or she has been rehabilitated. The  
10 definition may also include other crimes or acts that do not involve abuse or neglect  
11 of a client but that are substantially related to the care of a client for which no person  
12 who committed any of those crimes or acts may be permitted to demonstrate under  
13 sub. (5) that he or she has been rehabilitated.

14           **SECTION 44.** 50.065 (7) (am) of the statutes is created to read:

15           50.065 (7) (am) Establish by rule a list of crimes or acts, in addition to those  
16 offenses specified in sub. (5) (a) to (e), involving the abuse or neglect of a client for  
17 which no person who has committed any of those crimes or acts may be permitted to  
18 demonstrate under sub. (5) that he or she has been rehabilitated. The list may also  
19 include other crimes or acts, in addition to those offenses specified in sub. (5) (a) to  
20 (e), that do not involve the abuse or neglect of a client, but that are substantially  
21 related to the care of a client, for which no person who has committed any of those  
22 crimes or acts may be permitted to demonstrate under sub. (5) what he or she has  
23 been rehabilitated.

24           **SECTION 45.** 59.53 (5) of the statutes, as affected by 1997 Wisconsin Act 3 and  
25 1997 Wisconsin Act 27, section 2165, is amended to read:

**ASSEMBLY BILL 650****SECTION 45**

1           59.53 (5) CHILD AND SPOUSAL SUPPORT; PATERNITY PROGRAM; MEDICAL SUPPORT  
2 LIABILITY PROGRAM. The board shall contract with the department of workforce  
3 development to implement and administer the child and spousal support and  
4 establishment of paternity and the medical support liability programs provided for  
5 by Title IV of the federal social security act. The board may designate by board  
6 resolution any office, officer, board, department or agency, except the clerk of circuit  
7 court, as the county child support agency. The board or county child support agency  
8 shall implement and administer the programs in accordance with the contract with  
9 the department of workforce development. The attorneys responsible for support  
10 enforcement under sub. (6) (a), family court commissioner and all other county  
11 officials shall cooperate with the county and the department of workforce  
12 development as necessary to provide the services required under the programs. The  
13 county shall charge the fee established by the department of workforce development  
14 under s. 49.22 for services provided under this subsection to persons not receiving  
15 benefits under s. 49.148, ~~49.153~~ or 49.155 or assistance under s. 46.261, 49.19 or  
16 49.47.

17           **SECTION 46.** 66.04 (2) (b) of the statutes is amended to read:

18           66.04 (2) (b) Any town, city or village may invest surplus funds in any bonds  
19 or securities issued under the authority of the municipality, whether the bonds or  
20 securities create a general municipality liability or a liability of the property owners  
21 of the municipality for special improvements, and may sell or hypothecate the bonds  
22 or securities. Funds of any employer, as defined by s. 40.02 (28), in a deferred  
23 compensation plan may also be invested and reinvested in the same manner  
24 authorized for investments under s. 881.01 (1). Funds of any city, village, town,  
25 county, school district, drainage district, technical college district or other governing

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1 board, as defined in s. 34.01 (1), held in trust for pension plans intended to qualify  
2 under section 401 (a) of the Internal Revenue Code, may be invested and reinvested  
3 in the same manner as is authorized for investments under s. 881.01.

4 **SECTION 47.** 66.04 (2s) of the statutes is created to read:

5 66.04 (2s) ADDITIONAL DELEGATION OF INVESTMENT AUTHORITY. In addition to the  
6 authority granted under sub. (2m), a city, village, town, county, school district,  
7 drainage district, technical college district or other governing board, as defined in s.  
8 34.01 (1), may delegate the investment authority over any of its funds not  
9 immediately needed and held in trust for its qualified pension plans to an investment  
10 manager who meets the requirements and qualifications specified in the trust's  
11 investment policy and who is registered as an investment adviser under the  
12 Investment Advisers Act of 1940, 15 USC 80b-3.

13 **SECTION 48.** 66.46 (6) (c) of the statutes, as affected by 1997 Wisconsin Act 27,  
14 is amended to read:

15 66.46 (6) (c) Except for tax increments allocated under par. (d), (dm), (dp) or (e),  
16 all tax increments received with respect to a tax incremental district shall, upon  
17 receipt by the city treasurer, be deposited into a special fund for that district. The  
18 city treasurer may deposit additional moneys into such fund pursuant to an  
19 appropriation by the common council. No moneys may be paid out of such fund  
20 except to pay project costs with respect to that district, to reimburse the city for such  
21 payments, to pay project costs of a district under par. (d), (dm), (dp) or (e) or to satisfy  
22 claims of holders of bonds or notes issued with respect to such district. Subject to par.  
23 (d), (dm), (dp) or (e), moneys paid out of the fund to pay project costs with respect to  
24 a district may be paid out before or after the district is terminated under sub. (7).  
25 Subject to any agreement with bondholders, moneys in the fund may be temporarily

**ASSEMBLY BILL 650****SECTION 48**

1 invested in the same manner as other city funds if any investment earnings are  
2 applied to reduce project costs. After all project costs and all bonds and notes with  
3 respect to the district have been paid or the payment thereof provided for, subject to  
4 any agreement with bondholders, if there remain in the fund any moneys that are  
5 not allocated under par. (d), (dm), (dp) or (e), they shall be paid over to the treasurer  
6 of each county, school district or other tax levying municipality or to the general fund  
7 of the city in the amounts that belong to each respectively, having due regard for that  
8 portion of the moneys, if any, that represents tax increments not allocated to the city  
9 and that portion, if any, that represents voluntary deposits of the city into the fund.

10 **SECTION 49.** 66.46 (6) (dm) 3. (intro.) and a. of the statutes, as created by 1997  
11 Wisconsin Act 27, are consolidated, renumbered 66.46 (6) (dm) 3. and amended to  
12 read:

13 66.46 (6) (dm) 3. This paragraph applies only to the following cities: ~~a. A~~ a in  
14 a city with a population of at least 10,000 that was incorporated in 1950 and that is  
15 in a county with a population of more than 500,000 which is adjacent to one of the  
16 Great Lakes.

17 **SECTION 50.** 66.46 (6) (dm) 3. b. of the statutes, as created by 1997 Wisconsin  
18 Act 27, is repealed.

19 **SECTION 51.** 66.46 (6) (dp) of the statutes is created to read:

20 66.46 (6) (dp) 1. Not later than the date on which a tax incremental district  
21 terminates under sub. (7) (am), a planning commission may amend under sub. (4) (h)  
22 1. the project plan of such a tax incremental district to allocate positive tax  
23 increments generated by that tax incremental district to another tax incremental  
24 district created by that planning commission in which soil affected by environmental

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1 pollution exists to the extent that development has not been able to proceed  
2 according to the project plan because of the environmental pollution.

3 2. Except as provided in subd. 2m., no tax increments may be allocated under  
4 this paragraph later than 16 years after the last expenditure identified in the project  
5 plan of the tax incremental district, the positive tax increments of which are to be  
6 allocated, is made.

7 2m. No tax increments may be allocated under this paragraph later than 20  
8 years after the last expenditure identified in the project plan of the tax incremental  
9 district, the positive tax increments of which are to be allocated, is made if the district  
10 is created before October 1, 1995, except that in no case may the total number of years  
11 during which expenditures are made under par. (am) 1. plus the total number of  
12 years during which tax increments are allocated under this paragraph exceed 27  
13 years.

14 3. This paragraph applies only in a city with a population of at least 50,000 that  
15 was incorporated in 1853 and that is in a county with a population of more than  
16 140,000 that contains a portion of the Fox River and Lake Winnebago.

17 4. This paragraph does not apply after January 1, 2016.

18 **SECTION 52.** 66.46 (7) (a) of the statutes, as affected by 1997 Wisconsin Act 27,  
19 is amended to read:

20 66.46 (7) (a) That time when the city has received aggregate tax increments  
21 with respect to such district in an amount equal to the aggregate of all project costs  
22 under the project plan and any amendments to the project plan for such district,  
23 except that this paragraph does not apply to a district whose positive tax increments  
24 have been allocated under sub. (6) (d), (dm), (dp) or (e) until the district to which the

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1 allocation is made has paid off the aggregate of all of its project costs under its project  
2 plan.

3 **SECTION 53.** 70.375 (6) of the statutes, as affected by 1997 Wisconsin Act 27,  
4 is amended to read:

5 70.375 (6) INDEXING. The For calendar year 1983 and corresponding fiscal years  
6 and thereafter, the dollar amounts in sub. (5) and s. 70.395 (1) and (2) (d) 1m. and  
7 5. a. and (dg) shall be changed to reflect the percentage change between the gross  
8 national product deflator for June of the current year and the gross national product  
9 deflator for June of the previous year, as determined by the U.S. department of  
10 commerce as of December 30 of the year for which the taxes are due, except that no  
11 annual increase may be more than 10%. For calendar year 1983 and corresponding  
12 fiscal years and thereafter until calendar year 1997 and corresponding fiscal years,  
13 the dollar amounts in s. 70.395 (1m), 1995 stats., shall be changed to reflect the  
14 percentage change between the gross national product deflator for June of the  
15 current year and the gross national product deflator for June of the previous year,  
16 as determined by the U.S. department of commerce as of December 30 of the year for  
17 which the taxes are due, except that no annual increase may be more than 10%. The  
18 revised amounts shall be rounded to the nearest whole number divisible by 100 and  
19 shall not be reduced below the amounts under sub. (5) on November 28, 1981.  
20 Annually, the department shall adopt any changes in dollar amounts required under  
21 this subsection and incorporate them into the appropriate tax forms.

22 **SECTION 54.** 71.07 (2dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act  
23 27, is amended to read:

24 71.07 (2dx) (a) 5. "Member of a targeted group" means a person under sub. (2dj)  
25 (am) 1., a person who resides in an empowerment zone, or an enterprise community,

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1 that the U.S. government designates, a person who is employed in an unsubsidized  
2 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin  
3 works employment position, a person who is employed in a trial job, as defined in s.  
4 49.141 (1) (n), ~~a person who is eligible for the Wisconsin works health plan under s.~~  
5 ~~49.153~~ or a person who is eligible for child care assistance under s. 49.155; if the  
6 person has been certified in the manner under sub. (2dj) (am) 3. by a designated local  
7 agency, as defined in sub. (2dj) (am) 2.

8 **SECTION 55.** 71.28 (1dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act  
9 27, is amended to read:

10 71.28 (1dx) (a) 5. "Member of a targeted group" means a person under sub. (1dj)  
11 (am) 1., a person who resides in an empowerment zone, or an enterprise community,  
12 that the U.S. government designates, a person who is employed in an unsubsidized  
13 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin  
14 works employment position, a person who is employed in a trial job, as defined in s.  
15 49.141 (1) (n), ~~a person who is eligible for the Wisconsin works health plan under s.~~  
16 ~~49.153~~ or a person who is eligible for child care assistance under s. 49.155; if the  
17 person has been certified in the manner under sub. (1dj) (am) 3. by a designated local  
18 agency, as defined in sub. (1dj) (am) 2.

19 **SECTION 56.** 71.47 (1dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act  
20 27, is amended to read:

21 71.47 (1dx) (a) 5. "Member of a targeted group" means a person under sub. (1dj)  
22 (am) 1., a person who resides in an empowerment zone, or an enterprise community,  
23 that the U.S. government designates, a person who is employed in an unsubsidized  
24 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin  
25 works employment position, a person who is employed in a trial job, as defined in s.

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1 49.141 (1) (n), a person who is eligible for the Wisconsin works health plan under s.  
2 49.153 or a person who is eligible for child care assistance under s. 49.155; if the  
3 person has been certified in the manner under sub. (1dj) (am) 3. by a designated local  
4 agency, as defined in sub. (1dj) (am) 2.

5 **SECTION 57.** 71.83 (1) (d) 2. of the statutes, as created by 1997 Wisconsin Act  
6 27, is amended to read:

7 71.83 (1) (d) 2. The penalty described under subd. 1. shall be the amount of the  
8 capital gains exclusion received by the transferor under s. 71.05 (6) (b) 25. income tax  
9 that would have been imposed under s. 71.02 on the capital gains received by the  
10 transferor in the transaction described in subd. 1. if the exemption under s. 71.05 (6)  
11 (b) 25. did not apply to the transaction multiplied by a fraction, the denominator of  
12 which is 24 and the numerator of which is the difference between 24 and the number  
13 of months between the date on which the person who is liable for the penalty  
14 purchased or otherwise received the assets described in subd. 1. and the month in  
15 which the person sells or otherwise disposes of the assets.

16 **SECTION 58.** 77.21 (1) of the statutes is amended to read:

17 77.21 (1) "Conveyance" includes deeds and other instruments for the passage  
18 of ownership interests in real estate, including contracts and assignments of a  
19 vendee's interest therein, including instruments that are evidence of a sale of  
20 time-share property, as defined in s. 707.02 (32), and including leases for at least 99  
21 years but excluding leases for less than 99 years, easements and wills.

22 **SECTION 59.** 77.51 (4) (c) 6. of the statutes is amended to read:

23 77.51 (4) (c) 6. Charges associated with time-share property that is taxable  
24 under s. 77.52 (2) (a) ~~1.~~ or 2.

25 **SECTION 60.** 77.52 (2) (a) 1. of the statutes is amended to read:



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1           77.52 (2) (a) 1. The furnishing of rooms or lodging to transients by hotelkeepers,  
2 motel operators and other persons furnishing accommodations that are available to  
3 the public, irrespective of whether membership is required for use of the  
4 accommodations, not including the furnishing of rooms or lodging through the sale  
5 of a time-share property, as defined in s. 707.02 (32), ~~if the use of the rooms or lodging~~  
6 ~~is not fixed at the time of sale as to the starting day or the lodging unit.~~ In this  
7 subdivision, “transient” means any person residing for a continuous period of less  
8 than one month in a hotel, motel or other furnished accommodations available to the  
9 public. In this subdivision, “hotel” or “motel” means a building or group of buildings  
10 in which the public may obtain accommodations for a consideration, including,  
11 without limitation, such establishments as inns, motels, tourist homes, tourist  
12 houses or courts, lodging houses, rooming houses, summer camps, apartment hotels,  
13 resort lodges and cabins and any other building or group of buildings in which  
14 accommodations are available to the public, except accommodations, including  
15 mobile homes as defined in s. 66.058 (1) (d), rented for a continuous period of more  
16 than one month and accommodations furnished by any hospitals, sanatoriums, or  
17 nursing homes, or by corporations or associations organized and operated  
18 exclusively for religious, charitable or educational purposes provided that no part of  
19 the net earnings of such corporations and associations inures to the benefit of any  
20 private shareholder or individual.

21           **SECTION 61.** 77.54 (30) (d) of the statutes is amended to read:

22           77.54 (30) (d) In this subsection “residential use” means use in a structure or  
23 portion of a structure which is a person’s permanent residence, but does not include  
24 use in transient accommodations, as specified in s. 77.52 (2) (a) 1.; time-share

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1 property, as defined in s. 707.02 (32); motor homes; or travel trailers or other  
2 recreational vehicles.

3 **SECTION 62.** 85.52 (3) (cm) of the statutes, as created by 1997 Wisconsin Act 27,  
4 is amended to read:

5 85.52 (3) (cm) The joint committee on finance may transfer moneys, at the  
6 request of the department, in amounts not to exceed the amounts necessary to meet  
7 the requirements under P.L. 104-59, section 350, from the transportation fund to the  
8 transportation infrastructure loan fund. The department shall submit to the joint  
9 committee on finance for its review and approval proposed reductions among the  
10 transportation fund appropriations to the department equal to the amount  
11 transferred under this paragraph. The joint committee on finance may approve,  
12 disapprove or modify the proposed reductions. Upon approval of the proposed  
13 reductions, as may be modified by the committee, an amount equivalent to each  
14 approved reduction is lapsed from the appropriation account for each reduced  
15 appropriation to the transportation fund. Notwithstanding s. 13.101, no moneys  
16 may be transferred from the transportation fund to the transportation  
17 infrastructure loan fund except as provided in this section and in s. 25.405.

18 **SECTION 63.** 85.52 (3) (dm) of the statutes, as created by 1997 Wisconsin Act  
19 27, is repealed.

20 **SECTION 64.** 86.195 (2) (ag) 16m. of the statutes, as created by 1997 Wisconsin  
21 Act 27, is repealed.

22 **SECTION 65.** 146.40 (4r) (am) of the statutes, as created by 1997 Wisconsin Act  
23 27, is amended to read:

24 146.40 (4r) (am) 1. Except as provided in subd. 2., an entity shall report to the  
25 department any allegation of misappropriation of the property of a client or of neglect

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1 or abuse of a client by any person employed by or under contract with the entity if  
2 the person is under the control of the entity.

3 2. An entity shall report to the department of regulation and licensing any  
4 allegation of misappropriation of the property of a client or of neglect or abuse of a  
5 client by any person employed by or under contract with the entity if that person  
6 holds a credential that is related to the person's employment at, or contract with, the  
7 entity if the person is under the control of the entity.

8 3. An entity that intentionally fails to report an allegation of misappropriation  
9 of the property of a client or of neglect or abuse of a client may be required to forfeit  
10 not more than \$1,000 and may be subject to other sanctions specified by the  
11 department by rule.

12 **SECTION 66.** 348.27 (9m) (a) 3. of the statutes, as created by 1997 Wisconsin Act  
13 27, is amended to read:

14 348.27 **(9m)** (a) 3. Bulk potatoes from storage facilities to food processing  
15 facilities in vehicles or vehicle combinations that exceed the maximum gross weight  
16 limitations under s. 348.15 (3) (c) by not more than 10,000 pounds. A permit under  
17 this subdivision is not valid on ~~USH 51 between STH 64 near Merrill and STH 29~~  
18 ~~south of Wausau in Lincoln and Marathon counties, and on I 39 between STH 29~~  
19 ~~south of Wausau and the I 90/94 interchange near Portage in Marathon, Portage,~~  
20 ~~Waushara, Marquette and Columbia counties~~ highways designated as part of the  
21 national system of interstate and defense highways, except to the extent permitted  
22 by federal law without any loss or reduction of federal aid or other sanction.

23 **SECTION 67.** 565.05 (1) (intro.) of the statutes, as affected by 1997 Wisconsin  
24 Act 27, is amended to read:

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1           565.05 (1) (intro.) No employe of in the lottery division of the department who  
2 ~~performs any duty related to the state lottery~~ or the executive assistant or the  
3 secretary or deputy secretary of revenue may do any of the following:

4           **SECTION 68.** 565.05 (1) (a) of the statutes, as affected by 1997 Wisconsin Act 27,  
5 is amended to read:

6           565.05 (1) (a) Have a direct or indirect interest in, or be employed by, any  
7 vendor while serving as an employe in the lottery division of the department and  
8 ~~performing any duty related to the state lottery~~ or as the executive assistant or as  
9 secretary or deputy secretary of revenue or for 2 years following the person's  
10 termination of service.

11           **SECTION 69.** 565.17 (5) (a) of the statutes, as affected by 1997 Wisconsin Act 27,  
12 is amended to read:

13           565.17 (5) (a) No employe of in the lottery division of the department who  
14 ~~performs any duty related to the state lottery~~ or the executive assistant or the  
15 secretary or deputy secretary of revenue and no member of such a person's  
16 immediate family, as defined in s. 19.42 (7), may purchase a lottery ticket or lottery  
17 share.

18           **SECTION 70.** 632.746 (2) (b) of the statutes, as created by 1997 Wisconsin Act  
19 27, is amended to read:

20           632.746 (2) (b) An insurer offering a group health benefit plan may not impose  
21 a preexisting condition exclusion relating to pregnancy as a preexisting condition for  
22 the purpose of coverage of expenses related to prenatal and postnatal care, delivery  
23 and any complications of pregnancy.

24           **SECTION 71.** 707.46 (3) of the statutes is created to read:

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1           707.46 (3) RECORDING. A contract for the purchase of a time share and any other  
2 instrument that is evidence of a purchase of a time share is valid only if it is recorded.

3           **SECTION 72.** 980.06 (2) (c) of the statutes is amended to read:

4           980.06 (2) (c) If the court finds that the person is appropriate for supervised  
5 release, the court shall notify the department. The department and the county  
6 department under s. 51.42 in the county of residence of the person, as determined  
7 under s. 980.105, shall prepare a plan that identifies the treatment and services, if  
8 any, that the person will receive in the community. The plan shall address the  
9 person's need, if any, for supervision, counseling, medication, community support  
10 services, residential services, vocational services, and alcohol or other drug abuse  
11 treatment. The department may contract with a county department, under s. 51.42  
12 (3) (aw) 1. d., with another public agency or with a private agency to provide the  
13 treatment and services identified in the plan. The plan shall specify who will be  
14 responsible for providing the treatment and services identified in the plan. The plan  
15 shall be presented to the court for its approval within 21 days after the court finding  
16 that the person is appropriate for supervised release, unless the department, county  
17 department and person to be released request additional time to develop the plan.  
18 If the county department of the person's county of residence declines to prepare a  
19 plan, the department may arrange for another county to prepare the plan if that  
20 county agrees to prepare the plan and if the person will be living in that county. If  
21 the department is unable to arrange for another county to prepare a plan, the court  
22 shall designate a county department to prepare the plan, order the county  
23 department to prepare the plan and place the person on supervised release in that  
24 county, except that the court may not so designate the county department in the any  
25 county where ~~the~~ there is a facility in which the person was persons committed for

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1 ~~to institutional care is located under this chapter are placed~~ unless that county is also  
2 the person's county of residence.

3 **SECTION 73.** 980.08 (5) of the statutes is amended to read:

4 980.08 (5) If the court finds that the person is appropriate for supervised  
5 release, the court shall notify the department. The department and the county  
6 department under s. 51.42 in the county of residence of the person, as determined  
7 under s. 980.105, shall prepare a plan that identifies the treatment and services, if  
8 any, that the person will receive in the community. The plan shall address the  
9 person's need, if any, for supervision, counseling, medication, community support  
10 services, residential services, vocational services, and alcohol or other drug abuse  
11 treatment. The department may contract with a county department, under s. 51.42  
12 (3) (aw) 1. d., with another public agency or with a private agency to provide the  
13 treatment and services identified in the plan. The plan shall specify who will be  
14 responsible for providing the treatment and services identified in the plan. The plan  
15 shall be presented to the court for its approval within 60 days after the court finding  
16 that the person is appropriate for supervised release, unless the department, county  
17 department and person to be released request additional time to develop the plan.  
18 If the county department of the person's county of residence declines to prepare a  
19 plan, the department may arrange for another county to prepare the plan if that  
20 county agrees to prepare the plan and if the person will be living in that county. If  
21 the department is unable to arrange for another county to prepare a plan, the court  
22 shall designate a county department to prepare the plan, order the county  
23 department to prepare the plan and place the person on supervised release in that  
24 county, except that the court may not so designate the county department in the any  
25 county where ~~the~~ there is a facility in which the person was persons committed for

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1 to institutional care is located under this chapter are placed unless that county is also  
2 the person's county of residence.

3 **SECTION 9223. Appropriation changes; health and family services.**

4 (1) POSITION DECREASE. In the schedule under section 20.005 (3) of the statutes  
5 for the appropriation to the department of health and family services under section  
6 20.435 (8) (a) of the statutes, as affected by the acts of 1997, the dollar amount is  
7 decreased by \$82,500 for fiscal year 1997-98 and the dollar amount is decreased by  
8 \$82,500 for fiscal year 1998-99 to decrease the authorized FTE positions for the  
9 department of health and family services by 2.0 GPR positions.

10 (2) POSITION INCREASE. In the schedule under section 20.005 (3) of the statutes  
11 for the appropriation to the department of health and family services under section  
12 20.435 (1) (a) of the statutes, as affected by the acts of 1997, the dollar amount is  
13 increased by \$82,500 for fiscal year 1997-98 and the dollar amount is increased by  
14 \$82,500 for fiscal year 1998-99 to increase the authorized FTE positions for the  
15 department of health and family services by 2.0 GPR positions.

16 **SECTION 9327. Initial applicability; insurance.**

17 (1) PREGNANCY AS PREEXISTING CONDITION. The treatment of section 632.746 (2)  
18 (b) of the statutes first applies to all of the following:

19 (a) Except as provided in paragraph (b), group health benefit plans that are  
20 issued or renewed on the effective date of this paragraph.

21 (b) Group health benefit plans covering employees who are affected by a  
22 collective bargaining agreement containing provisions inconsistent with section  
23 632.746 (2) (b) of the statutes, as affected by this act, that are issued or renewed on  
24 the earlier of the following:

25 1. The day on which the collective bargaining agreement expires.

