

State of Wisconsin



1995 Assembly Bill 591

Date of enactment: April 25, 1996

Date of publication*: May 9, 1996

1995 WISCONSIN ACT 289

(Vetoed in Part)

AN ACT to repeal 49.26 (1) (j), 49.27 (5) (e) 2., 49.50 (6e) (a), 560.14 (1) (a) 2., 632.745 (1) (f) 2., 635.02 (5m), 635.07, 635.17 and 635.26 (1) (b); to renumber 49.193 (9m) (a), 49.46 (1) (e), 49.50 (6e) (b) and 635.26 (1) (a); to renumber and amend 16.841 (1), 46.98 (4) (b), 48.651, 49.124 (1m), 49.19 (11) (b), 49.19 (20), 49.32 (10) and 49.46 (1) (cr); to consolidate, renumber and amend 560.14 (1) (a) (intro.) and 1.; to amend 13.94 (4) (a) 1., 13.94 (4) (b), 16.75 (6) (bm), 16.841 (2), 20.435 (1) (b), 20.435 (1) (bm), 20.435 (1) (o), 20.445 (1) (gd), 20.445 (3) (L), 20.445 (3) (Lm), 40.51 (8), 46.03 (21), 46.215 (1) (k), 46.22 (1) (b) 2. a., 46.22 (1) (b) 2. d., 46.25 (6), 46.25 (7m), 46.258 (1), 46.258 (2) (a) 1., 46.495 (1) (d), 46.979 (1), 46.98 (1) (b), 46.98 (2) (a), 46.98 (2m) (a), 46.98 (3) (c), 46.98 (4) (a) 2., 46.98 (4) (d), 46.98 (4g) (b), 46.986 (1) (b), 46.986 (1) (m), 46.987 (1) (a), 46.987 (2) (a), 46.995 (2) (c), 48.427 (3) (a) 5., 48.428 (2), 48.428 (4), 48.57 (3p) (g) (intro.), 48.651 (1) (intro.), 48.981 (2), 49.015 (2), 49.124 (2), 49.125 (1), 49.19 (4) (h) 1. b., 49.19 (4e) (a), 49.191 (1) (b), 49.191 (2), 49.193 (2) (a), 49.193 (4) (g), 49.193 (4) (j) 4., 49.193 (6) (c), 49.193 (7), 49.193 (8) (a), 49.193 (8) (bm), 49.195 (title), 49.195 (1), 49.195 (3), 49.197 (3), 49.26 (title), 49.26 (1) (e), 49.26 (1) (g) (intro.), 49.26 (1) (g) 1., 49.26 (1) (gm) (intro.), 49.26 (1) (h) 1. (intro.), 49.26 (1) (h) 1. a., 49.26 (1) (h) 1m. (intro.), 49.26 (1) (hm), 49.26 (1) (hr), 49.27 (3) (a), (b) and (c) and (4) (a) (intro.), 49.27 (6) (c), 49.30 (1) (intro.), 49.32 (7) (a), 49.32 (9) (a), 49.32 (9) (b), 49.32 (10) (title), 49.33 (1) (b), 49.33 (1) (c), 49.33 (2), 49.33 (8) (a), 49.36 (title), 49.36 (2), 49.36 (3) (a), 49.36 (3) (g), 49.36 (4), 49.36 (5), 49.36 (6), 49.36 (7), 49.45 (6m) (br) 1., 49.46 (1) (a) 1., 49.46 (1) (a) 1m., 49.46 (1) (a) 5., 49.46 (1) (a) 6., 49.46 (1) (a) 9., 49.46 (1) (a) 10., 49.46 (1) (a) 11., 49.46 (1) (a) 12., 49.46 (1) (a) 13., 49.46 (1) (cg), 49.46 (1) (cs), 49.46 (1) (d) 1., 49.47 (1), 49.47 (4) (a) (intro.), 49.47 (4) (c) 2., 49.50 (6g), 49.50 (6k) (a), 49.50 (6k) (b), 49.50 (7) (e), 49.52 (1) (d), 49.83, 49.84 (5), 49.85 (1), 49.85 (2) (b) and (3) (b) 1., 49.95 (4m) (a), 49.95 (11), 49.96, 59.07 (97), 60.23 (25), 66.184, 71.54 (2) (a) (intro.), 106.21 (1) (g), 106.215 (1) (fm), 108.16 (2) (b), 108.18 (1) (a), 108.19 (1) and (1m), 108.20 (2m), 111.70 (1) (a), 115.347, 115.40 (4) (b), 115.40 (4) (c) 1., 115.45 (3m) (a) 2., 119.82 (1) (a) 2., 120.13 (2) (g), 120.13 (14), 120.13 (27m), 185.981 (4t), 185.983 (1) (intro.), 230.04 (13) (a) and (e) 1. and 2., 230.147 (1), 230.147 (2), 230.147 (3), 600.01 (2) (b), 628.34 (3) (a), 628.34 (3) (b), 632.76 (2) (a), 632.896 (4), 767.045 (1) (c) 1., 767.075 (1) (c), 767.077 (intro.), 767.078 (1) (a) 2., 767.15 (1), 767.24 (6) (c), 767.29 (1m) (c), 767.29 (2), 767.29 (4), 767.32 (1) (a), 767.32 (1) (b) 1., 767.47 (6) (a) and (b), 799.40 (4), 814.61 (13) and 948.22 (4) (b); to repeal and recreate 20.435 (4) (d), 20.445 (3) (d), 48.57 (3m) (a), (am) (intro.), (d) and (e), 49.191 (3) (a) and (b) and 49.193 (8) (bm); and to create 16.39 (4) (bm), 16.75 (6) (bm), 16.841 (1) (b), 20.445 (1) (gg), 20.445 (3) (dy), 20.445 (3) (dz), 20.445 (3) (e), 20.445 (3) (em), 20.445 (3) (jm), 20.445 (3) (my), 40.51 (8m), 46.215 (1g), 46.22 (1g), 46.261, 46.98 (1) (at), 46.98 (1) (bd) and (bf), 46.98 (1) (cm), 46.98 (4) (am), 46.98 (4) (b) 1., 2. and 3., 46.98 (4) (bm), 46.98 (4) (bt), 46.98 (4) (bu), 46.98 (4) (dg) and (dm), 46.98 (6), 48.40 (1m), 48.57 (3m), 48.57 (3p), 48.57 (3t), 48.65 (1m), 48.651 (1) (a) and (b), 48.651 (2), 49.001 (9), 49.124 (1m) (b) and (bm), 49.124 (1m) (c), 49.124 (1m) (cm), 49.124 (1p), 49.138

Vetoed
In Part

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

(title), (2) **and (3)**, 49.141, 49.143, 49.145, 49.146, 49.147, 49.148, 49.149, 49.151, 49.152, 49.153, 49.155, 49.157, 49.159, 49.161, 49.185, 49.19 (4e) (c), 49.19 (20) (b), 49.193 (2) (am), 49.193 (4) (k) 1m., 49.193 (4m), 49.193 (6) (e), 49.193 (9m) (ag), 49.193 (12), 49.21 (1) (c), 49.25 (10), 49.26 (1) (h) 1s., 49.27 (13), 49.32 (10) (b), **49.46 (1) (a) 4m.**, 49.46 (1) (a) 6m., 49.46 (1) (a) 16., 49.46 (1) (am) 3., 49.46 (1) (cb), 49.46 (1) (co) 4., 49.46 (1) (cr) 2., 49.46 (1) (e) 2., 49.465 (7), 49.47 (4) (ag), 49.47 (4) (an), **49.77 (3v), 71.07 (9e) (em)**, 102.07 (17), 102.07 (18), 102.29 (8m), **108.16 (6) (L), 108.16 (11), 108.22 (1) (g)**, 111.70 (4) (n), 111.91 (2) (k), 227.01 (13) (zs), 632.745, 632.747, 632.749 and 767.075 (1) (cm) of the statutes; **relating to:** creating a new public assistance program for families with dependent children, modifying the sunset of the aid to families with dependent children program, modifying administration of the food stamp program, modifying the eligibility requirements of certain recipients of medical assistance, creating a program to provide payment to a relative, other than a parent, who is providing care and maintenance for a child, modifying the postsecondary education and vocational skills training option in the job opportunities and basic skills program, applying the learnfare provisions statewide to certain individuals who are 6 to 19 years of age, background investigations of day care center licensees, contractors, employes, prospective employes and adult residents, modifying eligibility requirements for low-income and at-risk child care, grants to certain individuals for vocational training or education, group health insurance reform, creating a tax exemption, making modifications to the job opportunities and basic skills program, making modifications to the food stamp employment and training program, **allowing advance payments of the earned income tax credit**, providing an exemption from emergency rule procedures, providing an exemption from rule-making procedures, granting rule-making authority, making appropriations and providing penalties.

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

SECTION 2h. 13.94 (4) (a) 1. of the statutes, as affected by **1995 Wisconsin Acts 27** and **56**, is amended to read:

13.94 (4) (a) 1. Every state department, board, examining board, affiliated credentialing board, commission, independent agency, council or office in the executive branch of state government; all bodies created by the legislature in the legislative or judicial branch of state government; any public body corporate and politic created by the legislature including specifically a professional baseball park district; every Wisconsin works agency under subch. III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical college district boards; development zones designated under s. 560.71; every county department under s. 51.42 or 51.437; every nonprofit corporation or cooperative to which moneys are specifically appropriated by state law; and every corporation, institution, association or other organization which receives more than 50% of its annual budget from appropriations made by state law, including subgrantee or subcontractor recipients of such funds.

SECTION 2n. 13.94 (4) (b) of the statutes, as affected by **1995 Wisconsin Act 27**, is amended to read:

13.94 (4) (b) In performing audits of Wisconsin works agencies under subch. III of ch. 49, providers of medical assistance under subch. IV of ch. 49, corporations, institutions, associations, or other organizations, and their subgrantees or subcontractors, the legislative audit bureau shall audit only the records and operations of such providers and organizations which pertain to the

receipt, disbursement or other handling of appropriations made by state law.

SECTION 3. 16.39 (4) (bm) of the statutes is created to read:

16.39 (4) (bm) A Wisconsin works group, as defined in s. 49.141 (1) (s), in which one member is a participant under s. 49.147 (3) to (5).

SECTION 4. 16.75 (6) (bm) of the statutes is created to read:

16.75 (6) (bm) If the secretary determines that it is in the best interest of this state to do so, he or she may waive any requirement under subs. (1) to (5) and ss. 16.705 and 16.72 (2) (e) and (f) and (5) with respect to any contract entered into by the department of health and social services under s. 49.143, if the department of health and social services presents the secretary with a process for the procurement of contracts under s. 49.143 and the secretary approves the process.

SECTION 5. 16.75 (6) (bm) of the statutes, as created by **1995 Wisconsin Act ...** (this act), is amended to read:

16.75 (6) (bm) If the secretary determines that it is in the best interest of this state to do so, he or she may waive any requirement under subs. (1) to (5) and ss. 16.705 and 16.72 (2) (e) and (f) and (5) with respect to any contract entered into by the department of ~~health and social services~~ industry, labor and job development under s. 49.143, if the department of ~~health and social services~~ industry, labor and job development presents the secretary with a process for the procurement of contracts under s. 49.143 and the secretary approves the process.

SECTION 6. 16.841 (1) of the statutes is renumbered 16.841 (1) (intro.) and amended to read:

16.841 (1) (intro.) In this section, ~~“agency”~~; (a) “Agency” has the meaning given in s. 16.70 (1).

SECTION 7. 16.841 (1) (b) of the statutes is created to read:

16.841 (1) (b) "Child care provider" means a provider licensed under s. 48.65, certified under s. 48.651 or established or contracted for under s. 120.13 (14).

SECTION 8. 16.841 (2) of the statutes is amended to read:

SECTION 9. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

			1995-96	1996-97
20.435	Health and social services, department of			
(4)	ECONOMIC SUPPORT			
(d)	Income maintenance payments to individuals	GPR B	124,300,000	-0-
20.445	Industry, labor and job development, department of			
(3)	ECONOMIC SUPPORT			
(d)	Income maintenance payments to individuals	GPR B	-0-	109,800,000
(dy)	Kinship and foster care assessments	GPR A	-0-	1,200,000
(dz)	Wisconsin works administration and benefits	GPR A	-0-	-0-
(e)	Job access loans	GPR B	-0-	-0-
(em)	Employment skills advancement program	GPR A	-0-	-0-
(jm)	Wisconsin works fees	PR A	-0-	-0-

SECTION 10. 20.435 (1) (b) of the statutes, as affected by 1995 Wisconsin Act 27, section 808, is amended to read:

20.435 (1) (b) *Medical assistance program benefits.* Biennially, the amounts in the schedule to provide the state share of medical assistance program benefits administered under s. 49.45, to provide medical assistance program benefits administered under s. 49.45 that are not also provided under par. (o), to provide health care coverage under s. 49.153 and to fund the pilot project under s. 46.27 (9) and (10). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation to the appropriation under sub. (3) (kb) funds in the amount of and for the purposes specified in s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or deposit into this appropriation and may transfer between fiscal years funds that it transfers from the appropriation under sub. (3) (kb) for the purposes specified in s. 46.485 (3r).

SECTION 11. 20.435 (1) (bm) of the statutes is amended to read:

20.435 (1) (bm) *Medical assistance administration.* Biennially, the amounts in the schedule to provide the

16.841 (2) The department shall contract with one or more child care providers, as defined in s. 46.98 (1) (am), to supplement the cost of providing suitable space for child care services to be offered to the children of employees of agencies whose work stations are located in an area designated by the department comprising the central portion of the city of Madison.

state share of administrative contract costs for the medical assistance program under s. 49.45 and health care coverage under s. 49.153 and to reimburse insurers for their costs under s. 49.475. No state positions may be funded in the department of health and social services from this appropriation, except positions for the performance of duties under a contract in effect before January 1, 1987, related to the administration of the medical assistance program between the subunit of the department primarily responsible for administering the medical assistance program and another subunit of the department.

SECTION 12. 20.435 (1) (o) of the statutes is amended to read:

20.435 (1) (o) *Federal aid; medical assistance.* All federal moneys received for meeting costs of medical assistance administered under s. 49.45 and for meeting the costs of health care coverage under s. 49.153.

SECTION 15c. 20.435 (4) (d) of the statutes, as affected by 1995 Wisconsin Act 27, section 848, is repealed and recreated to read:

20.435 (4) (d) *Income maintenance payments to individuals.* Biennially, the amounts in the schedule to pro-

vide state aid for county administered public assistance programs under s. 49.52 and to provide reimbursement to counties for the cost of foster care and treatment foster care provided by nonlegally responsible relatives under state or county administered programs, if the relatives are licensed to operate foster homes or treatment foster homes under s. 48.62. Total payments under this paragraph to a county for the reimbursement of nonlegally responsible relative foster care costs incurred in a calendar year may not exceed the amount for which the county was reimbursed under this paragraph for nonlegally responsible relative foster care costs incurred in 1994. Disbursements for public assistance may be made directly from this appropriation including the state and county share under s. 46.03 (20) (a). Refunds received relating to payments made under s. 46.03 (20) (a) shall be returned to this appropriation. The receipt of the counties' payments for their share under s. 46.03 (20) shall be returned to this appropriation.

Vetoed In Part SECTION 21b. 20.445 (1) (gd) of the statutes is amended to read:

20.445 (1) (gd) *Unemployment interest and penalty payments.* From the moneys received as interest and penalties collected under ss. 108.04 (11) (c) and 108.22 and assessments under s. 108.19 (1m), all moneys not appropriated under par. (ge) and (gf) for the payment of benefits specified in s. 108.07 (5) and 1987 Wisconsin Act 38, section 132 (1) (c), for the payment of interest to employers under s. 108.17 (3m), for the cost of administration of s. 108.16 (11) and for the payment of interest due on advances from the federal unemployment account under title XII of the social security act to the unemployment reserve fund, and for payments made to the unemployment reserve fund to obtain a lower interest rate or deferral of interest payments on these advances, except as otherwise provided in s. 108.20.

SECTION 21c. 20.445 (1) (gg) of the statutes is created to read:

20.445 (1) (gg) *Earned income tax credits.* A sum sufficient to pay estimated earned income tax credits lawfully claimed under s. 108.16 (11).

SECTION 21d. 20.445 (3) (d) of the statutes, as affected by 1995 Wisconsin Act 27, section 849, is repealed and recreated to read:

20.445 (3) (d) *Income maintenance payments to individuals.* Biennially, the amounts in the schedule to provide state aid for county administered public assistance programs for which reimbursement is provided under s. 49.33 (9) and for kinship care under s. 48.57 (3m) and to provide reimbursement to counties for the cost of foster care and treatment foster care provided by nonlegally responsible relatives under state or county administered programs, if the relatives are licensed to operate foster homes or treatment foster homes under s. 48.62. Total payments under this paragraph to a county for the reimbursement of nonlegally responsible relative foster care

costs incurred in a calendar year may not exceed the amount for which the county was reimbursed under this paragraph for nonlegally responsible relative foster care costs incurred in 1994. Disbursements for public assistance may be made directly from this appropriation including the state and county share under s. 46.03 (20) (a). Refunds received relating to payments made under s. 46.03 (20) (a) shall be returned to this appropriation. The receipt of the counties' payments for their share under s. 46.03 (20) shall be returned to this appropriation.

SECTION 21f. 20.445 (3) (dy) of the statutes is created to read:

20.445 (3) (dy) *Kinship and foster care assessments.* The amounts in the schedule for foster care assessments and for kinship care assessments under s. 48.57 (3m).

SECTION 21h. 20.445 (3) (dz) of the statutes is created to read:

20.445 (3) (dz) *Wisconsin works administration and benefits.* The amounts in the schedule for administration and benefit payments under Wisconsin works under ss. 49.141 to 49.161.

SECTION 21m. 20.445 (3) (e) of the statutes is created to read:

20.445 (3) (e) *Job access loans.* Biennially, the amounts in the schedule for job access loans under s. 49.147 (6).

SECTION 21r. 20.445 (3) (em) of the statutes is created to read:

20.445 (3) (em) *Employment skills advancement program.* The amounts in the schedule for the employment skills advancement program under s. 49.185.

SECTION 22. 20.445 (3) (jm) of the statutes is created to read:

20.445 (3) (jm) *Wisconsin works fees.* The amounts in the schedule for administration and benefit payments under Wisconsin works under ss. 49.141 to 49.161. All moneys received from fees and other payments under ss. 49.141 to 49.161 shall be credited to this appropriation.

SECTION 23. 20.445 (3) (L) of the statutes, as affected by 1995 Wisconsin Act 27, section 878, is amended to read:

20.445 (3) (L) *Welfare fraud and error reduction; state operations.* From the moneys received as the state's share of the recovery of overpayments and incorrect payments under ss. 49.125 (2), 49.191 (3) (c), 49.195 and 49.497 (1), the amounts in the schedule for the department's activities to reduce error and fraud in the food stamp, aid to families with dependent children, Wisconsin works program and medical assistance programs.

SECTION 24. 20.445 (3) (Lm) of the statutes, as affected by 1995 Wisconsin Act 27, section 880, is amended to read:

20.445 (3) (Lm) *Welfare fraud and error reduction; local assistance.* From the moneys received as the state's share of the recovery of overpayments and incorrect payments under ss. 49.125 (2), 49.191 (3) (c), 49.195 and

49.497 (1), all moneys not appropriated under par. (L) for county and tribal activities to reduce error and fraud in the food stamp, aid to families with dependent children, Wisconsin works program and medical assistance program.

SECTION 24d. 20.445 (3) (my) of the statutes is created to read:

20.445 (3) (my) *Federal program assistance.* All moneys received from the federal government or any of its agencies for foster care and kinship care investigations and assessments, for the purposes for which received.

SECTION 25. 40.51 (8) of the statutes is amended to read:

40.51 (8) Every health care coverage plan offered by the state under sub. (6) shall comply with ss. 631.89, 631.90, 631.93 (2), 632.72 (2), 632.745 (1) to (3) and (5), 632.747, 632.87 (3) to (5), 632.895 (5m) and (8) to (10) and 632.896.

SECTION 26. 40.51 (8m) of the statutes is created to read:

40.51 (8m) Every health care coverage plan offered by the group insurance board under sub. (7) shall comply with ss. 632.745 (1) to (3) and (5) and 632.747.

Vetoed In Part read: **SECTION 27.** 46.03 (21) of the statutes is amended to

46.03 (21) DAY CARE STANDARDS. Promulgate rules establishing standards for the certification of day care providers under s. 48.651. The standards established under this subsection shall be less restrictive than those for day care providers licensed under s. 48.65 and shall be in accordance with s. 48.651. The standards established under this subsection shall clearly differentiate the 2 levels of certified family day care specified under s. 48.651 and shall clearly differentiate the 2 levels of certified family day care from any levels of licensed day care established under s. 48.67.

SECTION 30. 46.215 (1) (k) of the statutes is amended to read:

46.215 (1) (k) ~~To~~ Except as provided under sub. (1g), certify eligibility for and issue food coupons to needy households in conformity with the federal food stamp act of 1964 as amended, and, in addition, the county department of social services may certify eligibility for and distribute surplus commodities and food stuffs.

SECTION 30g. 46.215 (1g) of the statutes is created to read:

46.215 (1g) ADMINISTRATION OF FOOD STAMPS FOR PARTICIPANTS IN WISCONSIN WORKS. The Wisconsin works agency, as defined in s. 49.001 (9), shall certify eligibility for and distribute food coupons under s. 49.143 (2) (e) to eligible participants in the Wisconsin works program under subch. III of ch. 49.

SECTION 31. 46.22 (1) (b) 2. a. of the statutes, as created by 1995 Wisconsin Act 27, is amended to read:

46.22 (1) (b) 2. a. To administer aid to families with dependent children under s. 49.19. This subdivision paragraph does not apply beginning on the first day of the

6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 32. 46.22 (1) (b) 2. d. of the statutes, as created by 1995 Wisconsin Act 27, is amended to read:

46.22 (1) (b) 2. d. ~~To~~ Except as provided in sub. (1g), to certify eligibility for and issue food coupons to needy households in conformity with 7 USC 2011 to 2029.

SECTION 32m. 46.22 (1g) of the statutes is created to read:

46.22 (1g) ADMINISTRATION OF FOOD STAMPS FOR PARTICIPANTS IN WISCONSIN WORKS. The Wisconsin works agency, as defined in s. 49.001 (9), shall certify eligibility for and distribute food coupons under s. 49.143 (2) (e) to eligible participants in the Wisconsin works program under subch. III of ch. 49.

SECTION 33. 46.25 (6) of the statutes is amended to read:

46.25 (6) The department shall establish, pursuant to federal and state laws, rules and regulations, a uniform system of fees for services provided under this section to individuals not receiving aid under s. ~~46.261, 49.19 or 49.47~~ or benefits under s. 49.148, 49.153 or 49.155 and to individuals not receiving kinship care payments under s. 48.57 (3m). The system of fees may take into account an individual's ability to pay. Any fee paid and collected under this subsection may be retained by the county providing the service except for the fee specified in 42 USC 653 (e) (2) for federal parent locator services.

SECTION 34. 46.25 (7m) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

46.25 (7m) The department may contract with or employ a collection agency or other person to enforce a support obligation of a parent who is delinquent in making support payments and may contract with or employ an attorney to appear in an action in state or federal court to enforce such an obligation. To pay for the department's administrative costs of implementing this subsection, the department may charge a fee to counties, retain up to 50% of any incentive payment made to this state under 42 USC 658 for a collection under this subsection, and retain 30% of this state's share of a collection made under this subsection on behalf of a recipient of aid to families with dependent children or a recipient of kinship care payments under s. 48.57 (3m).

SECTION 36. 46.258 (1) of the statutes, as affected by 1995 Wisconsin Act 27, section 2158b, is amended to read:

46.258 (1) From the appropriation under s. 20.435 (3) (cb), the department shall award grants to counties for programs to revise child support orders. Each county receiving a grant shall review child support orders awarded to persons who receive benefits under s. 48.57 (3m) or 49.148 or whose children receive benefits under s. 49.19 and to persons who do not receive benefits under s. 48.57 (3m) or 49.148 and whose children do not receive benefits under s. 49.19 and shall initiate actions to revise the

orders based on that review. Each county receiving a grant shall review child support orders awarded to persons who receive benefits under s. 48.57 (3m) or 49.148 or whose children receive benefits under s. 49.19 and child support orders awarded to persons who do not receive benefits under s. 48.57 (3m) or 49.148 and whose children do not receive benefits under s. 49.19 in proportion to the number of those 2 categories of orders in the county's child support case load. Before a county may initiate an action to revise a child support order under this subsection for a person who does not receive benefits under s. 48.57 (3m) or 49.148 and whose children do not receive benefits under s. 49.19, the custodial parent of the children must voluntarily consent to the revision.

SECTION 37. 46.258 (2) (a) 1. of the statutes is amended to read:

46.258 (2) (a) 1. Provides an incentive for a county to increase its child support collections for persons who receive benefits under s. 48.57 (3m) or 49.148 or whose children receive benefits under s. 46.261 or 49.19 as well as for persons who do not receive benefits under s. 48.57 (3m) or 49.148 and whose children do not receive benefits under s. 46.261 or 49.19.

SECTION 37m. 46.261 of the statutes is created to read:

46.261 Foster care aid. (1) DEFINITION. In this section, "dependent child" means a child under the age of 18 or, if the child is a full-time student at a secondary school or its vocational or technical equivalent and is reasonably expected to complete the program before reaching 19, is under the age of 19, who meets all of the following conditions:

(a) The child is living in a foster home or treatment foster home licensed under s. 48.62 if a license is required under that section, in a foster home or treatment foster home located within the boundaries of a federally recognized American Indian reservation in this state and licensed by the tribal governing body of the reservation, in a group home licensed under s. 48.625 or in a child caring institution licensed under s. 48.60, and has been placed in the foster home, treatment foster home, group home or institution by a county department under s. 46.215, 46.22 or 46.23, by the department or by a federally recognized American Indian tribal governing body in this state under an agreement with a county department under s. 46.215, 46.22 or 46.23.

(b) The child would qualify for aid under s. 49.19, 1993 stats.

(2) AID PAYMENTS. (a) A county department under s. 46.215, 46.22 or 46.23 shall grant aid on behalf of a dependent child to any of the following:

1. A nonrelative who cares for the dependent child in a foster home or treatment foster home having a license under s. 48.62, in a foster home or treatment foster home located within the boundaries of a federally recognized American Indian reservation in this state and licensed by

the tribal governing body of the reservation or in a group home licensed under s. 48.625, regardless of the cause or prospective period of dependency. The state shall reimburse counties pursuant to the procedure under s. 46.495 (2) and the percentage rate of participation set forth in s. 46.495 (1) (d) for aid granted under this section except that if the child does not have legal settlement in the granting county, state reimbursement shall be at 100%. The county department under s. 46.215 or 46.22 shall determine the legal settlement of the child. A child under one year of age shall be eligible for aid under this subsection irrespective of any other residence requirement for eligibility within this section.

2. A county, on behalf of a child in the legal custody of a county department under s. 46.215, 46.22 or 46.23 or on behalf of a child who was removed from the home of a relative, as defined under s. 48.02 (15), as a result of a judicial determination that continuance in the home of a relative would be contrary to the child's welfare for any reason when such child is placed in a licensed child caring institution by the county department. Reimbursement shall be made by the state pursuant to subd. 1.

3. A county, when the child is placed in a licensed foster home, treatment foster home, group home or child caring institution by a licensed child welfare agency or by a federally recognized American Indian tribal governing body in this state or by its designee, if the child is in the legal custody of the county department under s. 46.215, 46.22 or 46.23 or if the child was removed from the home of a relative, as defined under s. 48.02 (15), as a result of a judicial determination that continuance in the home of the relative would be contrary to the child's welfare for any reason and the placement is made pursuant to an agreement with the county department.

4. A foster home or treatment foster home, a group home licensed under s. 48.625 or a child caring institution by the state when the child is in the custody or guardianship of the state, when the child is a ward of an American Indian tribal court in this state and the placement is made under an agreement between the department and the tribal governing body or when the child was part of the state's direct service case load and was removed from the home of a relative, as defined under s. 48.02 (15), as a result of a judicial determination that continuance in the home of a relative would be contrary to the child's welfare for any reason and the child is placed by the department.

(b) Notwithstanding par. (a), aid under this section may not be granted for placement of a child in a foster home or treatment foster home licensed by a federally recognized American Indian tribal governing body, for placement of a child in a foster home, treatment foster home or child caring institution by a tribal governing body or its designee, for the placement of a child who is a ward of a tribal court if the tribal governing body is receiving or is eligible to receive funds from the federal

government for that type of placement or for placement of a child in a group home licensed under s. 48.625.

(3) ASSIGNMENT OF SUPPORT. When any person applies for or receives aid under this section, any right of the parent or any dependent child to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time aid is paid under this section, is assigned to the state. If a minor who is a beneficiary of aid under this section is also the beneficiary of support under a judgment or order that includes support for one or more children not receiving aid under this section, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the minor receiving aid under this section, except as otherwise ordered by the court on the motion of a party.

SECTION 43m. 46.495 (1) (d) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

46.495 (1) (d) From the appropriations under s. 20.435 (7) (b) and (o), the department shall distribute the funding for social services, including funding for foster care or treatment foster care of a child receiving aid on whose behalf aid is received under s. ~~49.19 46.261~~, to county departments under ss. 46.215, 46.22 and 46.23 as provided under s. 46.40. County matching funds are required for the distributions under s. 46.40 (2), (4m) and (8). Each county's required match for a year equals 9.89% of the total of the county's distributions for that year for which matching funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to spend for juvenile delinquency-related services from its distribution for 1987. Matching funds may be from county tax levies, federal and state revenue sharing funds or private donations to the county that meet the requirements specified in s. 51.423 (5). Private donations may not exceed 25% of the total county match. If the county match is less than the amount required to generate the full amount of state and federal funds distributed for this period, the decrease in the amount of state and federal funds equals the difference between the required and the actual amount of county matching funds.

SECTION 45. 46.979 (1) of the statutes is amended to read:

46.979 (1) In this section, "child care provider" ~~has the meaning given in s. 46.98 (1) (am)~~ means a provider licensed under s. 48.65, certified under s. 48.651 or established or contracted for under s. 120.13 (14).

SECTION 45m. 46.98 (1) (at) of the statutes is created to read:

46.98 (1) (at) "Educational program" means high school or a high school equivalency program or a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation.

SECTION 50. 46.98 (1) (b) of the statutes is amended to read:

46.98 (1) (b) "Gainfully employed" means working, ~~or seeking employment or participating in a training or educational program designed to lead directly to paid employment.~~

SECTION 51. 46.98 (1) (bd) and (bf) of the statutes are created to read:

46.98 (1) (bd) "Level I certified family day care provider" means a day care provider certified under s. 48.651 (1) (a).

(bf) "Level II certified family day care provider" means a day care provider certified under s. 48.651 (1) (b).

SECTION 51c. 46.98 (1) (cm) of the statutes is created to read:

46.98 (1) (cm) "Poverty line" has the meaning given in s. 46.30 (1) (c).

SECTION 52. 46.98 (2) (a) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

46.98 (2) (a) The department shall distribute the funds allocated under s. 46.40 (1) and ~~(2m)-(e) (4m)~~ for at-risk, low-income and respite child care services under subs. (2m) and (4g) to county departments under s. 46.215, 46.22 or 46.23. In addition, the department shall distribute the funds allocated under s. 46.40 (1), ~~(2m)-(e) and (4m)~~ for low-income and ~~respite~~ at-risk child care services under ~~sub. subs. (2m) and (3)~~ to private non-profit child care providers who provide child care for the children of migrant workers and to county departments under s. 46.215, 46.22 or 46.23.

SECTION 53. 46.98 (2m) (a) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

46.98 (2m) (a) Except as provided in sub. (2) (c), funds distributed under sub. (2) for at-risk child care may only be used for the purposes specified in this paragraph. The funds shall be used to provide care for all or part of a day for children under age 13 of persons who need child care to be able to work, who are not receiving aid to families with dependent children and who are at risk of becoming eligible for aid to families with dependent children if child care under this subsection is not provided. No funds distributed under sub. (2) may be used to provide care for a child by a person who resides with the child.

SECTION 54. 46.98 (3) (c) of the statutes is amended to read:

46.98 (3) (c) From the funds distributed under sub. (2) for low-income child care, a county may provide day care services itself or it may purchase day care services from a child care provider. In addition, from the funds distributed under sub. (2) for low-income child care, each county shall, subject to the availability of funds, provide day care by offering to each eligible parent a voucher for the payment of day care services provided by

a child care provider. Each county shall allocate all or a portion of its day care funding for payment of vouchers. An eligible parent may choose whether the care will be provided by a Level I certified family day care provider or a Level II certified family day care provider or in a day care center, in the home of another person or, subject to the county's approval, in the parent's home. A parent who uses vouchers for the payment of day care services may supplement the maximum rate for day care services set under sub. (4) (d), (dg) or (dm) or, if a higher rate for day care services is set under sub. (4) (e), the rate set under sub. (4) (e), whichever is applicable.

SECTION 55g. 46.98 (4) (a) 2. of the statutes is amended to read:

46.98 (4) (a) 2. A parent who is gainfully employed, or who is less than 20 years of age and is enrolled in an educational program, who is in need of child care services and whose family income is equal to or less than 75% of the state median income. The department shall annually determine the state median income.

SECTION 55m. 46.98 (4) (am) of the statutes is created to read:

46.98 (4) (am) A parent who is gainfully employed, or who is less than 20 years of age and is enrolled in an educational program, who is in need of child care services and who applies for aid on or after the effective date of this paragraph [revisor inserts date], is eligible for aid under this section if the family income of the applicant is equal to or less than 165% of the poverty line.

Vetoed In Part **SECTION 56.** 46.98 (4) (b) of the statutes is **renumbered 46.98 (4) (b) (intro.)** and amended to read:

Vetoed In Part 46.98 (4) (b) (intro.) **Parents Subject to a modification made pursuant to par. (bm), and except as provided in par. (bt), individuals** receiving aid under sub. (3) **whose family income is equal to or greater than 50% of the state**

Vetoed In Part **median income are liable for the following percentages of the cost of child care received, payable in accordance with a schedule developed by the department based on ability to pay:**

Vetoed In Part **SECTION 56c.** 46.98 (4) (b) 1., 2. and 3. of the statutes are created to read:

46.98 (4) (b) 1. For an individual with an income equal to or less than 75% of the poverty line, 7.5%.

2. For an individual with an income greater than 75% of the poverty line and not greater than 95% of the poverty line, 10%.

3. For an individual with an income greater than 95% of the poverty line, 10%, plus 1.2857% for every percentage point by which the individual's income exceeds 95% of the poverty line, except that no individual may be required to pay more than 100% of the cost of the child care.

SECTION 56d. 46.98 (4) (bm) of the statutes is created to read:

46.98 (4) (bm) The department may submit a proposal to the joint committee on finance to modify the per-

centages under par. (b). If, within 14 days after the date of receipt of the department's proposal, the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department may make the modifications specified in the proposal. If, within 14 days after the date of receipt of the department's proposal, the cochairpersons of the committee notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department may not make the modifications specified in the proposal until the committee approves the proposal.

SECTION 56f. 46.98 (4) (bt) of the statutes is created to read:

46.98 (4) (bt) An individual receiving aid under sub. (3) on the effective date of this paragraph [revisor inserts date], shall be liable for a portion of the cost of child care calculated as follows:

1. The department shall determine the amount for which the individual was liable under s. 46.98 (4) (b), 1993 stats., immediately before the effective date of this paragraph [revisor inserts date].

2. The department shall determine the amount for which the individual is liable under par. (b).

3. The department shall subtract the amount determined under subd. 1. from the amount determined under subd. 2.

4. If the amount determined under subd. 3. is zero or less, the individual's liability shall be the amount determined under par. (b). If the amount determined under subd. 3 is greater than zero, the department shall add to the amount determined under subd. 1. the product of the amount determined under subd. 3 multiplied by the following percentage:

a. Beginning on July 1, 1996, or on the effective date of this subd. 4. a. [revisor inserts date], whichever is later, and ending on October 31, 1996, 25%.

b. Beginning on November 1, 1996, and ending on February 28, 1997, 50%.

c. Beginning on March 1, 1997, and ending on June 30, 1997, or on the day specified under s. 49.141 (2) (d), whichever is later, 75%.

SECTION 56g. 46.98 (4) (bu) of the statutes is created to read:

46.98 (4) (bu) Paragraph (bt) does not apply beginning on July 1, 1997, or on the date specified under s. 49.141 (2) (d), whichever is later.

SECTION 57. 46.98 (4) (d) of the statutes is amended to read:

46.98 (4) (d) Each county shall annually set a maximum rate that it will pay for licensed day care services provided to eligible parents, other than licensed day care services for which a rate, if any, is established under par. (e). A county shall set its maximum rate under this paragraph so that at least 75% of the number of places for chil-

Vetoed In Part

dren within the licensed ~~or certified~~ capacity of all child care providers in that county can be purchased at or below that maximum rate. The department shall annually review each county's rate and shall approve it if the department finds that the rate is set at a reasonable and customary level which does not preclude an eligible parent from having a reasonable selection of child care providers. The department shall promulgate by rule a procedure and criteria for approving county rates.

SECTION 58. 46.98 (4) (dg) and (dm) of the statutes are created to read:

46.98 (4) (dg) Each county shall set a maximum rate that it will pay for Level I certified family day care providers for services provided to eligible parents. The maximum rate set under this paragraph may not exceed 75% of the rate established under par. (d).

(dm) Each county shall set a maximum rate that it will pay for Level II certified family day care providers for services provided to eligible parents. The maximum rate set under this paragraph may not exceed 50% of the rate established under par. (d).

SECTION 59. 46.98 (4g) (b) of the statutes is amended to read:

46.98 (4g) (b) From the funds distributed under sub. (2) for respite child care, a county may provide child care services itself or it may purchase child care services from a child care provider. In addition, from the funds distributed under sub. (2) for respite child care, each county shall, subject to the availability of funds, provide child care by offering to each eligible parent a voucher for the payment of child care services provided by a child care provider. Each county shall allocate all or a portion of its child care funding for payment of vouchers. A parent who uses vouchers for the payment of child care services may supplement the maximum rate for child care services set under sub. (4) (d), ~~(dg) or (dm)~~ or, if a higher rate for child care services is set under sub. (4) (e), the rate set under sub. (4) (e), whichever is applicable. The county may choose the child care provider for a child whose child care is funded under par. (a).

SECTION 60. 46.98 (6) of the statutes is created to read:

46.98 (6) SUNSET. This section does not apply beginning on the first day of the 6th month beginning after the date specified in the notice under s. 49.141 (2) (d).

SECTION 61. 46.986 (1) (b) of the statutes is amended to read:

46.986 (1) (b) "Child care provider" ~~has the meaning given in s. 46.98 (1) (am)~~ means a provider licensed under s. 48.65, certified under s. 48.651 or established or contracted for under s. 120.13 (14).

SECTION 62. 46.986 (1) (m) of the statutes is amended to read:

46.986 (1) (m) "Parent" ~~has the meaning given in s. 46.98 (1) (e)~~ means a parent, guardian, foster parent,

treatment foster parent, legal custodian or a person acting in the place of a parent.

SECTION 63. 46.987 (1) (a) of the statutes is amended to read:

46.987 (1) (a) "Child care provider" ~~has the meaning given in s. 46.98 (1) (am)~~ means a provider licensed under s. 48.65, certified under s. 48.651 or established or contracted for under s. 120.13 (14).

SECTION 64. 46.987 (2) (a) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

46.987 (2) (a) From the allocation under s. 46.979 (2) (c) 4. the department may award grants to child care providers that meet the quality of care standards established under s. 46.98 (4) (e) or 49.155 (6) to improve the retention of skilled and experienced child care staff. In awarding grants under this subsection, the department shall consider the applying child care provider's total enrollment of children and average enrollment of children who receive or are eligible for publicly funded care from the child care provider.

SECTION 65. 46.995 (2) (c) of the statutes is amended to read:

46.995 (2) (c) Highest rate, by county population, of participation in the aid to families with dependent children program under s. 49.19 or the Wisconsin works program under s. 49.147 (3) to (5).

SECTION 66. 48.40 (1m) of the statutes is created to read:

48.40 (1m) "Kinship care relative" means a person receiving payments under s. 48.57 (3m) (am) for providing care and maintenance for a child.

SECTION 67. 48.427 (3) (a) 5. of the statutes is amended to read:

48.427 (3) (a) 5. A relative with whom the child resides, if the relative has filed a petition to adopt the child or if the relative is a kinship care relative.

SECTION 68. 48.428 (2) of the statutes is amended to read:

48.428 (2) When a court places a child in sustaining care after an order under s. 48.427, the court shall transfer legal custody of the child to the county department or a licensed child welfare agency, transfer guardianship of the child to an agency listed in s. 48.427 (3) (a) 1. to 4. and place the child in the home of a licensed foster parent ~~or~~ licensed treatment foster parent or kinship care relative with whom the child has resided for 6 months or longer. Pursuant to such a placement, this licensed foster parent ~~or~~ licensed treatment foster parent or kinship care relative shall be a sustaining parent with the powers and duties specified in sub. (3).

SECTION 69. 48.428 (4) of the statutes is amended to read:

48.428 (4) Before a licensed foster parent ~~or~~ licensed treatment foster parent or kinship care relative may be appointed as a sustaining parent, the foster parent ~~or~~ treat-

ment foster parent or kinship care relative shall execute a contract with the agency responsible for providing services to the child, in which the foster parent or treatment foster parent or kinship care relative agrees to provide care for the child until the child's 18th birthday unless the placement order is changed by the court because the court finds that the sustaining parents are no longer able or willing to provide the sustaining care or the court finds that the behavior of the sustaining parents toward the child would constitute grounds for the termination of parental rights if the sustaining parent was the birth parent of the child.

SECTION 70d. 48.57 (3m) of the statutes is created to read:

48.57 (3m) (a) In this subsection:

1. "Department" means the department of industry, labor and job development.

2. "Kinship care relative" means a stepparent, brother, sister, stepbrother, stepsister, first cousin, nephew, niece, aunt, uncle or any person of a preceding generation as denoted by the prefix of grand, great or great-great, whether by consanguinity, direct affinity or legal adoption, or the spouse of any person named in this subdivision, even if the marriage is terminated by death or divorce.

(am) From the appropriations under s. 20.445 (3) (d) and (p), the department shall make payments in the amount of \$215 per month to a kinship care relative who is providing care and maintenance for a child if all of the following conditions are met:

1. The kinship care relative applies to the county department for payments under this subsection and the county department determines that there is a need for the child to be placed with the kinship care relative and that the placement with the kinship care relative is in the best interests of the child.

2. The county department determines that the child meets one or more of the criteria specified in s. 48.13 or 938.13 or that the child would be at risk of meeting one or more of those criteria if the child were to remain in his or her home.

4. The county department conducts a background investigation under sub. (3p) of the kinship care relative, the employes and prospective employes of the kinship care relative who have or would have regular contact with the child for whom the payments would be made and any other adult resident of the kinship care relative's home to determine if the kinship care relative or adult resident has any arrests or convictions that could adversely affect the child or the kinship care relative's ability to care for the child.

4m. Subject to sub. (3p) (fm), the kinship care relative states that he or she does not have any arrests or convictions that could adversely affect the child or the kinship care relative's ability to care for the child and that no adult resident, as defined in sub. (3p) (a), and no employe

or prospective employe of the kinship care relative who would have regular contact with the child has any arrests or convictions that could adversely affect the child or the kinship care relative's ability to care for the child.

5. The kinship care relative cooperates with the county department in the application process, including applying for other forms of assistance for which the kinship care relative may be eligible.

(b) 1. The county department shall refer to the attorney responsible for support enforcement under s. 59.458 (1) the name of the parent or parents of a child for whom a payment is made under par. (am).

2. When any kinship care relative of a child applies for or receives payments under this subsection, any right of the child or the child's parent to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time that payments are made under this subsection, is assigned to the state. If a child who is the beneficiary of a payment under this subsection is also the beneficiary of support under a judgment or order that includes support for one or more children who are not the beneficiaries of payments under this subsection, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the child who is the beneficiary of the payment made under this subsection, except as otherwise ordered by the court on the motion of a party.

(c) The county department shall require the parent or parents of a child for whom a payment is made under par. (am) to initiate or continue health care insurance coverage for the child.

(cm) A kinship care relative who receives a payment under par. (am) is not eligible to receive a payment under s. 48.62 (4).

(d) The county department shall review a placement of a child for which the department of industry, labor and job development makes payments under par. (am) not less than every 12 months after the department of industry, labor and job development begins making those payments to determine whether the conditions specified in par. (am) continue to exist. If those conditions do not continue to exist, the department shall discontinue making those payments.

(e) The department of health and family services, in consultation with the department of industry, labor and job development, shall determine whether the child is eligible for medical assistance under ss. 49.43 to 49.47, if

SECTION 70g. 48.57 (3m) (a), (am) (intro.), (d) and (e) of the statutes, as created by 1995 Wisconsin Act ... (this act), are repealed and recreated to read:

48.57 (3m) (a) In this subsection, "kinship care relative" means a stepparent, brother, sister, stepbrother, stepsister, first cousin, nephew, niece, aunt, uncle or any

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person of a preceding generation as denoted by the prefix of grand, great or great-great, whether by consanguinity, direct affinity or legal adoption, or the spouse of any person named in this paragraph, even if the marriage is terminated by death or divorce.

(am) (intro.) From the appropriations under s. 20.435 (7) (b) and (o), the department shall reimburse counties for payments made under this subsection. A county department shall make payments in the amount of \$215 per month to a kinship care relative who is providing care and maintenance for a child if all of the following conditions are met:

(d) A county department shall review a placement of a child for which the county department makes payments under par. (am) not less than every 12 months after the county department begins making those payments to determine whether the conditions specified in par. (am) continue to exist. If those conditions do not continue to exist, the county department shall discontinue making those payments.

(e) The department shall determine whether the child is eligible for medical assistance under ss. 49.43 to

Vetoed In Part 49.47, if no other health care insurance coverage is available to the child.

SECTION 71d. 48.57 (3p) of the statutes is created to read:

48.57 (3p) (a) In this subsection, "adult resident" means a person 18 years of age or over who lives at the home of a person who has applied for or is receiving payments under sub. (3m) with the intent of making that home his or her home or who lives for more than 30 days cumulative in any 6-month period at the home of a person who has applied for or is receiving payments under sub. (3m).

(b) 1. After receipt of an application for payments under sub. (3m), the county department, with the assistance of the department of justice, shall conduct a background investigation of the applicant.

2. The county department, with the assistance of the department of justice, may conduct a background investigation of any person who is receiving payments under sub. (3m) at the time of review under sub. (3m) (d) or at any other time that the county department considers to be appropriate.

(c) 1. After receipt of an application for payments under sub. (3m), the county department, with the assistance of the department of justice, shall, in addition to the investigation under par. (b), conduct a background investigation of all employees and prospective employees of the applicant who have or would have regular contact with the child for whom those payments are being made and of each adult resident.

2. The county department, with the assistance of the department of justice, may conduct a background investigation of any of the employees or prospective employees of any person who is receiving payments under sub. (3m)

who have or would have regular contact with the child for whom those payments are being made and of each adult resident at the time of review under sub. (3m) (d) or at any other time that the county department considers to be appropriate.

3. Before a person that is receiving payments under sub. (3m) may employ any person in a position in which that person would have regular contact with the child for whom those payments are being made or permit any person to be an adult resident, the county department, with the assistance of the department of justice, shall conduct a background investigation of the prospective employee or prospective adult resident unless that person has already been investigated under subd. 1. or 2.

(d) If the person being investigated under par. (b) or (c) is a nonresident, or at any time within the 5 years preceding the date of the application has been a nonresident, or if the county department determines that the person's employment, licensing or state court records provide a reasonable basis for further investigation, the county department shall require the person to be photographed and fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints. The department of justice may provide for the submission of the fingerprint cards to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrest and conviction.

(e) Upon request, a person being investigated under par. (b) or (c) shall provide the county department with all of the following information:

1. The person's name.
2. The person's social security number.
3. Other identifying information, including the person's birthdate, gender, race and any identifying physical characteristics.

4. Information regarding the conviction record of the person under the law of this state or any other state or under federal law. This information shall be provided on a notarized background verification form that the department shall provide by rule.

(fm) 1. The county department may provisionally approve the making of payments under sub. (3m) based on the applicant's statement under sub. (3m) (am) 4m. The county department may not finally approve the making of payments under sub. (3m) unless that county department receives information from the department of justice indicating that the conviction record of the applicant under the law of this state is satisfactory according to the criteria specified in par. (g) 1. to 3. The department of industry, labor and job development may make payments under sub. (3m) conditioned on the receipt of information from the federal bureau of investigation indicating that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3.

2. A person receiving payments under sub. (3m) may provisionally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or provisionally permit a person to be an adult resident if the person receiving those payments states to the county department that the employe or adult resident does not have any arrests or convictions that could adversely affect the child or the ability of the person receiving payments to care for the child. A person receiving payments under sub. (3m) may not finally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or finally permit a person to be an adult resident until the county department receives information from the department of justice indicating that the person's conviction record under the law of this state is satisfactory according to the criteria specified in par. (g) 1. to 3. and the county department so advises the department and the person receiving payments under sub. (3m). A person receiving payments under sub. (3m) may finally employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or finally permit a person to be an adult resident conditioned on the receipt of information from the county department that the federal bureau of investigation indicates that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3.

Vetoed In Part (g) **Subject to par. (h)**, the department may not make payments to a person applying for payments under sub. (3m) and a person receiving payments under sub. (3m) may not employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or permit a person to be an adult resident if any of the following applies:

1. The person has been convicted of a violation of ch. 161 that is punishable as a felony or of a violation of the law of any other state or federal law that would be a violation of ch. 161 that is punishable as a felony if committed in this state.

2. The person has had imposed on him or her a penalty specified in s. 939.62, 939.621, 939.63, 939.64, 939.641 or 939.645 or has been convicted of a violation of the law of any other state or federal law under circumstances under which the applicant or other person would be subject to a penalty specified in any of those sections if convicted in this state.

3. The person has been convicted of a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, or of a violation of the law of any other state or federal law that would be a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, if committed in this state, except that the department may make payments to a person applying for pay-

ments under sub. (3m) and a person receiving payments under sub. (3m) may employ in a position in which the person would have regular contact with the child for whom those payments are being made or permit to be an adult resident a person who has been convicted of a violation of s. 944.30, 944.31 or 944.33 or of a violation of the law of any other state or federal law that would be a violation of s. 944.30, 944.31 or 944.33 if committed in this state, if that violation occurred 20 years or more before the date of the investigation.

(h) **Notwithstanding par. (g), a person whose application to the county department for payments under sub. (3m) has been denied on one of the grounds specified in par. (g) 1. to 3. may petition the department of health and family services for a review of that denial. If that department determines that making those payments would be in the best interests of a child, those payments shall be made. The department of health and family services shall promulgate rules to provide standards under which to review a petition under this paragraph.**

Vetoed In Part

(i) The county department shall keep confidential all information received under this subsection from the department of justice or the federal bureau of investigation. Such information is not subject to inspection or copying under s. 19.35.

(j) The county department may charge a fee for conducting a background investigation under this subsection. The fee may not exceed the reasonable cost of conducting the investigation.

SECTION 71f. 48.57 (3p) (g) (intro.) of the statutes, as created by 1995 Wisconsin Act ... (this act), is amended to read:

48.57 (3p) (g) (intro.) Subject to par. (h), the county department may not make payments to a person applying for payments under sub. (3m) and a person receiving payments under sub. (3m) may not employ a person in a position in which that person would have regular contact with the child for whom those payments are being made or permit a person to be an adult resident if any of the following applies:

SECTION 71h. 48.57 (3t) of the statutes is created to read:

48.57 (3t) Notwithstanding subs. (3m) and (3p), the department may enter into an agreement with the governing body of a federally recognized American Indian tribe to allow that governing body to administer the program under subs. (3m) and (3p) within the boundaries of that reservation.

SECTION 71m. 48.65 (1m) of the statutes is created to read:

48.65 (1m) (a) In this subsection, "adult resident" means a person 18 years of age or over who lives at a day care center licensed under this section or contracted for under s. 120.13 (14) with the intent of making that day care center his or her home or who lives for more than 30 days cumulative in any 6-month period at a day care cen-

ter licensed under this section or contracted for under s. 120.13 (14).

(b) 1. After receipt of an application for a license to operate a day care center or a referral from a school board under s. 120.13 (14), the department of health and family services, with the assistance of the department of justice, shall conduct a background investigation of the applicant or person referred.

2. The department of health and family services, with the assistance of the department of justice, shall conduct a background investigation of any person who, on the effective date of this subdivision ... [revisor inserts date], is a day care provider licensed under this section or contracted for under s. 120.13 (14) or who, on the effective date of this subdivision ... [revisor inserts date], has an application for licensure or a contract offer pending, within 6 months after the effective date of this subdivision ... [revisor inserts date], or on the person's application for license or contract renewal, whichever is earlier.

3. Subject to subd. 2., the department of health and family services may, at the time of renewal of the license or contract of a day care provider licensed under this section or contracted for under s. 120.13 (14), or at any other time that the department considers to be appropriate, conduct, with the assistance of the department of justice, a background investigation of that day care provider.

Vetoed In Part (c) 1. After receipt of an application for a license to operate a day care center or a referral from a school board under s. 120.13 (14), the department of health and family services, with the assistance of the department of justice, shall, in addition to the investigation under par. (b), conduct a background investigation of each employe and prospective employe of the applicant or person referred who has or would have regular contact with a child receiving care from the applicant or person referred and of each adult resident.

2. The department of health and family services, with the assistance of the department of justice, shall conduct a background investigation of each adult resident of a person who, on the effective date of this subdivision ... [revisor inserts date], is licensed under this section or contracted for under s. 120.13 (14) or who, on the effective date of this subdivision ... [revisor inserts date], has an application for licensure or a contract offer pending, within 6 months after that date or on the person's application for license or contract renewal, whichever is earlier,

Vetoed In Part and shall conduct a background investigation of each employe and prospective employe of that person who has or would have regular contact with any child receiving care from that person.

3. Subject to subd. 2., the department of health and family services may, at the time of renewal of the license or contract of a day care provider licensed under this section or contracted for under s. 120.13 (14) or at any other time that the department considers to be appropriate, conduct, with the assistance of the department of justice, a

background investigation of any employe or prospective employe of the day care provider who has or would have regular contact with any child receiving day care from the day care provider or of any adult resident of the day care provider.

4. Except as provided in par. (f) 2., before a day care provider that is licensed under this section or contracted for under s. 120.13 (14) may employ any person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit any person to be an adult resident, the department of health and family services, with the assistance of the department of justice, shall conduct a background investigation of the prospective employe or prospective adult resident unless that person has already been investigated under subd. 1., 2. or 3.

Vetoed In Part
Vetoed In Part

(d) If the person being investigated under par. (b) or (c) is a nonresident, or if at any time within the 5 years preceding the date of the investigation that person has been a nonresident, or if the department of health and family services determines that the person's employment, certification or state court records provide a reasonable basis for further investigation, the department shall require the person to be photographed and fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints. The department of justice may provide for the submission of the fingerprint cards to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrest and conviction.

(e) Upon request, a person being investigated under par. (b) or (c) shall provide the department of health and family services with all of the following information:

1. The person's name.
2. The person's social security number.
3. Other identifying information, including the person's birthdate, gender, race and any identifying physical characteristics.

4. Information regarding the conviction record of the person under the law of this state or any other state or under federal law. This information shall be provided on a notarized background verification form that the department shall provide by rule promulgated under s. 48.67.

(f) 1. The department of health and family services may not license a person as a day care provider under this section and a school board may not contract with a person under s. 120.13 (14) until the department or school board receives information from the department of justice indicating that the person's conviction record under the law of this state is satisfactory according to the criteria specified in par. (g) 1. to 3. The department of health and family services may license a person as a day care provider under this section and a school board may contract with a person under s. 120.13 (14) conditioned on the receipt of information from the federal bureau of investigation

indicating that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3. The department of health and family services may issue a probationary license and a school board may enter into a provisional contract pending receipt of the information required under this subdivision.

2. A day care provider that is licensed under this section or contracted for under s. 120.13 (14) may not employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit a person to be an adult resi-

Vetoed In Part dent until the department of health and family services or school board receives information from the department of justice indicating that the person's conviction record under the law of this state is satisfactory according to the

Vetoed In Part criteria specified in par. (g) 1. to 3. and the department of health and family services or school board so advises the day care provider. A day care provider that is licensed under this section or contracted for under s. 120.13 (14) may employ a person or permit a person to be an adult resident conditioned on the receipt of information from the federal bureau of investigation indicating that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3. A day care provider that is licensed under this section or contracted for under s. 120.13 (14) may provisionally employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or provisionally permit a person to be an adult resident if the day care provider states to the department of health and family services or school board that the employe or adult resident does not have any arrests or convictions that could adversely affect the child or the ability of the day care provider to care for the child. A day care provider may not finally employ a person in a position in which that person would have regular contact with the child for whom that provider is providing care unless the department of health and family services or school board receives information from the department of justice indicating that the person's conviction record under the laws of this states is satisfactory according to the criteria specified in par. (g) 1. to 3. and the department of health and family services or school board so advises the day care provider.

Vetoed In Part (g) Subject to par. (h), the department of health and family services may not license a person to be a day care provider under this section, a school board may not contract with a person under s. 120.13 (14) and a day care provider licensed under this section or contracted with under s. 120.13 (14) may not employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit a person to be an adult resident if any of the following applies:

1. The person has been convicted of a violation of ch. 161 that is punishable as a felony or of a violation of the law of any other state or federal law that would be a violation of ch. 161 that is punishable as a felony if committed in this state.

2. The person has had imposed on him or her a penalty specified in s. 939.62, 939.621, 939.63, 939.64, 939.641 or 939.645 or has been convicted of a violation of the law of any other state or federal law under circumstances under which the person would be subject to a penalty specified in any of those sections if convicted in this state.

3. The person has been convicted of a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, or of a violation of the law of any other state or federal law that would be a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, if committed in this state, except that the department of health and family services may license a person to be a day care provider under this section, a school board may contract with a person under s. 120.13 (14) and a day care provider licensed under this section or contracted for under s. 120.13 (14) may employ or permit to be an adult resident a person who has been convicted of a violation of s. 944.30, 944.31 or 944.33 or of a violation of the law of any other state or federal law that would be a violation of s. 944.30, 944.31 or 944.33 if committed in this state, if that violation occurred 20 years or more before the date of the investigation.

(h) 1. Notwithstanding par. (g), a person whose application for initial licensure or renewal of a license under this section has been denied on one of the grounds specified in par. (g) 1. to 3. may petition the department for a review of that denial. If the department determines that issuing or renewing the license would be in the best interests of a child, the department shall order that the license be issued or renewed.

Vetoed In Part

2. Notwithstanding par. (g), a person whose application for an initial contract or renewal of a contract under s. 120.13 (14) has been denied on one of the grounds specified in par. (g) 1. to 3. may petition the school board for a review of that denial. If the school board determines that entering into or renewing the contract would be in the best interests of a child, the school board shall enter into or renew the contract.

3. The department shall promulgate rules to provide standards under which to review a petition under this paragraph.

(i) School boards and the department of health and family services shall keep confidential all information received under this subsection from the department of justice or the federal bureau of investigation. Such information is not subject to inspection or copying under s. 19.35.

(j) The department of health and family services may charge a fee for conducting a background investigation

under this subsection. The fee may not exceed the reasonable cost of conducting the investigation.

SECTION 72. 48.651 of the statutes is renumbered 48.651 (1) (intro.) and amended to read:

48.651 (1) (intro.) Each county department shall certify, according to the standards adopted by the department under s. 46.03 (21), each day care provider ~~from whom it purchases services under s. 46.036 on or after January 1, 1985, and each day care provider that provides day care services to parents pursuant to a voucher provided under s. 46.98 (3) (c) on or after January 1, 1985~~ reimbursed for child care services provided to families determined eligible under s. 46.98 (2r) and (4), unless the provider is a day care center licensed under s. 48.65 or is established or contracted for under s. 120.13 (14). Each county may charge a fee to cover the costs of certification. The county shall certify the following categories of day care providers:

SECTION 73. 48.651 (1) (intro.) of the statutes, as affected by 1995 Wisconsin Act (this act), is amended to read:

48.651 (1) (intro.) Each county department shall certify, according to the standards adopted by the department under s. 46.03 (21), each day care provider reimbursed for child care services provided to families determined eligible under ss. 46.98 (2r) and (4) and 49.155 (1m), unless the provider is a day care center licensed under s. 48.65 or is established or contracted for under s. 120.13 (14). Each county may charge a fee to cover the costs of certification. The county shall certify the following categories of day care providers:

SECTION 74. 48.651 (1) (a) and (b) of the statutes are created to read:

48.651 (1) (a) Level I certified family day care providers, as established by the department under s. 46.03 (21). **Vetoed In Part** **The county shall require 15 hours of training for a provider certified under this paragraph.** No county may certify a provider under this paragraph if the provider is a relative of all of the children for whom he or she provides care. The department may establish by rule other requirements for certification under this paragraph.

(b) Level II certified family day care providers, as established by the department under s. 46.03 (21). In establishing the requirements for certification under this paragraph, the department may not include a requirement for training for providers. The department may establish by rule requirements for certification under this paragraph.

SECTION 75. 48.651 (2) of the statutes is created to read:

48.651 (2) (a) In this subsection, "adult resident" means a person 18 years of age or over who lives at the home of a person who is a day care provider certified under this section with the intent of making that home his or her home or who lives for more than 30 days cumulative in any 6-month period at the home of a person who is a day care provider certified under this section.

(b) 1. Before initially certifying a Level I certified family day care provider under sub. (1) (a) or a Level II certified family day care provider under sub. (1) (b), the county department, with the assistance of the department of justice, shall conduct a background investigation of the certification applicant.

2. The county department, with the assistance of the department of justice, shall conduct a background investigation of any person who, on the effective date of this subdivision [revisor inserts date], is a day care provider certified under this section or who, on the effective date of this subdivision [revisor inserts date], has an application for certification pending, within 6 months after the effective date of this subdivision [revisor inserts date], or on the person's application for renewal, whichever is earlier.

3. Subject to subd. 2., the county department may, at the time of renewal of the certification of a day care provider certified under this section, or at any other time that the county department considers to be appropriate, conduct, with the assistance of the department of justice, a background investigation of that day care provider.

(c) 1. Before initially certifying a Level I certified family day care provider under sub. (1) (a) or a Level II certified family day care provider under sub. (1) (b), the county department, with the assistance of the department of justice, shall, in addition to the investigation under par. (b), conduct a background investigation of all of the employes and prospective employes of the certification applicant who have or would have regular contact with a child receiving care from the day care provider and of each adult resident.

2. The county department, with the assistance of the department of justice, shall conduct a background investigation of each adult resident of a person who, on the effective date of this subdivision [revisor inserts date], is certified under this section or who, on the effective date of this subdivision [revisor inserts date], has an application for certification pending, within 6 months after that date or on the person's application for renewal, whichever is earlier, and shall conduct a background investigation of all of the employes and prospective employes of that person who have or would have regular contact with any child receiving care from the day care provider.

3. Subject to subd. 2., the county department may, at the time of renewal of the certification of a day care provider certified under this section or at any other time that the county department considers to be appropriate, conduct, with the assistance of the department of justice, a background investigation of any employe or prospective employe of the day care provider who has or would have regular contact with any child receiving care from the day care provider or of any adult resident of the day care provider.

4. Before a day care provider that is certified under this section may employ any person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit any person to be an adult resident, the county department, with the assistance of the department of justice, shall conduct a background investigation of the prospective employee or prospective adult resident unless that person has already been investigated under subd. 1., 2. or 3.

(d) If the person being investigated under par. (b) or (c) is a nonresident, or if at any time within the 5 years preceding the date of the investigation that person has been a nonresident, or if the county department determines that the person's employment, certification or state court records provide a reasonable basis for further investigation, the county department shall require the person to be photographed and fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's fingerprints. The department of justice may provide for the submission of the fingerprint cards to the federal bureau of investigation for the purposes of verifying the identity of the person fingerprinted and obtaining records of his or her criminal arrest and conviction.

(e) Upon request, a person being investigated under par. (b) or (c) shall provide the county department with all of the following information:

1. The person's name.
2. The person's social security number.
3. Other identifying information, including the person's birthdate, gender, race and any identifying physical characteristics.
4. Information regarding the conviction record of the person under the law of this state or any other state or under federal law. This information shall be provided on a notarized background verification form that the department shall provide by rule promulgated under s. 48.67.

(f) 1. A county department may not certify a person as a day care provider under this section until the county department receives information from the department of justice indicating that the person's conviction record under the law of this state is satisfactory according to the criteria specified in par. (g) 1. to 3. A county department may certify a person as a day care provider under this section conditioned on the receipt of information from the federal bureau of investigation indicating that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3. A county department may grant provisional certification pending the receipt of the information required under this subdivision.

2. A day care provider that is certified under this section may not employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit a person to be an adult resident until the county department receives information from the department of justice indicating that

the person's conviction record under the law of this state is satisfactory according to the criteria specified in par. (g) 1. to 3. and the county department so advises the day care provider. A day care provider that is certified under this section may employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit a person to be an adult resident conditioned on the receipt of information from the federal bureau of investigation indicating that the person's conviction record under the law of any other state or under federal law is satisfactory according to the criteria specified in par. (g) 1. to 3.

(g) **Subject to par. (h)**, a county department may not certify a person to be a day care provider under this section and a day care provider certified under this section may not employ a person in a position in which that person would have regular contact with a child receiving care from the day care provider or permit a person to be an adult resident if any of the following applies:

1. The person has been convicted of a violation of ch. 161 that is punishable as a felony or of a violation of the law of any other state or federal law that would be a violation of ch. 161 that is punishable as a felony if committed in this state.

2. The person has had imposed on him or her a penalty specified in s. 939.62, 939.621, 939.63, 939.64, 939.641 or 939.645 or has been convicted of a violation of the law of any other state or federal law under circumstances under which the person would be subject to a penalty specified in any of those sections if convicted in this state.

3. The person has been convicted of a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, or of a violation of the law of any other state or federal law that would be a violation of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, if committed in this state, except that the county department may certify a person to be a day care provider under this section and a day care provider certified under this section may employ or permit to be an adult resident a person who has been convicted of a violation of s. 944.30, 944.31 or 944.33 or of a violation of the law of any other state or federal law that would be a violation of s. 944.30, 944.31 or 944.33 if committed in this state, if that violation occurred 20 years or more before the date of the investigation.

(h) Notwithstanding par. (g), a person whose application for initial certification or renewal of a certification under this section has been denied on one of the grounds specified in par. (g) 1. to 3. may petition the department for a review of that denial. If the department determines that issuing or renewing the certification would be in the best interests of a child, the department shall order that the certification be issued or renewed. The department

**Vetoed
In Part**

**Vetoed
In Part**

Vetoed In Part shall promulgate rules to provide standards under which to review a petition under this paragraph.

(i) A county department shall keep confidential all information received under this subsection from the department of justice or the federal bureau of investigation, except that the county department may disclose any information obtained under this subsection to any other county department conducting an investigation under this subsection. Such information is not subject to inspection or copying under s. 19.35.

(j) A county department may charge a fee for conducting a background investigation under this subsection. The fee may not exceed the reasonable cost of conducting the investigation.

SECTION 76. 48.981 (2) of the statutes, as affected by 1993 Wisconsin Act 443, is amended to read:

48.981 (2) PERSONS REQUIRED TO REPORT. A physician, coroner, medical examiner, nurse, dentist, chiropractor, optometrist, acupuncturist, other medical or mental health professional, social worker, marriage and family therapist, professional counselor, public assistance worker, including a financial and employment planner, as defined in s. 49.141 (1) (d), school teacher, administrator or counselor, mediator under s. 767.11, child care worker in a day care center or child caring institution, day care provider, alcohol or other drug abuse counselor, member of the treatment staff employed by or working under contract with a county department under s. 46.23, 51.42 or 51.437, physical therapist, occupational therapist, dietitian, speech-language pathologist, audiologist, emergency medical technician or police or law enforcement officer having reasonable cause to suspect that a child seen in the course of professional duties has been abused or neglected or having reason to believe that a child seen in the course of professional duties has been threatened with abuse or neglect and that abuse or neglect of the child will occur shall, except as provided under sub. (2m), report as provided in sub. (3). Any other person, including an attorney, having reason to suspect that a child has been abused or neglected or reason to believe that a child has been threatened with abuse or neglect and that abuse or neglect of the child will occur may make such a report. No person making a report under this subsection may be discharged from employment for so doing.

SECTION 77. 49.001 (9) of the statutes is created to read:

49.001 (9) "Wisconsin works agency" means a person under contract under s. 49.143 to administer Wisconsin works under ss. 49.141 to 49.161. If no contract is awarded under s. 49.143, "Wisconsin works agency" means the department of industry, labor and job development.

SECTION 78. 49.015 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.015 (2) RECIPIENTS OF OTHER AID. Except as provided in sub. (3), an individual is not eligible for relief for a month in which the individual has received aid to families with dependent children under s. 49.19 or supplemental security income under 42 USC 1381 to 1383c or has participated in a Wisconsin works employment position under s. 49.147 (3) to (5) or in which aid to families with dependent children or supplemental security income benefits are or a Wisconsin works employment position is immediately available to the individual.

SECTION 79. 49.124 (1m) of the statutes, as affected by 1995 Wisconsin Act 27, is renumbered 49.124 (1m) (a) and amended to read:

49.124 (1m) (a) The department shall administer an employment and training program for recipients under the food stamp program. The department may contract with a Wisconsin works agency to administer the employment and training program under this section. Except as provided in pars. (b) and (bm), the department may require able individuals who are 18 to 60 years of age who are not participants in a Wisconsin works employment position, as defined in s. 49.141 (1) (r), to participate in the employment and training program under this section. To the extent permitted by federal law or waiver, and except as provided in par. (cm), the department may distribute food stamp benefits on a pay-for-performance basis, as determined under par. (c). The maximum number of hours an individual may be required to work may not exceed the amount of food stamp benefits divided by the applicable federal minimum wage, or 40 hours per week, whichever is less.

SECTION 80. 49.124 (1m) (b) and (bm) of the statutes are created to read:

49.124 (1m) (b) The department may not require an individual who is a recipient under the food stamp program and who is the caretaker of a child who is under the age of 12 weeks to participate in any employment and training program under par. (a).

(bm) The department may not require an individual who is a recipient under the food stamp program to participate in any employment and training program under par. (a) if that individual is enrolled at least half time in a school, as defined in s. 49.26 (1) (a) 2., a training program or an institution of higher education.

SECTION 81. 49.124 (1m) (c) of the statutes is created to read:

49.124 (1m) (c) The amount of food stamp benefits paid to the recipient in a subsequent month shall be determined as follows:

1. The department shall add the recipient's total number of hours of actual participation in the month to the total number of hours in a month for which the recipient had good cause, as defined by the department by rule, for not participating in required activities.

Vetoed In Part

2. The department shall subtract the total number of hours determined under subd. 1. from the recipient’s total number of hours of required participation in that month.

3. The department shall multiply the number of hours determined under subd. 2. by the federal minimum hourly wage under 29 USC 206 (a) (1).

4. The department shall subtract the dollar amount determined under subd. 3. from the amount of food stamp benefits that the recipient’s family would have received if he or she had participated for the total number of assigned hours.

SECTION 81c. 49.124 (1m) (cm) of the statutes is created to read:

49.124 (1m) (cm) Notwithstanding par. (c), the amount of food stamp benefits paid to a recipient who is a participant in a Wisconsin works employment position under s. 49.147 (4) or (5) shall be calculated based on the pre-sanction benefit amount received s. 49.148.

SECTION 81e. 49.124 (1p) of the statutes is created to read:

49.124 (1p) WAIVER. (a) The department shall request a waiver from the secretary of the federal department of agriculture to permit the application of par. (b). Paragraph (b) does not apply unless a waiver is granted and in effect.

(b) The department shall modify eligibility and benefit amounts under the food stamp program to provide for a graduated schedule of benefits based on income in the manner described in the waiver under par. (a).

SECTION 81g. 49.124 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.124 (2) LIABILITY FOR LOST FOOD COUPONS. (a) A county or federally recognized American Indian tribe or Wisconsin works agency is liable for all food stamp coupons lost, misappropriated or destroyed while under the county’s or tribe’s or Wisconsin works agency’s direct control, except as provided in par. (b).

(b) A county or federally recognized American Indian tribe or Wisconsin works agency is not liable for food stamp coupons lost in natural disasters if it provides evidence acceptable to the department that the coupons were destroyed and not redeemed.

(c) A county or federally recognized American Indian tribe or Wisconsin works agency is liable for food stamp coupons mailed to residents of the county or members of the tribe or participants in the Wisconsin works program and lost in the mail due to incorrect information submitted to the department by the county or tribe or Wisconsin works agency.

SECTION 83. 49.125 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.125 (1) The department, or a county or an elected governing body of a federally recognized American Indian tribe or band or a Wisconsin works agency acting on behalf of the department, may recover overpayments that arise from an overissuance of food coupons under the

food stamp program administered under s. 46.215 (1) (k) or 46.22 (1) (b) 2. d. or 49.143 (2) (e). Recovery shall be made in accordance with 7 USC 2022.

SECTION 83e. 49.138 (title), (2) and (3) of the statutes are created to read:

49.138 (title) Emergency assistance for families with needy children.

(2) Emergency assistance provided to a person under sub. (1) (c) may be provided once in a 12-month period.

(3) The department shall submit a report to the legislature under s. 13.172 (2) no later than 12 months following the date stated in the notice under s. 49.141 (2) (d). The report shall discuss the interaction between the program under this section and Wisconsin works, as defined in s. 49.141 (1) (p). The report shall include information on the utilization of the program under this section and the department’s recommendations, if any, for changes to the program under this section.

SECTION 84. 49.141 of the statutes is created to read:

49.141 Wisconsin works; general provisions. (1)

DEFINITIONS. As used in ss. 49.141 to 49.161:

(a) “Community service job” means a work component of Wisconsin works administered under s. 49.147 (4).

(b) “Custodial parent” means, with respect to a dependent child, a parent who resides with that child and, if there has been a determination of legal custody with respect to the dependent child, has legal custody of that child. For the purposes of this paragraph, “legal custody” has the meaning given in s. 767.001 (2) (a).

(c) “Dependent child” means a person who resides with a parent and who is under the age of 18 or, if the person is a full-time student at a secondary school or a vocational or technical equivalent and is reasonably expected to complete the program before attaining the age of 19, is under the age of 19.

(d) “Financial and employment planner” means a caseworker employed by a Wisconsin works agency who provides financial or employment counseling services to a participant.

(e) “Job access loan” means a loan administered under s. 49.147 (6).

(f) “Migrant worker” has the meaning given in s. 103.90 (5).

(g) “Minimum wage” means the state minimum hourly wage under ch. 104 or the federal minimum hourly wage under 29 USC 206 (a) (1), whichever is applicable.

(h) “Noncustodial parent” means, with respect to a dependent child, a parent who is not the custodial parent.

(i) “Nonmarital coparent” means, with respect to an individual and a dependent child, a parent who is not married to the individual, resides with the dependent child and is either an adjudicated parent or a parent who has signed and filed with the state registrar under s. 69.15 (3) (b) 3. a statement acknowledging paternity.

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In Part

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In Part

(j) "Parent" means either a biological parent, a person who has consented to the artificial insemination of his wife under s. 891.40, or a parent by adoption.

(k) "Participant" means an individual who participates in any component of the Wisconsin works program.

(L) "Strike" has the meaning provided in 29 USC 142 (2).

(m) "Transitional placement" means a work component of Wisconsin works administered under s. 49.147 (5).

(n) "Trial job" means a work component of Wisconsin works administered under s. 49.147 (3).

(p) "Wisconsin works" means the assistance program for families with dependent children, administered under ss. 49.141 to 49.161.

(r) "Wisconsin works employment position" means any job or placement under s. 49.147 (3) to (5).

(s) "Wisconsin works group" means an individual who is a custodial parent, all dependent children with respect to whom the individual is a custodial parent and all dependent children with respect to whom the individual's dependent child is a custodial parent. "Wisconsin works group" includes any nonmarital coparent or any spouse of the individual who resides in the same household as the individual and any dependent children with respect to whom the spouse or nonmarital coparent is a custodial parent. "Wisconsin works group" does not include any person who is receiving benefits under s. 49.027 (3) (b).

(2) WAIVERS; LEGISLATION. (a) If necessary, the department shall request a waiver from the secretaries of the federal department of health and human services, the federal department of agriculture and the federal social security administration or shall seek the passage of federal legislation to permit the department to conduct the Wisconsin works program in lieu of the aid to families with dependent children program under s. 49.19, the job opportunities and basic skills program under s. 49.193, the parental responsibility pilot program under s. 49.25 and the work-not-welfare program under s. 49.27 and as part of the food stamp program under 7 USC 2011 to 2029 and the medical assistance program under 42 USC 1396 to 1396u.

(b) If a waiver is granted and in effect or legislation is enacted, and if the department determines that sufficient funds are available, the department may begin to implement the Wisconsin works program no sooner than July 1, 1996, for selected counties or groups determined by the department and shall implement the Wisconsin works program statewide for all groups no later than September 1, 1997. If a waiver is not granted and in effect

**Vetoed
In Part**

(d) Before implementing the Wisconsin works program, the department shall publish a notice in the Wisconsin Administrative Register that states the date on which the department will begin to implement the Wisconsin works program statewide.

(2g) FINANCIAL AND PERFORMANCE AUDIT. (a) 1. The department shall contract with the legislative audit bureau to conduct a financial and performance audit of Wisconsin works. The legislative audit bureau shall include in its audit all of the following:

a. The effect of the Wisconsin works employment component on the unsubsidized wages of former Wisconsin works employment position participants, the wages of trial job participants and the wages of participants that move from community service jobs and transitional placements to trial jobs.

b. The effect of Wisconsin works on the provision of child care services.

c. The utilization and cost of the Wisconsin works health plan under s. 49.153.

2. The legislative audit bureau shall file the audit no later than July 1, 2000, in the manner described under s. 13.94 (1) (b).

(b) If an evaluation is required under the terms of a federal waiver obtained under sub. (2) (a), the legislative audit bureau, in consultation with the department, may contract with a private or public agency to perform that evaluation and may charge the department for the cost of the evaluation.

(2m) STATISTICS ON HOMELESSNESS. The department shall maintain a record detailing statistics on the homelessness of participants.

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In Part**

(3) APPLICATIONS. Any individual may apply for any component of Wisconsin works. Application for each component of Wisconsin works shall be made on a form prescribed by the department. The individual shall submit a completed application form to a Wisconsin works agency in the geographical area specified by the department under s. 49.143 (6) in which the individual lives and in the manner prescribed by the department.

(4) NONENTITLEMENT. Notwithstanding fulfillment of the eligibility requirements for any component of Wisconsin works, an individual is not entitled to services or benefits under Wisconsin works.

(5) NONSUPPLANT. No Wisconsin works employment position may be operated so as to do any of the following:

(a) Have the effect of filling a vacancy created by an employer terminating a regular employe or otherwise reducing its work force for the purpose of hiring an individual under s. 49.147 (3), (4) or (5).

(b) Fill a position when any other person is on layoff or strike from the same or a substantially equivalent job within the same organizational unit.

(c) Fill a position when any other person is engaged in a labor dispute regarding the same or a substantially equivalent job within the same organizational unit.

(6) PROHIBITED CONDUCT. A person, in connection with Wisconsin works, may not do any of the following:

(a) Knowingly and willfully make or cause to be made any false statement or representation of a material fact in any application for any benefit or payment.

(b) Having knowledge of the occurrence of any event affecting the initial or continued eligibility for a benefit or payment under Wisconsin works, conceal or fail to disclose that event with an intent fraudulently to secure a benefit or payment under Wisconsin works either in a greater amount or quantity than is due or when no such benefit or payment is authorized.

(7) PENALTIES. (a) A person who is convicted of violating sub. (6) in connection with the furnishing by that person of items or services for which payment is or may be made under Wisconsin works may be fined not more than \$25,000 or imprisoned for not more than 5 years or both.

(b) A person, other than a person under par. (a), who is convicted of violating sub. (6) may be fined not more than \$10,000 or imprisoned for not more than one year or both.

(8) DAMAGES. If a person is convicted under sub. (6), the state has a cause of action for relief against the person in an amount equal to 3 times the amount of actual damages sustained as a result of any excess payments made in connection with the offense for which the conviction was obtained. Proof by the state of a conviction under sub. (6) is conclusive proof in a civil action of the state's right to damages and the only issue in controversy shall be the amount, if any, of the actual damages sustained. Actual damages consist of the total amount of excess payments, any part of which is paid with state funds. In a civil action under this subsection, the state may elect to file a motion in expedition of the action. Upon receipt of the motion, the presiding judge shall expedite the action.

(9) KICKBACKS, BRIBES AND REBATES. (a) Whoever solicits or receives any remuneration in cash or in-kind, in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under Wisconsin works, or in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under Wisconsin works, may be fined not more than \$25,000 or imprisoned for not more than 5 years or both.

(b) Whoever offers or pays any remuneration in cash or in-kind to any person to induce the person to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under Wisconsin works, or to purchase, lease, order, or arrange for or recommend

purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part under any provision of Wisconsin works, may be fined not more than \$25,000 or imprisoned for not more than 5 years or both.

(c) This subsection does not apply to any of the following:

1. A discount or other reduction in price obtained by a provider of services or other entity under chs. 46 to 51 and 58 if the reduction in price is properly disclosed and appropriately reflected in the costs claimed or charges made by the provider or entity under Wisconsin works.

2. An amount paid by an employer to an employee who has a bona fide employment relationship with the employer for employment in the provision of covered items or services.

(10) PROHIBITED CHARGES. (a) A provider may not knowingly impose upon a recipient charges in addition to payments received for services under Wisconsin works or knowingly impose direct charges upon a recipient in lieu of obtaining payment under Wisconsin works unless benefits or services are not provided under Wisconsin works and the recipient is advised of this fact prior to receiving the service.

(b) A person who violates this subsection may be fined not more than \$25,000 or imprisoned for not more than 5 years or both.

SECTION 85. 49.143 of the statutes is created to read:
49.143 Wisconsin works; agency contracts. (1)

AWARDING CONTRACTS. (a) Except as provided in par. (am), the department may award a contract, on the basis of a competitive process approved by the secretary of administration, to any person to administer Wisconsin works in a geographical area determined by the department under sub. (6). The department shall award contracts under this paragraph **at least 6 months** before the date that is specified in s. 49.141 (2) (d).

(am) 1. The department shall contract with a county under s. 46.215, 46.22 or 46.23 or with a tribal governing body to administer Wisconsin works in that county or within the boundaries of that reservation if the county or tribal governing body has met the aid to families with dependent children caseload performance standards established by the department. The contract shall be awarded **at least 6 months** before the date that Wisconsin works is implemented in that county or on that reservation and shall be for a term of at least 2 years beginning on the date on which the department implements Wisconsin works in that county or reservation. **A contract under this subdivision may be terminated only by mutual consent of the parties.** When the contract expires, a county or tribal governing body may apply for a new contract under the competitive process established under par. (a). A county or tribal governing body may elect not to enter into a contract under this subdivision if the county or tribal governing body informs the department by the date established

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Vetoed In Part by the department **by rule** that the county or tribal governing body has made that election.

2. A county or tribal governing body that has not met the aid to families with dependent children caseload performance standards established by the department **by rule** **In Part** may apply for a contract under the competitive process established under par. (a).

(at) A county that is awarded a contract under par. (am) 1. to administer Wisconsin works shall offer a sub-contract for the administration of s. 49.147 to the public or private agency, if different from the county department under s. 46.215, 46.22 or 46.23, that administers the job opportunities and basic skills program under s. 49.193 in that county. A contract entered into under this paragraph is subject to approval by the department.

(b) If no acceptable provider in a geographical area is selected under par. (a) or (am), the department shall **Vetoed In Part** administer Wisconsin works **directly** in that geographical area.

(2) CONTRACT REQUIREMENTS. Each contract under sub. (1) shall contain performance-based incentives established by the department **by rule**. **Vetoed In Part** The contract shall require a Wisconsin works agency to do all of the following:

(a) Establish a community steering committee within 60 days after the date on which the contract is awarded. The Wisconsin works agency shall recommend the members of the committee to the chief executive officer of each county served by the Wisconsin works agency. The chief executive officer of each county shall appoint the members of the committee. The number of members that each chief executive officer appoints to the committee shall be in proportion to the population of that officer's county relative to the population of each other county served by the Wisconsin works agency, except that the chief executive officer of a county that is not a Wisconsin works agency shall appoint the director of the county department under s. 46.215, 46.22 or 46.23, or his or her designee, and one other representative of the county department under s. 46.215, 46.22 or 46.23. The committee shall consist of at least 12 members, but not more than 15 members. The members of the committee shall appoint a chairperson who shall be a person who represents business interests. The committee shall do all of the following:

1. Advise the Wisconsin works agency concerning employment and training activities.
2. Identify and encourage employers to provide permanent jobs for persons who are eligible for trial jobs or community service jobs.
3. Create, and encourage others to create, subsidized jobs for persons who are eligible for trial jobs or community service jobs.
4. Create, and encourage others to create, on-the-job training sites for persons who are eligible for trial jobs or community service jobs.

5. Foster and guide the entrepreneurial efforts of participants who are eligible for trial jobs or community service jobs.

6. Provide mentors, both from its membership and from recruitment of members of the community, to provide job-related guidance, including assistance in resolving job-related issues and the provision of job leads or references, to persons who are eligible for trial jobs or community service jobs.

7. Coordinate with the governor's council on workforce excellence under s. 106.115 to ensure compatibility of purpose and no duplication of effort.

8. Work with participants, employers, child care providers and the community to identify child care needs, improve access to child care and expand availability of child care.

9. Seek sources of private funding to match employment skills advancement grants under s. 49.185 (3) (i).

10. Identify motivational training programs, including programs that enhance parenting skills.

(b) Establish a children's services network. The children's services network shall provide information about community resources available to the dependent children in a Wisconsin works group, including charitable food and clothing centers; subsidized and low-income housing; transportation subsidies; the state supplemental food program for women, infants and children under s. 253.06; and child care programs.

(c) Employ at least one financial and employment planner. The financial and employment planner shall work with a participant to facilitate the participant's achievement of the maximum degree of self-sufficiency. The department shall ensure that a financial and employment planner employed by a Wisconsin works agency meets certification and training requirements established by the department by rule and that appropriate training is provided by a Wisconsin works agency.

(cg) Employ staff, if necessary, to meet the needs of participants who are refugees and who have cultural or linguistic barriers to participation in Wisconsin works.

(cm) If a significant proportion of the population served by the Wisconsin works agency is comprised of a refugee group, employ staff that is proficient in the language of the refugee group to aid the financial and employment planner in locating appropriate employment opportunities that do not require English proficiency for participants who are members of that refugee group.

(cp) **Enter into a written contract with each employer that agrees to provide a trial job for a participant. The contract terms shall include the hourly wage at which the participant is to be paid, which may not be less than minimum wage.**

(d) If the Wisconsin works agency is not a county department under s. 46.215, 46.22 or 46.23 or tribal governing body, cooperate with the county department or tribal governing body to ensure that services delivered under

Vetoed In Part

Wisconsin works, the food stamp program and medical assistance are coordinated with the county or tribal governing body in a manner that most effectively serves the recipients of those services.

(e) Certify eligibility for and issue food coupons to eligible Wisconsin works participants in conformity with 7 USC 2011 to 2029.

(em) Determine eligibility for child care assistance under s. 49.155 and refer eligible families to county departments under s. 46.215, 46.22 or 46.23 for child care services.

(f) Perform any other tasks specified by the department in the contract that the department determines are necessary for the administration of Wisconsin works.

Vetoed promulgate rules establishing performance standards for the administration of Wisconsin works. If a Wisconsin works agency does not meet the standards established under this subsection, the department may withhold any or all payment from the Wisconsin works agency.

(4) AUDITS. The department may require a Wisconsin works agency to submit to an independent annual audit paid for by the Wisconsin works agency.

(5) REQUESTS FOR INFORMATION. (a) In accordance with rules promulgated by the department, a Wisconsin works agency may request from any person any information that it determines appropriate and necessary for the administration of Wisconsin works. Any person in this state shall provide this information within 7 days after receiving a request under this paragraph. The Wisconsin works agency may extend the 7-day time limit for an individual for whom compliance with that limit would be unduly burdensome, as determined by the agency. The Wisconsin works agency may disclose information obtained under this paragraph only in the administration of Wisconsin works. The Wisconsin works agency shall keep all information that it receives regarding victims of domestic abuse strictly confidential, except to the extent needed to administer Wisconsin works.

(b) The department may request from any Wisconsin works agency any information that the department determines appropriate and necessary for the overall administration of Wisconsin works. A Wisconsin works agency shall provide the department with the requested information in the manner prescribed by the department by rule.

(c) The department may inspect at any time any Wisconsin works agency's records as the department determines is appropriate and necessary for the overall administration of Wisconsin works.

(d) The legislative audit bureau may inspect at any time any Wisconsin works agency's records as the legislative audit bureau determines appropriate and necessary. If, in inspecting a Wisconsin works agency's records, the legislative audit bureau inspects the records of individual participants, the legislative audit bureau shall protect the confidentiality of those records.

(6) GEOGRAPHICAL AREAS. The department shall determine the geographical area for which a Wisconsin works agency will administer Wisconsin works. Except for federally recognized American Indian reservations and in counties with a population of 500,000 or more, no geographical area may be smaller than one county. A geographical area may include more than one county. The department need not establish the geographical areas by rule.

SECTION 86. 49.145 of the statutes is created to read:
49.145 Wisconsin works; eligibility for employment positions. (1) GENERAL ELIGIBILITY. In order to be eligible for Wisconsin works employment positions and job access loans for any month, an individual shall meet the eligibility requirements under subs. (2) and (3). The department may promulgate rules establishing additional eligibility criteria and specifying how eligibility criteria are to be administered. The department may promulgate rules establishing payment and reporting periods as needed to administer this subsection.

(2) NONFINANCIAL ELIGIBILITY REQUIREMENTS. An individual is eligible for a Wisconsin works employment position and a job access loan in a month only if all of the following nonfinancial eligibility requirements are met:

(a) The individual is a custodial parent.

(b) The individual has attained the age of 18.

(c) The individual is a U.S. citizen or a qualifying alien, as defined by the department by rule.

(d) The individual has resided in this state for at least 60 consecutive days prior to applying under s. 49.141 (3) and, unless the person is a migrant worker, has demonstrated an intent to continue to reside in this state.

(f) 1. Subject to subd. 2., the individual fully cooperates in efforts directed at establishing the paternity of the dependent child and obtaining support payments or any other payments or property to which that individual and the dependent child may have rights. Such cooperation shall be in accordance with federal law and regulations and rules promulgated by the department applicable to paternity establishment and collection of support payments.

2. An individual who fails 3 times to meet the requirements under subd. 1. remains ineligible until the individual cooperates or for a period of 6 months, whichever is later.

(g) The individual furnishes the Wisconsin works agency with any relevant information that the Wisconsin works agency determines is necessary, consistent with rules promulgated by the department, within 7 working days after receiving a request for the information from the Wisconsin works agency. The Wisconsin works agency may extend the 7-day time limit for an individual for whom compliance with that limit would be unduly burdensome, as determined by the agency.

(h) The individual has made a good faith effort, as determined by the Wisconsin works agency on a case-

by–case basis, to obtain employment and has not refused any bona fide offer of employment within the 180 days immediately preceding application.

(hm) If the individual has applied for Wisconsin works within the 180 days immediately preceding the current application, the individual has cooperated with the efforts of a Wisconsin works agency to assist the individual in obtaining employment.

(i) The individual is not receiving supplemental security income under 42 USC 1381 to 1383c or state supplemental payments under s. 49.77.

(j) On the last day of the month, the individual is not participating in a strike.

(k) The individual applies for or provides a social security account number as required by the department.

(L) The individual satisfies other eligibility criteria established by the department by rule.

(m) The individual reports any change in circumstances that may affect his or her eligibility to the Wisconsin works agency within 10 days after the change.

(n) Beginning on the date on which the individual has attained the age of 18, the total number of months in which the individual has actively participated in the job opportunities and basic skills program under s. 49.193 or has participated in a Wisconsin works employment position or both does not exceed 60 months. The months need not be consecutive. Participation in the job opportunities and basic skills program under s. 49.193 begins to count toward the 60–month limit beginning on the effective date of this paragraph [revisor inserts date]. A Wisconsin works agency may extend the time limit **only in**

In Part 12–month increments. An extension may be granted **Vetoed** only if all of the following conditions are met:

In Part 1. The Wisconsin works agency determines, in accordance with rules promulgated by the department, that unusual circumstances exist that warrant an extension of the participation period.

Vetoed 2. The department approves the extension.

In Part (q) No other individual in the Wisconsin works group is a participant in a Wisconsin works employment position **Vetoed** at the time of the determination of eligibility. This **In Part** paragraph does not apply to an individual applying for a job access loan.

Vetoed (3) FINANCIAL ELIGIBILITY REQUIREMENTS. An individual is eligible for a Wisconsin works employment position and a job access loan only if all of the following financial eligibility requirements are met:

(a) *Resource limitations.* The individual is a member of a Wisconsin works group whose assets do not exceed \$2,500 in combined equity value. In determining the combined equity value of assets, the Wisconsin works agency shall exclude the equity value of vehicles up to a total equity value of \$10,000, and one home that serves as the homestead for the Wisconsin works group.

(b) *Income limitations.* The individual is a member of a Wisconsin works group whose gross income is at or

below 115% of the poverty line. In calculating gross income under this paragraph, the Wisconsin works agency shall include all of the following:

1. All earned and unearned income of the individual, except any amount received under section 32 of the internal revenue code, as defined in s. 71.01 (6), any amount received under s. 71.07 (9e), any payment made by an employer under section 3507 of the internal revenue code, as defined in s. 71.01 (6), and any assistance received under s. 49.148.

2. Child support payments received on behalf of a child who is a member of the Wisconsin works group.

3. The income of a nonmarital coparent or of the individual’s spouse, if the spouse resides in the same home as the dependent child.

(4) REVIEW OF ELIGIBILITY. A Wisconsin works agency shall periodically review an individual’s eligibility. The individual remains eligible under sub. (3) until the Wisconsin works group’s assets exceed the asset limits for at least 2 months or until the income of the Wisconsin works group is expected to exceed the income limits for at least 2 consecutive months.

SECTION 87. 49.146 of the statutes is created to read:

49.146 Employer criteria. The department shall establish by rule criteria that an employer providing a Wisconsin works employment position must meet in order to employ a participant under s. 49.147 (3) to (5). An employer that does not meet the criteria established under this section is ineligible to receive any subsidy for any position provided to a participant.

SECTION 88. 49.147 of the statutes is created to read:

49.147 Wisconsin works; work programs and job access loans. (1) DEFINITION. (a) *Definition.* In this section, “unsubsidized employment” means employment for which the Wisconsin works agency provides no wage subsidy to the employer including self–employment and entrepreneurial activities.

(2) UNSUBSIDIZED EMPLOYMENT. (a) *Job search, orientation and training activities.* 1. An individual who applies for a Wisconsin works employment position may be required by the Wisconsin works agency to search for unsubsidized employment during the period that his or her application is being processed as a condition of eligibility. A participant in a Wisconsin works employment position shall search for unsubsidized employment throughout his or her participation. The department shall define by rule satisfactory search efforts for unsubsidized employment.

2. A Wisconsin works agency may require an applicant for a Wisconsin works employment position to participate in job orientation during the period that his or her application is being processed as a condition of eligibility. A Wisconsin works agency may require a participant in a Wisconsin works employment position to engage in training activities in accordance with rules promulgated

by the department as part of the participant’s participation requirements.

(b) *Job search assistance.* A Wisconsin works agency shall assist a participant in his or her search for unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin works agency shall give priority to placement in unsubsidized employment over placements under subs. (3) to (5).

(3) TRIAL JOBS. (a) *Administration.* A Wisconsin works agency shall administer a trial job program as part of its administration of the Wisconsin works program to improve the employability of individuals who are not otherwise able to obtain unsubsidized employment, as determined by the Wisconsin works agency, by providing work experience and training to assist them to move promptly into unsubsidized employment. In determining an appropriate placement for a participant, a Wisconsin works agency shall give priority to placement under this subsection over placements under subs. (4) and (5). The Wisconsin works agency shall pay a wage subsidy to an employer that employs a participant under this subsection and agrees to make a good faith effort to retain the participant as a permanent unsubsidized employe after

Vetoed In Part the wage subsidy is terminated. **The department shall promulgate rules establishing standards which must be met in order for an employer to demonstrate a good faith effort to retain the participant as a permanent employe.**

The wage subsidy may not exceed \$300 per month for full-time employment of a participant. For less than full-time employment of a participant during a month, the wage subsidy may not exceed a dollar amount determined by multiplying \$300 by a fraction, the numerator of which is the number of hours worked by the participant in the month and the denominator of which is the number of hours which would be required for full-time employment in that month.

(am) *Education or training activities.* A trial job includes education and training activities, as prescribed by the employer as an integral part of work performed in the trial job employment.

(b) *Worker’s compensation.* The employer shall provide the participant with worker’s compensation coverage.

(c) *Time-limited participation.* A participant under this subsection may participate in a trial job for a maximum of 3 months, with an opportunity for a 3-month extension under circumstances determined by the Wisconsin works agency. A participant may participate in more than one trial job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin works agency may grant an extension of the 24-month limit on a case-by-case basis if the participant has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local

labor market conditions preclude a reasonable job opportunity for that participant, as determined by a Wisconsin works agency and approved by the department.

(4) COMMUNITY SERVICE JOB. (a) *Administration.* A Wisconsin works agency shall administer a community service job program as part of its administration of Wisconsin works to improve the employability of individuals who are not otherwise able to obtain employment, as determined by the Wisconsin works agency, by providing work experience and training to assist them to move promptly into unsubsidized public or private employment or a trial job. In determining an appropriate placement for a participant, a Wisconsin works agency shall give placement under this subsection priority over placements under sub. (5). Community service jobs shall be limited to projects that the department determines would serve a useful public purpose or projects the cost of which is partially or wholly offset by revenue generated from such projects. After each 6 months of an individual’s participation under this subsection and at the conclusion of each assignment under this subsection, a Wisconsin works agency shall reassess the individual’s employability.

(am) *Education or training activities.* A participant under this subsection may be required to participate in education and training activities assigned as part of an employability plan developed by the Wisconsin works agency. The department shall establish by rule permissible education and training under this paragraph, which shall include a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation, technical college courses and educational courses that provide an employment skill. Permissible education under this paragraph shall also include English as a 2nd language courses that the Wisconsin works agency determines would facilitate an individual’s efforts to obtain employment and adult basic education courses that the Wisconsin works agency determines would facilitate an individual’s efforts to obtain employment.

(as) *Required hours.* Except as provided in par. (at), a Wisconsin works agency may require a participant placed in a community service job program to work not more than 30 hours per week in a community service job. A Wisconsin works agency may require a participant placed in the community service job program to participate in education or training activities for not more than 10 hours per week.

(at) *Motivational training.* A Wisconsin works agency may require a participant, during the first 2 weeks of participation under this subsection, to participate in an assessment and motivational training program identified by the community steering committee under s. 49.143 (2) (a) 10. The Wisconsin works agency may require not more than 40 hours of participation per week under this

paragraph in lieu of the participation requirement under par. (as).

(b) *Time-limited participation.* An individual may participate in a community service job for a maximum of 6 months, with an opportunity for a 3-month extension under circumstances approved by the department. An individual may participate in more than one community service job, but may not exceed a total of 24 months of participation under this subsection. The months need not be consecutive. The department or, with the approval of the department, the Wisconsin works agency may grant an extension to the 24-month limit on a case-by-case basis if the Wisconsin works agency determines that the individual has made all appropriate efforts to find unsubsidized employment and has been unable to find unsubsidized employment because local labor market conditions preclude a reasonable employment opportunity in unsubsidized employment for that participant, as determined by a Wisconsin works agency and approved by the department, and if the Wisconsin works agency determines, and the department agrees, that no trial job opportunities are available in the specified local labor market.

(c) *Worker's compensation.* A participant under this subsection is an employe of the Wisconsin works agency for purposes of worker's compensation coverage, except to the extent that the person for whom the participant is performing work provides worker's compensation coverage.

(5) TRANSITIONAL PLACEMENT. (a) *Additional eligibility criteria.* An individual is eligible to participate in a transitional placement under this subsection if, in addition to meeting the eligibility requirements under s. 49.145, any of the following conditions is met with respect to the individual:

1. The Wisconsin works agency determines, on the basis of an independent assessment by the division of vocational rehabilitation or similar agency or business, that the individual has been incapacitated, or will be incapacitated, for a period of at least 60 days.

2. The Wisconsin works agency determines that the individual is needed in the home because of the illness or incapacity of another member of the Wisconsin works group.

3. The Wisconsin works agency determines that the individual is incapable of performing a trial job or community service job.

(b) *Administration.* 1. The Wisconsin works agency shall assign a participant under this subsection to work activities such as a community rehabilitation program, as defined by the department, a job similar to a community service job or a volunteer activity. A Wisconsin works agency may require a participant under this subsection to participate in any of the following:

a. An alcohol and other drug abuse evaluation, assessment and treatment program.

c. Mental health activities, as defined by the department by rule.

d. Counseling or physical rehabilitation activities.

e. Other activities that the Wisconsin works agency determines are consistent with the capabilities of the individual.

2. An individual may participate in a transitional placement for a maximum of 24 months. The months need not be consecutive. This period may be extended on a case-by-case basis by the department or by the Wisconsin works agency with the approval of the department.

(bm) *Education or training activities.* A participant under this subsection may be required to participate in education and training activities assigned as part of an employability plan developed by the Wisconsin works agency. The department shall establish by rule permissible education and training under this paragraph, which shall include a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation, technical college courses and educational courses that provide an employment skill. Permissible education under this paragraph shall also include English as a 2nd language courses that the Wisconsin works agency determines would facilitate an individual's efforts to obtain employment and adult basic education courses that the Wisconsin works agency determines would facilitate an individual's efforts to obtain employment.

(bs) *Required hours.* Except as provided in par. (bt), a Wisconsin works agency may require a participant placed in a transitional placement to engage in activities under par. (b) 1. for up to 28 hours per week. A Wisconsin works agency may require a participant placed in a transitional placement to participate in education or training activities under par. (bm) for not more than 12 hours per week.

(bt) *Motivational training.* A Wisconsin works agency may require a participant, during the first 2 weeks of participation under this subsection, to participate in an assessment and motivational training program identified by the community steering committee under s. 49.143 (2) (a) 10. The Wisconsin works agency may require not more than 40 hours of participation per week under this paragraph in lieu of the participation requirement under par. (bs).

(c) *Worker's compensation.* A participant under this subsection is an employe of the Wisconsin works agency for purposes of worker's compensation coverage, except to the extent that the person for whom the participant is performing work provides worker's compensation coverage.

(6) JOB ACCESS LOAN. (a) *Additional eligibility criteria.* An individual is eligible to receive a job access loan if, in addition to meeting the eligibility requirements

under s. 49.145, all of the following conditions are met with respect to the individual:

1. The individual needs the loan to address an immediate and discrete financial crisis. The crisis may not be the result of the individual’s failure to accept a bona fide offer of employment or the individual’s termination of a job without good cause.

2. The individual needs the loan to obtain or continue employment. Fulfillment of this requirement includes a loan that is needed to repair a vehicle that is needed to obtain or continue employment.

3. The individual is not in default with respect to the repayment of any previous job access loan or repayment of any grant or wage overpayments under this section.

4. The individual is not a migrant worker.

(b) *Terms.* The department shall promulgate rules establishing the terms of any job access loan, including all of the following:

1. The maximum and minimum loan amounts in any 12-month period.

2. The method of loan disbursement.

3. The terms and conditions of repayment. The rules promulgated under this subdivision shall provide for repayment by performance of in-kind services. The rules shall establish criteria that the Wisconsin works agency shall use to approve in-kind repayment of loans.

(c) *Distribution and administration.* From the appropriation under s. 20.445 (3) (e), the department shall distribute funds for job access loans to a Wisconsin works agency, which shall administer the loans in accordance with rules promulgated by the department.

(d) *Minor custodial parents.* An individual who would be eligible for a job access loan under par. (a), except that the individual has not attained the age of 18, is eligible under this paragraph if the individual meets the following requirements:

1. The individual is in an out-of-home placement or independent living arrangement supervised by an adult, as defined by the department.

2. The individual has graduated from high school or has met the standards established by the secretary of education for the granting of a declaration of equivalency of high school graduation under s. 115.29 (4).

3. The individual will be 18 years old within 2 months after applying for the job access loan.

SECTION 89. 49.148 of the statutes is created to read:

49.148 Wisconsin works; wages and benefits. (1)

BENEFIT LEVELS FOR PARTICIPANTS IN EMPLOYMENT POSITIONS. A participant in a Wisconsin works employment position shall receive the following benefits:

(a) *Trial jobs.* For a participant in a trial job, the amount established in the contract between the Wisconsin works agency and the trial job employer, but not less than minimum wage for every hour actually worked in the trial job, not to exceed 40 hours per week paid by the employer. Hours spent participating in education and

training activities under s. 49.147 (3) (am) shall be included in determining the number of hours actually worked.

(b) *Community service jobs.* For a participant in a community service job, a monthly grant of \$555, paid by the Wisconsin works agency. For every hour that the participant misses work or education or training activities without good cause, the Wisconsin works agency shall reduce the grant amount by \$4.25. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

(c) *Transitional placements.* For a participant in a transitional placement, a grant of \$518, paid monthly by the Wisconsin works agency. For every hour that the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to e., the Wisconsin works agency shall reduce the grant amount by \$4.25. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

(1m) CUSTODIAL PARENT OF INFANT. (a) A custodial parent of a child who is 12 weeks old or less and who meets the eligibility requirements under s. 49.145 (2) and (3) may receive a monthly grant of \$555. A Wisconsin works agency may not require a participant under this subsection to participate in any employment positions. Receipt of a grant under this subsection does not constitute participation in a Wisconsin works employment position for purposes of tolling the time limits under s. 49.145 (2) (n) or 49.147 (3) (c), (4) (b) or (5) (b) 2. if the child is born to the participant not more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works employment position.

(b) Receipt of a grant under this subsection constitutes participation in a Wisconsin works employment position for purposes of tolling the time limits under ss. 49.145 (2) (n) and 49.147 (3) (c), (4) (b) or (5) (b) 2. if the child is born to the participant more than 10 months after the date that the participant was first determined to be eligible for assistance under s. 49.19 or for a Wisconsin works employment position unless any of the following conditions is met:

1. The participant did not receive benefits under s. 49.19 and was not a participant in a Wisconsin works employment position for a period of at least 6 months, other than as a result of sanctions, and the child was born during that period or not more than 10 months after the participant was determined eligible for a Wisconsin works position.

2. The child was conceived as a result of a sexual assault in violation of s. 940.225 (1), (2) or (3) in which the

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mother did not indicate a freely given agreement to have sexual intercourse or of incest in violation of s. 944.06 or 948.06 and that incest or sexual assault has been reported to a physician and to law enforcement authorities.

(3) WISCONSIN WORKS HEALTH PLAN. A participant in a Wisconsin works employment position shall participate in the Wisconsin works health plan under s. 49.153. The participant shall pay a premium in an amount and in the manner established under s. 49.153 (4) (d).

SECTION 90. 49.149 of the statutes is created to read:

49.149 Wisconsin works; education and training. A Wisconsin works agency shall do all of the following:

(1) Establish a referral relationship with other employment and training programs for participants to make use of varied education and training opportunities available through integrated job centers, as defined by the department by rule.

(3) Encourage employers to make training sites available on the business site for participants.

(4) Work with the department of commerce to coordinate the provision of training to participants in conjunction with employers eligible for the development zone program under subch. VI of ch. 560.

SECTION 91. 49.151 of the statutes is created to read:

49.151 Wisconsin works; sanctions. (1) REFUSAL TO PARTICIPATE. A participant who refuses to participate 3 times in any Wisconsin works employment position component is ineligible to participate in that component. A participant whom the Wisconsin works agency has determined is ineligible under this section for a particular Wisconsin works employment position component may be eligible to participate in any other Wisconsin works employment position component in which the participant has not refused to participate 3 times. A participant refuses to participate in a Wisconsin works employment position component if the participant does any of the following:

(a) Expresses verbally or in writing to a Wisconsin works agency that he or she refuses to participate.

(b) Fails to appear for an interview with a prospective employer or, if the participant is in a Wisconsin works transitional placement, fails to appear for an assigned activity, including an activity under s. 49.147 (5) (b) 1. a. to e., without good cause, as determined by the Wisconsin works agency.

(c) Voluntarily leaves appropriate employment or training without good cause, as determined by the Wisconsin works agency.

(d) Loses employment as a result of being discharged for cause.

(e) Demonstrates through other behavior or action, as specified by the department by rule, that he or she refuses to participate in a Wisconsin works employment position.

(2) INTENTIONAL PROGRAM VIOLATIONS. If a court finds or it is determined after an administrative hearing

that an individual who is a member of a Wisconsin works group applying for or receiving benefits under ss. 49.141 to 49.161, for the purpose of establishing or maintaining eligibility for those benefits or for the purpose of increasing the value of those benefits, has intentionally violated, on 3 separate occasions, any provision in ss. 49.141 to 49.161 or any rule promulgated under those sections, the Wisconsin works agency may permanently deny benefits under ss. 49.141 to 49.161 to the individual.

SECTION 92. 49.152 of the statutes is created to read:

49.152 Review of agency decisions. (1) PETITION FOR REVIEW. Any individual whose application for Wisconsin works under s. 49.147 (1) to (5) is not acted upon by the Wisconsin works agency with reasonable promptness after the filing of the application, as defined by the department by rule, or is denied in whole or in part, whose benefit is modified or canceled, or who believes that the benefit was calculated incorrectly, may petition the Wisconsin works agency for a review of such action. Review is unavailable if the action by the Wisconsin works agency occurred more than 45 days prior to submission of the petition for review.

(2) REVIEW. (a) Upon a timely petition under sub. (1), the Wisconsin works agency shall give the applicant or participant reasonable notice and opportunity for a review. The Wisconsin works agency shall render its decision as soon as possible after the review and shall send a certified copy of its decision to the applicant or participant. The Wisconsin works agency shall deny a petition for a review or shall refuse to grant relief if the petitioner does any of the following:

1. Withdraws the petition in writing.

2. Abandons the petition. Abandonment occurs if the petitioner fails to appear in person or by representative at a scheduled review without good cause, as defined by the department by rule.

(b) The department may review a decision of a Wisconsin works agency under par. (a) if any of the following occurs:

1. Within 15 days of receiving the decision of the Wisconsin works agency, the applicant or participant petitions the department for a review of that decision.

2. The Wisconsin works agency requests the department to review the decision of the Wisconsin works agency.

(c) The department shall review a Wisconsin works agency's decision to deny an application based solely on a determination of financial ineligibility if any of the following occurs:

1. Within 15 days after receiving the decision of the Wisconsin works agency, the applicant petitions the department for a review of the decision.

2. The Wisconsin works agency requests the department to review the decision of the Wisconsin works agency.

Vetoed In Part (cm) If, under par. (c), the department reverses a decision of the Wisconsin works agency, the petitioner shall receive, retroactive to the date that the Wisconsin works agency made its initial decision to deny the application, the benefit that the individual would have received, computed as if the individual had complied with all of the requirements of the Wisconsin works employment position into which the applicant most likely would have been placed.

SECTION 93. 49.153 of the statutes is created to read:
49.153 Wisconsin works health plan. (1) DEFINITIONS. In this section:

(a) “Employer–subsidized health care coverage” means a health care plan, which provides coverage of health care costs, offered by the employer for which the employer pays at least 50% of the cost of the plan for the employe, including dependent coverage and excluding any deductibles or copayments that may be required under the plan.

(b) “Unsubsidized employer–offered health care coverage” means a health care plan, which provides coverage of health care costs, offered by the employer for which the employer pays less than 50% of the cost of coverage for the employe, including dependent coverage and excluding any deductibles or copayments that may be required under the plan.

(2) **ADMINISTRATION.** The department of health and family services shall provide health services and benefits under sub. (4) to individuals who have been determined by a Wisconsin works agency to be eligible under subs. (3) to (3p) for such services and benefits. The Wisconsin works agency shall maintain a list of eligible individuals and shall make the list available to the department of health and family services upon request.

(3) **ELIGIBILITY.** (a) *General provisions.* 1. A Wisconsin works agency shall determine eligibility for benefits and services under this section, in accordance with rules promulgated by the department of health and family services in consultation with the department of industry, labor and job development. The Wisconsin works agency shall make the eligibility determination **Vetoed In Part** within 2 working days, as defined in s. 227.01 (14), after the date on which the agency receives a completed application from the individual for services and benefits under this section and shall immediately notify the department of health and family services of that determination. An individual who applies for and receives benefits and services under this section is considered to have assigned to the state any rights to medical support or other payment of medical expenses from any other person, including rights to unpaid amounts accrued at the time of application for benefits and services under this section and any rights to support accruing during the time for which benefits and services under this section are provided. Eligibility for benefits and services under this section begins on the day on which the department of health and family services or

the provider issues a health plan membership card. The department of health and family services or the provider shall issue the health plan membership card to an individual within 3 working days, as defined in s. 227.01 (14), after the date on which the Wisconsin works agency notifies the department of health and family services that the individual is eligible.

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2. a. Except as provided in subd. 3. and pars. (em) and (f), an individual who is eligible for the health care coverage under this section remains eligible under this section for 12 consecutive months or until the individual has access to unsubsidized employer–offered health care coverage, whichever is later.

b. Notwithstanding subd. 2. a., an individual who is described under par. (f) 1. a., b., c. or d. who is eligible for health care coverage under this section remains eligible until the individual no longer meets eligibility criteria, as provided in subd. 3.

3. A Wisconsin works agency shall, within the period of an individual’s eligibility, as specified under subd. 2., periodically review an individual’s eligibility. The individual remains eligible for benefits and services under this section until any of the following applies:

a. The assets of the individual or, if the individual is a member of a Wisconsin works group, the assets of the Wisconsin works group of which the individual is a member, exceed the asset limits for at least 2 months.

b. The income of the individual, or, if the individual is a member of a Wisconsin works group, the income of the Wisconsin works group of which the individual is a member, is expected to exceed the income limits for at least 2 consecutive months.

(e) *Access to employer–subsidized health care coverage.* An individual is eligible for health care coverage under this section only if the individual has not had access to employer–subsidized health care coverage within the 18 months immediately preceding application for health care coverage under this section. This paragraph does not apply to any of the following:

1. An individual who has lost access to employer–subsidized health care coverage within the 18 months immediately preceding application for health care coverage under this subsection because of the termination by the employer of the employment relationship for a reason other than misconduct on the part of the employe and who has not had access to employer–subsidized health care coverage since the termination.

2. An individual who has lost access to employer–subsidized health care coverage within the 18 months immediately preceding application for health care coverage under this subsection because of the termination by the employe of the employment relationship for just cause.

3. A dependent child who has lost eligibility for employer–subsidized health care coverage for any reason.

3m. A pregnant woman with an income equal to or less than 165% of the poverty line who has lost eligibility

for employer-subsidized health care coverage for any reason.

4. A participant in a Wisconsin works employment position.

(em) *Continuous coverage requirement.* An individual who withdraws from health care coverage under this section while the individual is still eligible for health care coverage under this section is ineligible for health care coverage under this section for a period of 6 months following the withdrawal.

(f) *Ineligibility.* No individual is eligible for health care coverage under this section in a month in which any of the following applies:

1. The individual is eligible for employer-subsidized health care coverage. This subdivision does not apply to any of the following:

a. A pregnant woman in a Wisconsin works group with an income that is equal to or less than 165% of the poverty line.

b. A child who has not attained the age of 6 in a Wisconsin works group with an income equal to or less than 165% of the poverty line.

c. A child who has attained the age of 6 and has not attained the age of 12 in a Wisconsin works group with an income that is equal to or less than 100% of the poverty line.

d. A child who has attained the age of 6 and has not attained the age of 12 in a Wisconsin works group with an income in excess of 100% of the poverty line if the total amount obligated or expended for medical care or other type of remedial care and for health insurance premiums, when subtracted from the Wisconsin works group's income, places the Wisconsin works group at or below 100% of the poverty line.

2. The individual fails to pay the established premium in a timely manner, as defined by the department of industry, labor and job development by rule.

(3g) ELIGIBLE GROUPS. Subject to the requirements under sub. (3), the following individuals are eligible for benefits and services under this section:

(a) *Wisconsin works groups.* Except as provided in par. (c), an individual who is a member of a Wisconsin works group, if all of the following conditions apply:

1. The individual meets the criteria under s. 49.145 (2) (c), (f), (g), (i), (L) and (m) and resides in this state.

2. The Wisconsin works group meets the asset limita-

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Vetoed In Part a. The group contains a child who has not attained the age of 6.

b. The group contains a child who has attained the age of 6 and has not attained the age of 12 and the gross income of the group, as determined under subd. 3., does not exceed 100% of the poverty line.

3. The gross income of the Wisconsin works group is at or below 165% of the poverty line, or, for a Wisconsin works group that is already receiving health care coverage under this section, the gross income is at or below 200% of the poverty line. In calculating the gross income of the Wisconsin works group, the Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. to 3.

(b) *Pregnant women.* A pregnant woman whose pregnancy has been medically verified and who has no dependent children, if she meets all of the following conditions:

1. The woman meets the criteria under s. 49.145 (2) (c), (g), (i), (L) and (m) and resides in this state.

2. The woman meets the asset limitation under s. 49.145 (3) (a). **In determining the assets of the woman, the Wisconsin works agency shall exclude all of the resources specified under 42 USC 1382b (a).**

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3. The gross income of the woman is at or below 165% of the poverty line. In calculating gross income under this subdivision, the Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. and 3.

(c) *Minor parents.* An individual who is a custodial parent and who is under the age of 18, and any dependent children with respect to whom the individual is a custodial parent, only if the individual meets one of the following conditions:

1. The individual resides with his or her custodial parent and the gross income of the Wisconsin works group of which the individual is a member does not exceed 165% of the poverty line. In calculating the gross income of the Wisconsin works group, the Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. to 3.

2. The individual is in an independent living arrangement supervised by an adult and the gross income of the individual does not exceed 165% of the poverty line. In calculating the gross income of the individual, the Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. to 3.

(3m) MEDICALLY NEEDY. (a) **An individual who meets all of the requirements of sub. (3g) (a) or (c), except that the income calculated for the individual under sub. (3g) (a) 3. or (c) 1. or 2. exceeds the applicable income limit under sub. (3g) (a) 3. or (c) 1. or 2., is eligible for benefits and services under this section only if all of the excess income above the applicable limit has been obligated or expended for medical care or other type of remedial care.**

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(am) Notwithstanding par. (a) and sub. (3) (a) 2. a., (e) and (f) 1., if the individual is a pregnant woman or a child who has not attained the age of 6, and the individual meets all of the requirements of sub. (3g) (a), (b) or (c), except that the income calculated for the individual under sub. (3g) (a) 3., (b) 3. or (c) 1. or 2. exceeds the applicable

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income limit under sub. (3g) (a) 3., (b) 3. or (c) 1. or 2., the individual is eligible for benefits and services under this section if all of the excess income above the applicable limit has been obligated or expended for medical care or other type of remedial care or for personal health insurance premiums.

Vetoed (as) Notwithstanding **par. (a) and** sub. (3) (a) 2. a., if **In Part** the individual is a child who has attained the age of 6 and has not attained the age of 12, and the individual meets all of the requirements of sub. (3g) (a) except that the income calculated for the individual under sub. (3g) (a) 3. exceeds the income level under sub. (3g) (a) 3., the individual is eligible for benefits and services under this section if the total amount obligated or expended for medical care or other type of remedial care and for health insurance premiums, when subtracted from the Wisconsin works group's income, places the Wisconsin works group at 100% of the poverty line.

(b) In determining the income for an individual under this subsection for purposes of determining the premium amount under sub. (4) (d), the Wisconsin works agency **Vetoed** shall exclude the excess income specified under **par. (a),** **In Part** (am) or (as).

(3p) PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN. (a) Notwithstanding sub. (3g) (a), (b) and (c), a pregnant woman is eligible under this subsection for ambulatory prenatal care services under this section during the period beginning on the day on which an authorized health care provider under contract under sub. (4) (a) determines, on the basis of preliminary information, that the woman's family income does not exceed 165% of the poverty line and that the woman's family's assets do not exceed the asset limits under s. 49.145 (3) (a). Eligibility under this subsection ends as follows:

1. If the woman applies under sub. (3g) (a), (b) or (c) for benefits and services under this section within the time required under par. (c), on the day on which the Wisconsin works agency determines whether the woman is eligible for benefits and services under sub. (3g) (a), (b) or (c).

2. If the woman does not apply under sub. (3g) (a), (b) or (c) for benefits and services under this section within the time required under par. (c), on the last day of the month following the month in which the health care provider makes the determination under this paragraph.

(c) A woman who is determined to be eligible under this subsection shall apply under sub. (3g) (a), (b) or (c) for benefits and services under this section within 14 days after the date on which the health care provider makes that determination.

(cm) A woman who receives services under this subsection is liable for a monthly premium payable in the amount and in the manner prescribed under sub. (4) (d) beginning with the first month in which she receives those services.

(d) A health care provider under contract under sub. (4) (a) that determines that a woman is eligible under this subsection for benefits and services under this section shall do all of the following:

1. Notify the Wisconsin works agency of that determination within 5 working days after the day on which the determination is made.

2. Notify the woman of the requirements under pars. (c) and (cm).

(e) The Wisconsin works agency shall provide health care providers under contract under sub. (4) (a) with application forms for benefits and services under this section and information on how to assist women in completing the forms.

(f) No provider may make more than one eligibility determination under this subsection with respect to an individual.

(4) ADMINISTRATION AND BENEFITS. (a) *Health maintenance organization contract.* The department of health and family services shall contract with health maintenance organizations or other health care providers, including federally qualified health centers, to provide health care services under this subsection. A health maintenance organization or other health care provider that contracts under this subsection shall meet the certification criteria established by the department of health and family services under s. 49.45 (2) (a) 11.

(b) *Health care services provided.* 1. Except as provided in subd. 2., the Wisconsin works health plan shall cover the care and services specified under s. 49.46 (2).

1m. The Wisconsin works health plan shall cover in-home psychotherapy for individuals who are under the age of 21 if the in-home psychotherapy is prescribed pursuant to a physical examination under [42 USC 1396](#) (r) (1).

1s. The Wisconsin works health plan shall cover insulin if it is prescribed by a physician.

2. Except as otherwise required under a federal waiver received under [42 USC 1315](#), the Wisconsin works health plan shall not cover the following goods and services:

a. Home care, as defined in s. 632.895 (1) (b), in excess of the minimum required under s. 632.895 (2).

b. Skilled nursing care in excess of the minimum required under s. 632.895 (3).

c. Over-the-counter drugs.

d. Treatment of alcoholism or other drug abuse problems in excess of the minimum coverage required under s. 632.89 (2).

e. Services described under [42 USC 1396d](#) (r) (5), unless the services are otherwise covered under this section.

(bm) *Abortion coverage excluded.* 1. In this paragraph:

a. "Abortion" means the intentional destruction of the life of an unborn child.

b. "Unborn child" means a human being from the time of conception until it is born alive.

2. Except as provided in subd. 3., each contract that is entered into under par. (a) shall explicitly provide that it does not include coverage for the performance of an abortion.

3. This paragraph does not apply to any of the following:

a. The performance by a physician of an abortion which is directly and medically necessary to save the life of the woman or in a case of sexual assault or incest, provided that prior thereto the physician signs a certification which so states, and provided that, in the case of sexual assault or incest the crime has been reported to the law enforcement authorities. The certification shall be affixed to the claim form or invoice when submitted to any agency or fiscal intermediary of the state for payment or when submitted by an individual health care provider to the coverage provider for payment or for submittal to any agency or fiscal intermediary of the state for payment, and shall specify and attest to the direct medical necessity of the abortion upon the best clinical judgment of the physician or attest to his or her belief that sexual assault or incest has occurred.

b. The performance by a physician of an abortion if, due to a medical condition existing prior to the abortion, the physician determines that the abortion is directly and medically necessary to prevent grave, long-lasting physical health damage to the woman, provided that prior thereto the physician signs a certification which so states. The certification shall be affixed to the claim form or invoice when submitted to any agency or fiscal intermediary of the state for payment or when submitted by an individual health care provider to the coverage provider for payment or for submittal to any agency or fiscal intermediary of the state for payment, and shall specify and attest to the direct medical necessity of the abortion upon the best clinical judgment of the physician.

c. The authorization or payment of funds to a physician or surgeon or a hospital, clinic or medical facility for or in connection with the prescription of a drug or the insertion of a device to prevent the implantation of a fertilized ovum.

4. Quarterly, as determined by the department of health and family services, following any annual quarter in which health care services have been provided under coverage that is affected by this paragraph, the coverage provider shall submit a written report to the agency which contracted for the services of the provider. The report shall specify the number of abortions provided in the previous quarter by the provider to individuals who have coverage for the abortion under this subsection, as permitted under subd. 3. a. or b., the reason for each abortion, and the total cost of each abortion.

5. A copy of each report submitted under subd. 4. shall be forwarded to the department of health and family

services, which shall review the data for compliance with this paragraph and annually publish a summary of the information obtained under this subdivision.

(c) *Distribution of payments.* From the appropriations under s. 20.435 (1) (b) and (o), the department of health and family services shall make payments to a health maintenance organization or other health care provider with which the department of health and family services has contracted under par. (a) in accordance with a payment schedule established by contract.

(d) *Premiums.* 1. **Subject to a modification made pursuant to subd. 2,** an individual who receives the Wisconsin works health plan shall pay, in the manner prescribed in subd. 3., the **following** monthly premium:

a. **For an individual with an income equal to or less than 159% of the poverty line, \$20.**

b. **For an individual with an income greater than 159% of the poverty line and not greater than 200% of the poverty line, \$20 plus \$3 for every percentage point by which the individual's income exceeds 159%.**

2. **The department of health and family services may submit a proposal to the joint committee on finance to modify the premium amounts under subd. 1. If, within 14 days after the date of receipt of the department's proposal, the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department of health and family services may make the modifications specified in the proposal. If, within 14 days after the date of receipt of the department's proposal, the cochairpersons of the committee notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department of health and family services may not make the modifications specified in the proposal until the committee approves the proposal.**

3. Payment of the premium shall be made as follows:

a. For a participant in a trial job, the Wisconsin works agency shall deduct the premium from the subsidy that is paid to the employer under s. 49.147 (3) (a). The employer shall deduct the premium from the trial job participant's wages.

b. For a participant in a community service job or transitional placement, the Wisconsin works agency shall deduct the premium from the participant's monthly grant amount under s. 49.148 (1) (b) or (c).

c. For an individual not specified under subd. 3. a. or b., the individual shall pay the premium directly to the Wisconsin works agency, or, if the individual and his or her employer agree, the individual's employer may deduct the premium from the individual's payroll and pay the premium to the Wisconsin works agency.

4. The Wisconsin works agency shall remit to the department of industry, labor and job development in the manner prescribed by the department of industry, labor

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and job development all premium payments that the Wisconsin works agency receives under this paragraph.

SECTION 94. 49.155 of the statutes is created to read:

49.155 Wisconsin works; child care subsidy. (1)

DEFINITIONS. In this section:

(a) "Level I certified family day care provider" means a day care provider certified under s. 48.651 (1) (a).

(b) "Level II certified family day care provider" means a day care provider certified under s. 48.651 (1) (b).

(1m) ELIGIBILITY. A Wisconsin works agency shall determine eligibility for a child care subsidy under this section. Under this section, an individual may receive a subsidy for child care for a child who has not attained the age of 13 if the individual meets all of the following conditions:

(a) The individual is a custodial parent of a child who is under the age of 13, or is a person who, under s. 48.57 (3m), is providing care and maintenance for a child who is under the age of 13, and child care services for that child are needed in order for the individual to do any of the following:

1. Meet the school attendance requirement under s. 49.26 (1) (ge).
2. Work in an unsubsidized job, including training provided by an employer during the regular hours of employment.
3. Work in a Wisconsin works employment position, including participation in education or training activities under s. 49.147 (3) (am), (4) (am) or (5) (bm).

4. Participate in other employment skills training, including an English as a 2nd language course, if the Wisconsin works agency determines that the course would facilitate the individual's efforts to obtain employment; a course of study meeting the standards established by the secretary of education under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation; a course of study at a technical college; or participation in educational courses that provide an employment skill, as determined by the department. An individual may receive aid under this subdivision for up to one year. An individual may not receive aid under this subdivision unless the individual meets at least one of the following conditions:

- a. The individual has been employed in unsubsidized employment for 9 consecutive months and continues to be so employed.
- b. The individual is a participant in a Wisconsin works employment position.

(b) The individual meets the eligibility conditions under s. 49.145 (2) (c) to (g) and (3) (a), except that an individual may be eligible for a child care subsidy under this section regardless of the number of days the individual has resided in this state prior to applying for the child care subsidy.

(c) The gross income of the individual's family is at or below 165% of the poverty line for a family the size of the individual's family. In calculating the gross income of the family, the Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. to 3.

(d) The individual satisfies other eligibility criteria established by the department by rule.

(3) COUNTY ADMINISTRATION. (a) A Wisconsin works agency shall refer an individual who has been determined eligible under sub. (1m) to a county department under s. 46.215, 46.22 or 46.23 for child care assistance.

(b) The county department under s. 46.215, 46.22 or 46.23 shall administer child care assistance under this section. In administering child care assistance under this section, the county department under s. 46.215, 46.22 or 46.23 shall do all of the following:

1. Determine an individual's liability under sub. (5).
2. Provide a voucher to an eligible individual for the payment of child care services provided by a child care provider or otherwise reimburse child care providers.
3. Set maximum reimbursement rates as provided under sub. (6) (b).
5. Certify child care providers under s. 48.651.
6. Assist individuals who are eligible for child care subsidies under this section to identify available child care providers and select appropriate child care arrangements.

(4) CHOICE OF PROVIDER. An eligible individual shall choose whether the child care will be provided by a day care center licensed under s. 48.65, a Level I certified family day care provider, a Level II certified family day care provider or a day care program provided or contracted for by a school board under s. 120.13 (14).

(5) LIABILITY FOR PAYMENT. (a) **Subject to a modification made pursuant to par. (b),** an individual is liable for the following percentages of the cost of child care received:

1. For an individual with an income equal to or less than 75% of the poverty line, 7.5%.
2. For an individual with an income greater than 75% of the poverty line and not greater than 95% of the poverty line, 10%.
3. For an individual with an income greater than 95% of the poverty line, 10%, plus 1.2857% for every percentage point by which the individual's income exceeds 95% of the poverty line, except that no individual may be required to pay more than 100% of the cost of the child care.

(b) The department may submit a proposal to the joint committee on finance to modify the percentages under par. (a). If, within 14 days after the date of receipt of the department's proposal, the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department may make the modifications specified in the proposal. If, within 14 days after the date of receipt of the department's proposal, the

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(6) CHILD CARE RATES AND QUALITY STANDARDS. (a) The department shall establish the maximum rate that a county department under s. 46.215, 46.22 or 46.23 may pay for child care services provided under this section. The department shall set the rate so that at least 75% of the number of places for children within the licensed capacity of all child care providers in each county or in a multicounty area determined by the department can be purchased at or below that maximum rate.

(b) The department shall set a maximum rate that a county department under s. 46.215, 46.22 or 46.23 may pay for Level I certified family day care providers for services provided to eligible individuals. The maximum rate set under this paragraph may not exceed 75% of the rate established under par. (a).

(c) The department shall set a maximum rate that a county department under s. 46.215, 46.22 or 46.23 may pay for Level II certified family day care providers for services provided to eligible individuals. The maximum rate set under this paragraph may not exceed 50% of the rate established under par. (a).

(d) The department may establish a system of rates for child care programs that exceed the quality of care standards required for licensure under s. 48.65 or for certification under s. 48.651 (1) (a).

(7) REFUSAL TO PAY CHILD CARE PROVIDERS. (a) The department or the county department under s. 46.215, 46.22 or 46.23 may refuse to pay a child care provider for child care provided under this section if any of the following applies to the child care provider, employe or person living on the premises where child care is provided:

1. The person has been convicted of a felony or misdemeanor that the department or county department determines substantially relates to the care of children.
2. The person is the subject of a pending criminal charge that the department or county department determines substantially relates to the care of children.
3. The person has been determined under s. 48.981 to have abused or neglected a child.

Vetoed In Part **(b) The department shall promulgate rules establishing the method by which a determination under par. (a) is made.**

SECTION 95. 49.157 of the statutes is created to read:
49.157 Wisconsin works; transportation assistance. A Wisconsin works agency may provide transportation assistance in the manner prescribed by the department **by rule.** The Wisconsin works agency shall **limit any financial assistance granted under this subsection to financial assistance for public transportation if a form of public transportation that meets the needs of the participant is available.**

SECTION 96. 49.159 of the statutes is created to read:
49.159 Wisconsin works; noncustodial and minor and other custodial parents. (1) NONCUSTODIAL PARENTS. (a) An individual who would be eligible under s. 49.145 except that the individual is the noncustodial parent of a dependent child, is eligible for services under this subsection if the dependent child's custodial parent is a participant and if the individual is subject to a child support order. The Wisconsin works agency may provide job search assistance and case management designed to enable eligible noncustodial parents to obtain and retain employment.

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(b) An individual who would be eligible under s. 49.145 except that the individual is the noncustodial parent of a dependent child may participate in a Wisconsin works employment position if all of the following conditions are met:

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1. The custodial parent of the dependent child meets the income requirements under s. 49.145 (3) (b).
2. The custodial parent of the dependent child is not a participant in a Wisconsin works employment position.
3. The individual is subject to a child support order for the dependent child.

(2) MINOR CUSTODIAL PARENTS; FINANCIAL AND EMPLOYMENT COUNSELING. A custodial parent who is under the age of 18 is eligible, regardless of that individual's or that individual's parent's income or assets, to meet with a financial and employment planner. The financial and employment planner may provide the individual with information regarding Wisconsin works eligibility, available child care services, employment and financial planning, family planning services, community resources, eligibility for food stamps and other food and nutrition programs.

(3) OTHER CUSTODIAL PARENTS. A custodial parent in a Wisconsin works group in which the other custodial parent is a participant in a Wisconsin works employment position is eligible for employment training and job search assistance services provided by the Wisconsin works agency.

(4) PREGNANT WOMEN. A pregnant woman whose pregnancy is medically verified who would be eligible under s. 49.145 except that she is not a custodial parent of a dependent child is eligible for employment training and job search assistance services provided by the Wisconsin works agency.

SECTION 97. 49.161 of the statutes is created to read:
49.161 Wisconsin works; overpayments. (1) TRIAL JOBS OVERPAYMENTS. Notwithstanding s. 49.96, the department shall recover an overpayment of benefits paid under s. 49.148 (1) (a) from an individual who receives or has received benefits paid under s. 49.148 (1) (a). The value of the benefit liable for recovery under this subsection may not exceed the amount that the department paid in wage subsidies with respect to that participant while the participant was ineligible to participate.

The department shall promulgate rules establishing policies and procedures for administrating this subsection.

(2) COMMUNITY SERVICE JOBS AND TRANSITIONAL PLACEMENTS OVERPAYMENTS. Except as provided in sub. (3), the department shall recover an overpayment of benefits paid under s. 49.148 (1) (b) and (c) from an individual who continues to receive benefits under s. 49.148 (1) (b) and (c) by reducing the amount of the individual’s benefit payment by no more than 10%.

(3) OVERPAYMENTS CAUSED BY INTENTIONAL PROGRAM VIOLATIONS. If an overpayment under sub. (1) or (2) is the result of an intentional violation of ss. 49.141 to 49.161 or of rules promulgated by the department under those sections, the department shall recover the overpayment by deducting an amount from the benefits received under s. 49.148 (1) (a), (b) or (c), until the overpayment is recovered. The amount to be deducted each month may not exceed the following:

(a) For intentional program violations resulting in an overpayment that is less than \$300, 10% of the amount of the monthly benefit payment.

(b) For intentional program violations resulting in an overpayment that is at least \$300 but less than \$1,000, \$75.

(c) For intentional program violations resulting in an overpayment that is at least \$1,000 but less than \$2,500, \$100.

(d) For intentional program violations resulting in an overpayment that is \$2,500 or more, \$200.

SECTION 99g. 49.185 of the statutes is created to read:

49.185 Employment skills advancement program.

(1) DEFINITIONS. In this section:

(a) “Custodial parent” has the meaning given in s. 49.141 (1) (b).

(b) “Dependent child” has the meaning given in s. 49.141 (1) (c).

(c) “Family” means an individual who is a custodial parent, all dependent children with respect to whom the individual is a custodial parent and all dependent children with respect to whom the individual’s dependent child is a custodial parent. “Family” includes any nonmarital coparent, as defined in s. 49.141 (1) (i), or any spouse of the individual who resides in the same household as the individual and any dependent children with respect to whom the spouse or nonmarital coparent is a custodial parent. “Family” does not include any person who is receiving benefits under s. 49.027 (3) (b).

(2) GRANTS. A person contracting with the department under sub. (4) may make an employment skills advancement grant of up to \$500 to an individual eligible under sub. (3) for tuition, books, transportation or other direct costs of training or education in a vocational training or education program.

(3) ELIGIBILITY. An individual is eligible for an employment skills advancement grant only if all of the following eligibility requirements are met:

(a) The training or education is approved by the person contracting with the department under sub. (4) as part of a career training or education plan that will lead to increased income.

(b) The individual is at least 18 years of age and is a custodial parent of a minor child.

(c) The individual has been determined eligible for aid under s. 49.19 or for a Wisconsin works employment position under s. 49.145 within 5 years before applying for a grant.

(d) The individual has been employed in an unsubsidized job for at least 9 consecutive months before applying for a grant.

(e) The individual is working an average of at least 40 hours per week, unless the employer and the person contracting with the department under sub. (4) agree that the person may work fewer hours.

(f) The assets of the individual’s family do not exceed \$2,500 in combined equity value, excluding the equity value of vehicles up to a total equity value of \$10,000 and one home in which the family lives.

(g) The income of the individual’s family does not exceed 165% of the poverty line.

(h) The individual has sought other forms of assistance, as required by the department **by rule.**

(i) The individual contributes an amount at least equal to the amount of the grant, and obtains funding from other sources in an amount at least equal to the amount of the grant, for tuition, books, transportation or other direct costs of the training or education.

(j) The amount of the grant plus the amount of any grant that that individual has previously received under this section does not exceed \$500.

(4) ADMINISTRATION. The department may contract with any person to administer the program under this section. The department shall contract with one person to administer the program in each area of the state, as determined by the department.

(5) APPLICABILITY. This section applies beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 99m. 49.19 (4) (h) 1. b. of the statutes is amended to read:

49.19 (4) (h) 1. b. Except as provided under sub. (5) (a) 1m., when any person applies for or receives aid under this section, any right of the parent or any dependent child to support or maintenance from any other person, including any right to unpaid amounts accrued at the time of application and any right to amounts accruing during the time aid is paid under this section, is assigned to the state. If a minor who is a beneficiary of aid under this section is also the beneficiary of support under a judgment or order that includes support for one or more children not receiving aid under this section, any support payment made under the judgment or order is assigned to the state in the amount that is the proportionate share of the minor

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receiving aid under this section, except as otherwise ordered by the court on the motion of a party. Amounts assigned to the state under this subd. 1. b. remain assigned to the state until that amount of aid paid that represents the amount due as support or maintenance has been recovered. No amount of support that begins to accrue after aid under this section is discontinued for the recipient may be considered assigned to this state.

SECTION 100. 49.19 (4e) (a) of the statutes is amended to read:

49.19 (4e) (a) ~~Except as provided in par. (b), if~~ If a person applying for aid is under 18 years of age, has never married and is pregnant or has a dependent child in his or her care, the person is not eligible for aid unless he or she lives in a place maintained by his or her parent, legal guardian or other adult relative as the parent's, guardian's or other adult relative's own home or lives in a foster home, treatment foster home, maternity home or other supportive living arrangement supervised by an adult.

SECTION 101. 49.19 (4e) (c) of the statutes is created to read:

49.19 (4e) (c) The department shall request a waiver from the secretary of the federal department of health and human services to require, without exception, that a person applying for aid who is under 18 years of age, has never married and is pregnant or has a dependent child in his or her care meet the requirements of par. (a). If a waiver is granted and in effect, par. (b) does not apply.

SECTION 103d. 49.19 (11) (b) of the statutes, as affected by 1995 Wisconsin Act 27, section 2865n, is renumbered 49.138, and 49.138 (1) (intro.), as renumbered, is amended to read:

49.138 (1) (intro.) The department shall implement a program of emergency assistance to needy persons in cases of fire, flood, natural disaster, homelessness or energy crisis. Eligibility shall not exceed the limitations for federal participation defined by applicable federal laws and regulations, including 45 CFR 233.120. The department shall establish the maximum amount of aid to be granted, except for cases of energy crisis, per family member based on the funding available under s. 20.445 (3) (dc) and (p). The department need not establish the maximum amount by rule under ch. 227. The department shall publish the maximum amount and annual changes to it in the Wisconsin administrative register. Emergency assistance provided to needy persons under this ~~paragraph section~~ in cases of homelessness may be used only to obtain a permanent living accommodation and, except as provided in sub. (2), may only be provided to a needy person once in a 36-month period. For the purposes of this ~~paragraph section~~, a family is considered to be homeless if any of the following applies:

SECTION 104. 49.19 (20) of the statutes is renumbered 49.19 (20) (a) and amended to read:

49.19 (20) (a) ~~After December 31, 1998, Beginning on January 1, 1999, or beginning on the first day of the~~

6th month beginning after the date stated in the notice under s. 49.141 (2) (d), whichever is sooner, no person is eligible to receive benefits under this section and no aid may be granted under this section. No additional notice, other than the enactment of this ~~subsection paragraph~~, is required to be given under sub. (13) to recipients of aid under this section to terminate their benefits under this ~~subsection paragraph~~.

SECTION 105. 49.19 (20) (b) of the statutes is created to read:

49.19 (20) (b) 1. The department shall request a waiver from the secretary of the federal department of health and human services to allow the application of subd. 2. Subdivision 2. does not apply unless a waiver under this subdivision is granted and in effect.

2. Notwithstanding par. (a):

a. If a nonlegally responsible relative is receiving aid under this section on behalf of a dependent child on July 1, 1996, no aid under this section may be paid to the nonlegally responsible relative after June 30, 1997, or the first reinvestigation under sub. (5) (e) occurring after June 30, 1996, whichever is earlier.

b. If a nonlegally responsible relative is not receiving aid under this section on behalf of a dependent child on July 1, 1996, no aid under this section may be paid to the nonlegally responsible relative after June 30, 1996.

SECTION 106c. 49.191 (1) (b) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.191 (1) (b) Within the limits of funds available under ss. 20.435 (3) (jg) and 20.445 (3) (cn) and (na), the department shall provide funds for individuals who are working and who receive aid to families with dependent children to pay child care costs in excess of the amount of the child care disregard under s. 49.19 (5) (a) and child care costs incurred before the child care disregard under s. 49.19 (5) (a) becomes available if the child care is provided by a child care provider. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 107. 49.191 (2) of the statutes, as affected by 1995 Wisconsin Act 27, section 3093c, is amended to read:

49.191 (2) CHILD CARE FUNDS FOR FORMER RECIPIENTS OF AID TO FAMILIES WITH DEPENDENT CHILDREN. The department shall pay the child care costs of an individual who secures unsubsidized employment and loses eligibility for aid to families with dependent children because of earned income or number of hours worked for up to 12 months following the loss of eligibility if the child care is provided by a child care provider. The department shall establish a formula for assistance based on ability to pay. The rates for child care services under this subsection shall be determined under s. 46.98 (4) (d), ~~(dg) or (dm),~~ whichever is applicable, or, if a higher rate is established under s. 46.98 (4) (e) and if the child care services

meet the quality standards established under s. 46.98 (4) (e), the rates for child care services under this subsection that meet those standards shall be determined under s. 46.98 (4) (e). The department shall promulgate rules for the disbursement of funds under this subsection. This subsection does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 108. 49.191 (3) (a) and (b) of the statutes, as affected by [1995 Wisconsin Act 27](#), are repealed and recreated to read:

49.191 (3) (a) County departments under ss. 46.215, 46.22 and 46.23 shall administer the funds appropriated for the purpose of providing child care under subs. (1) and (2) for recipients and former recipients of aid under s. 49.19 and under s. 49.26 (1) (e) for participants in the learnfare program. The department shall allocate funds to county departments under ss. 46.215, 46.22 and 46.23 for the purposes of this paragraph.

(b) Beginning on January 1, 1994, a county department under s. 46.215, 46.22 or 46.23 may, with the approval of the department, provide payment for, or reimbursement of, child care under sub. (1) or s. 49.193 (8) using funds allocated under par. (a). The department shall approve or disapprove this use of funds under criteria established to maximize state and federal funding available for child care.

SECTION 109. 49.193 (2) (a) of the statutes, as affected by [1995 Wisconsin Act 12](#), is amended to read:

49.193 (2) (a) The Except as provided in par. (am), the department shall ensure that all persons required under 42 USC 602 (a) (19) and 42 USC 681 to 687 to participate in a job opportunities and basic skills training program participate in the program under this section. In addition, the department shall require a parent or other caretaker relative of a child who is at least one year of age to participate in the program under this section on a full-time basis, unless the parent or other caretaker relative is exempt from participation in the program for a reason other than being a parent or other caretaker of a child under 3 years of age.

SECTION 110. 49.193 (2) (am) of the statutes is created to read:

49.193 (2) (am) 1. The department shall request a waiver from the secretary of the federal department of health and human services to permit the application of subd. 2. If a waiver is granted and in effect, the department shall implement subd. 2. no later than the first day of the 2nd month beginning after the waiver is approved.

2. If a waiver is granted and in effect, the department shall require a parent or other caretaker relative of a child who is at least 12 weeks of age to participate in the program under this section on a full-time basis, unless the parent or other caretaker relative is exempt from participation for a reason other than being a parent or other caretaker of a child under 3 years of age.

SECTION 111. 49.193 (4) (g) of the statutes is amended to read:

49.193 (4) (g) Work supplementation, as described in [45 CFR 250.62](#), in which participation is ~~voluntary~~ mandatory.

SECTION 112m. 49.193 (4) (j) 4. of the statutes is amended to read:

49.193 (4) (j) 4. Postsecondary education and vocational skills training for individuals who, as of December 1, 1995, are enrolled in postsecondary education or vocational skills training under this subdivision and are participating satisfactorily as determined by the agency administering the job opportunities and basic skills program. This subdivision does not apply after June 30, 1997.

SECTION 113. 49.193 (4) (k) 1m. of the statutes is created to read:

49.193 (4) (k) 1m. Alcohol and other drug abuse prevention, assessment and treatment programs.

SECTION 114. 49.193 (4m) of the statutes is created to read:

49.193 (4m) ALCOHOL AND OTHER DRUG ABUSE PREVENTION AND TREATMENT PROGRAM. The department may require participation in an alcohol and other drug abuse assessment, prevention and treatment program to fulfill employment and training requirements described in this section.

SECTION 115. 49.193 (6) (c) of the statutes is amended to read:

49.193 (6) (c) ~~No Except as provided in par. (e), no~~ person may be required to work more than 32 hours per week in a community work experience component. No person may be required to work more than 16 weeks in a component under this subsection during a 12-month period, except that a person who is eligible for aid under s. 49.19 (4) (dm) may be required to work for more than 16 weeks in a component under this subsection in order to comply with [45 CFR 250.33](#).

SECTION 116. 49.193 (6) (e) of the statutes is created to read:

49.193 (6) (e) The department shall request a waiver from the secretary of the federal department of health and human services to allow the department to require a person to work, without regard to the person's grant amount under s. 49.19, not more than 40 hours per week in a community work experience component and not more than 6 months in a component under this subsection during a 12-month period. If the waiver is granted and in effect, the department may require a person to work not more than 40 hours per week in a community work experience component. If a waiver is granted and in effect, the department may require a person to work not more than 6 months in a component under this subsection during a 12-month period, except that the department may require a person who is eligible for aid under s. 49.19 (4) (dm) to

work for more than 6 months in a component under this subsection in order comply with [45 CFR 250.33](#).

SECTION 117m. 49.193 (7) of the statutes is amended to read:

49.193 (7) **POSTSECONDARY EDUCATION.** The department shall, by rule, define allowable or satisfactory participation in postsecondary education and vocational skills training activities. This subsection does not apply June 30, 1997.

SECTION 118. 49.193 (8) (a) of the statutes, as affected by [1995 Wisconsin Act 12](#), is amended to read:

49.193 (8) (a) The department shall pay child care costs of persons with approved employability plans who are participating in the program under this section and of persons who are participating in orientation and job search activities required under sub. (3m). Payment or reimbursement shall be in an amount based on need, with the maximum amount per child equal to the lesser of the actual cost of care or the rate established under s. 46.98 (4) (d), ~~(dg) or (dm), whichever is applicable,~~ or, if a higher rate is established under s. 46.98 (4) (e) and if the child care meets the quality standards established under s. 46.98 (4) (e), payment or reimbursement for child care that meets those standards shall be in an amount based on need, with the maximum amount per child equal to the lesser of the actual cost of the care or the rate established under s. 46.98 (4) (e).

SECTION 119. 49.193 (8) (bm) of the statutes is amended to read:

49.193 (8) (bm) Beginning on January 1, 1994, a county department under s. 46.215, 46.22 or 46.23 that receives funds to pay or reimburse child care costs under this subsection ~~or under s. 49.50 (6e) (a)~~ may, with the approval of the department, use those funds to pay or reimburse child care costs under s. 49.50 (6e) ~~(b)~~, (6g) or (7) (e). The department shall approve or disapprove of this use of funds under criteria established to maximize state and federal funding available for child care.

SECTION 120. 49.193 (8) (bm) of the statutes, as affected by [1995 Wisconsin Acts 27](#) and (this act), is repealed and recreated to read:

49.193 (8) (bm) Beginning on January 1, 1994, a county department under s. 46.215, 46.22 or 46.23 that receives funds to pay or reimburse child care costs under this subsection may, with the approval of the department, use those funds to pay or reimburse child care costs under s. 49.191 (1) or (2) or 49.26 (1) (e). The department shall approve or disapprove of this use of funds under criteria established to maximize state and federal funding available for child care.

SECTION 121. 49.193 (9m) (a) of the statutes, as created by [1995 Wisconsin Act 12](#), is renumbered 49.193 (9m) (am).

SECTION 122. 49.193 (9m) (ag) of the statutes is created to read:

49.193 (9m) (ag) In this subsection, “recipient” includes the head of household of an aid to families with dependent children case, regardless of whether the needs of the head of household are not considered as the result of a sanction.

SECTION 125. 49.193 (12) of the statutes is created to read:

49.193 (12) **SUNSET.** Beginning on January 1, 1999, or beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d), whichever is sooner, no person is eligible to receive benefits under this section and no aid may be granted under this section. No additional notice, other than enactment of this subsection, is required to be given to recipients of aid under this section to terminate their benefits under this subsection.

SECTION 126. 49.195 (title) of the statutes is amended to read:

49.195 (title) Recovery of aid to families with dependent children and Wisconsin works benefits.

SECTION 127. 49.195 (1) of the statutes is amended to read:

49.195 (1) If any parent at the time of receiving aid under s. 49.19 or a benefit under s. 49.148, 49.153, 49.155 or 49.157 or at any time thereafter acquires property by gift, inheritance, sale of assets, court judgment or settlement of any damage claim, or by winning a lottery or prize, the county granting such aid, or the Wisconsin works agency granting such a benefit, may sue the parent on behalf of the department to recover the value of that portion of the aid or of the benefit which does not exceed the amount of the property so acquired. The value of the aid or benefit liable for recovery under this section may not include the value of work performed by a member of the family in a community work experience program under s. 46.215 (1) (o), 1991 stats., s. 46.22 (1) (b) 11., 1991 stats., or s. 49.50 (7j) (d), 1991 stats., or in a community work experience component under s. 49.193 (6). During the life of the parent, the 10–year statute of limitations may be pleaded in defense against any suit for recovery under this section; and if such property is his or her homestead it shall be exempt from execution on the judgment of recovery until his or her death or sale of the property, whichever occurs first. Notwithstanding the foregoing restrictions and limitations, where the aid or benefit recipient is deceased a claim may be filed against any property in his or her estate and the statute of limitations specified in s. 859.02 shall be exclusively applicable. The court may refuse to render judgment or allow the claim in any case where a parent, spouse or child is dependent on the property for support, and the court in rendering judgment shall take into account the current family budget requirement as fixed by the U.S. department of labor for the community or as fixed by the authorities of the community in charge of public assistance. The records

of aid ~~or benefits~~ paid kept by the county ~~or~~, by the department ~~or by the Wisconsin works agency~~ are prima facie evidence of the value of the aid ~~or benefits~~ furnished. Liability under this section shall extend to any parent or stepparent whose family receives aid under s. 49.19 ~~or benefits under s. 49.148, 49.155 or 49.157~~ during the period ~~that~~ he or she is a member of the same household, but his or her liability is limited to such period. This section does not apply to medical and health assistance payments for which recovery is prohibited or restricted by federal law or regulation.

SECTION 128. 49.195 (3) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.195 (3) Notwithstanding s. 49.96, the department shall promptly recover all overpayments made under s. 49.19, [49.148](#), [49.153](#), [49.155](#) or [49.157](#) and shall promulgate rules establishing policies and procedures to administer this subsection.

SECTION 131. 49.197 (3) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.197 (3) STATE ERROR REDUCTION ACTIVITIES. The department shall conduct activities to reduce payment errors in medical assistance under subch. IV, [Wisconsin works under ss. 49.141 to 49.161](#), aid to families with dependent children under s. 49.19 and the food stamp program under [7 USC 2011 to 2029](#). The department shall fund the activities under this section from the appropriation under s. 20.445 (4) (L).

SECTION 136. 49.21 (1) (c) of the statutes is created to read:

49.21 (1) (c) This subsection does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 137. 49.25 (10) of the statutes is created to read:

49.25 (10) SUNSET. Beginning on January 1, 1999, or beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d), whichever is sooner, no person is eligible to receive benefits under this section and no aid may be granted under this section. No additional notice, other than enactment of this subsection, is required to be given to recipients of aid under this section to terminate their benefits under this subsection.

SECTION 138. 49.26 (title) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (title) Learnfare pilot program.

SECTION 139. 49.26 (1) (e) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (e) For an individual who is a recipient of aid under s. 49.19, ~~or whose custodial parent is a participant under s. 49.147 (3) to (5)~~, who is the parent with whom a dependent child lives and who is either subject to the school attendance requirement under par. (ge) or is under 20 years of age and wants to attend school, the department shall make a monthly payment to the individual

or the child care provider for the month's child care costs in an amount based on need with the maximum amount per child equal to the lesser of the actual cost of the care or the rate established under s. 46.98 (4) (d) ~~or, if a higher rate is established under s. 46.98 (4) (e) and if the child care meets the quality standards established under s. 46.98 (4) (e)~~, in an amount based on need with the maximum amount per child equal to the lesser of the actual cost of the care or the rate established under s. 46.98 (4) (e), [49.155 \(6\)](#) if the individual demonstrates the need to purchase child care services in order to attend school and those services are available from a child care provider.

SECTION 140. 49.26 (1) (g) (intro.) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (g) (intro.) An individual who is a dependent child in a Wisconsin works group that includes a participant under s. 49.147 (3), (4) or (5) or who is a recipient of aid under s. 49.19 is subject to the school attendance requirement under par. (ge) if all of the following apply:

SECTION 141. 49.26 (1) (g) 1. of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (g) 1. Before the first day of the fall 1994 school term, as defined in s. 115.001 (12), the individual is 13 to 19 years of age. Beginning on the first day of the fall ~~1994~~ [1997](#) school term, as defined in s. 115.001 (12), the individual is ~~13 to~~ [13 to](#) 19 years of age ~~or the individual lives in a county designated by the department under par. (j) and is required to attend school under that paragraph.~~

SECTION 142. 49.26 (1) (gm) (intro.) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (gm) (intro.) The first time that an individual fails to meet the school attendance requirement under par. (ge), the county department under s. 46.215, 46.22 or [46.23](#) ~~or the Wisconsin works agency~~ shall do all of the following:

SECTION 142m. 49.26 (1) (h) 1. (intro.) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (h) 1. (intro.) An individual who is 6 to 12 years of age and who fails to meet the school attendance requirement under par. (ge) is subject to sanctions as provided ~~by the department by rule~~ under subd. 1s. only if all of the following apply:

SECTION 143. 49.26 (1) (h) 1. a. of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (h) 1. a. The county department under s. 46.215, 46.22 or [46.23](#) ~~or Wisconsin works agency~~ complies with par. (gm).

SECTION 143g. 49.26 (1) (h) 1m. (intro.) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.26 (1) (h) 1m. (intro.) An individual who is 13 to 19 years of age and who fails to meet the school attendance requirement under par. (ge) is subject to sanctions

as provided by the department by rule under subd. 1s. only if all of the following apply:

SECTION 143m. 49.26 (1) (h) 1s. of the statutes is created to read:

49.26 (1) (h) 1s. a. Except as provided under subd. 1s. b., an individual who fails to meet the school attendance requirement under par. (ge) is subject to sanctions determined by the department by rule.

b. An individual who is a dependent child in a Wisconsin works group that includes a participant under s. 49.147 (3), (4) or (5) and who fails to meet the school attendance requirement under par. (ge) is subject to a

Vetoed monthly sanction of \$50.

In Part **SECTION 144.** 49.26 (1) (hm) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.26 (1) (hm) The department may require consent to the release of school attendance records, under s. 118.125 (2) (e), as a condition of eligibility for benefits under s. 49.147 (3) to (5) or aid under s. 49.19.

SECTION 145. 49.26 (1) (hr) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.26 (1) (hr) If an individual subject to the school attendance requirement under par. (ge) is enrolled in a public school, communications between the school district and the department or a county department under s. 46.215, 46.22 or 46.23 or a Wisconsin works agency concerning the individual's school attendance may only be made by a school attendance officer, as defined under s. 118.16 (1) (a).

SECTION 146. 49.26 (1) (j) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 147m. 49.27 (3) (a), (b) and (c) and (4) (a) (intro.) of the statutes are amended to read:

49.27 (3) (a) The person resides in a pilot county; is receiving, or is the caretaker of a child who is receiving, aid to families with dependent children benefits, other than benefits under s. 49.19 (10) or s. 49.19 (11) (b), 1993 stats., on January 1, 1995; and has had a regularly scheduled reinvestigation under s. 49.19 (5) (e) after January 1, 1995.

(b) The person resides in a pilot county and applies for aid to families with dependent children benefits, other than benefits under s. 49.19 (10) or s. 49.19 (11) (b), 1993 stats., for himself or herself or for a dependent child, on or after January 1, 1995.

(c) The person moves to a pilot county on or after January 1, 1995, and, at the time of the move, the person is receiving, or is the caretaker of a child who is receiving, aid to families with dependent children benefits, other than benefits under s. 49.19 (10) or s. 49.19 (11) (b), 1993 stats.

(4) (a) *Relation with other public assistance benefits.* (intro.) Except as determined under this subsection or sub. (7) or (11) (a) to (f), a member of a work-not-welfare group may not receive an aid to families with dependent children benefit, other than aid to families with de-

pendent children benefits under s. 49.19 (10) or s. 49.19 (11) (b), 1993 stats. Except as determined under this subsection or sub. (11) (a) to (f), a member of a work-not-welfare group may not receive food stamp benefits under 7 USC 2011 to 2029 for a month unless one of the following conditions is met:

SECTION 148. 49.27 (5) (e) 2. of the statutes is repealed.

SECTION 149. 49.27 (6) (c) of the statutes is amended to read:

49.27 (6) (c) *Benefits.* A county department under s. 46.215, 46.22 or 46.23 shall provide assistance in paying the child care costs of a work-not-welfare group that is eligible to receive benefits under this paragraph if the child care is provided by a child care provider, as defined in s. 46.98 (1) (am). The formula for determining the amount of assistance shall be the same as the formula established by the department under s. 49.50 (6g). The rates for child care services under this paragraph shall be determined under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher rate is established under s. 46.98 (4) (e) and if the child care services meet the quality standards established under s. 46.98 (4) (e), the rates for child care services under this paragraph that meet those standards shall be determined under s. 46.98 (4) (e). The department shall promulgate rules for the disbursement of funds under this paragraph.

SECTION 150. 49.27 (13) of the statutes is created to read:

49.27 (13) **SUNSET.** Beginning on January 1, 1999, or beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d), whichever is sooner, no person is eligible to receive benefits under this section and no aid may be granted under this section. No additional notice, other than enactment of this subsection, is required to be given to recipients of aid under this section to terminate their benefits under this subsection.

SECTION 151. 49.30 (1) (intro.) of the statutes, as affected by 1995 Wisconsin Act 27, section 2922, is amended to read:

49.30 (1) (intro.) Except as provided in sub. (1m), if any recipient of benefits under s. 49.148, 49.46 or 49.77, or under 42 USC 1381 to 1385 in effect on May 8, 1980, dies and the estate of the deceased recipient is insufficient to pay the funeral, burial and cemetery expenses of the deceased recipient, the county or applicable tribal governing body or organization responsible for burial of the recipient shall pay, to the person designated by the county department under s. 46.215, 46.22 or 46.23 or applicable tribal governing body or organization responsible for the burial of the recipient, all of the following:

SECTION 152. 49.32 (7) (a) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.32 (7) (a) The department shall conduct a program to periodically verify the eligibility of recipients of aid to

families with dependent children under s. 49.19 and of participants in Wisconsin works under ss. 49.141 to 49.161 through a check of school enrollment records of local school boards as provided in s. 118.125 (2) (i).

SECTION 153. 49.32 (9) (a) of the statutes, as affected by [1995 Wisconsin Act 27](#) is amended to read:

49.32 (9) (a) Each county department under s. 46.215, 46.22 or 46.23 administering aid to families with dependent children shall maintain a monthly report at its office showing the names and addresses of all persons receiving such aid together with the amount paid during the preceding month. Each Wisconsin works agency administering Wisconsin works under ss. 49.141 to 49.161 shall maintain a monthly report at its office showing the names and addresses of all persons receiving benefits under s. 49.148 together with the amount paid during the preceding month. Nothing in this paragraph shall be construed to authorize or require the disclosure in the report of any information (names, addresses, amounts of aid or otherwise) pertaining to adoptions, or aid furnished for the care of children in foster homes or treatment foster homes under s. ~~42.261~~ or 49.19 (10).

SECTION 154. 49.32 (9) (b) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.32 (9) (b) The report under par. (a) shall be open to public inspection at all times during regular office hours and may be destroyed after the next succeeding report becomes available. Any person except any public officer, seeking permission to inspect such report shall be required to prove his or her identity and to sign a statement setting forth his or her address and the reasons for making the request and indicating that he or she understands the provisions of par. (c) with respect to the use of the information obtained. The use of a fictitious name is a violation of this section. Within 72 hours after any such record has been inspected, the county department or Wisconsin works agency shall mail to each person whose record was inspected a notification of that fact and the name and address of the person making such inspection. The county department or Wisconsin works agency shall keep a record of such requests.

SECTION 155. 49.32 (10) (title) of the statutes, as created by [1995 Wisconsin Act 27](#), is amended to read:

49.32 (10) (title) RELEASE OF RECIPIENT'S ADDRESSES INFORMATION TO LAW ENFORCEMENT OFFICERS.

SECTION 156. 49.32 (10) of the statutes, as affected by [1995 Wisconsin Act 27](#), is renumbered 49.32 (10) (a), and 49.32 (10) (a) (intro.) and 2. b. and c., as renumbered, are amended to read:

49.32 (10) (a) (intro.) Each county department under s. 46.215 or 46.22 may release the current address of a recipient of aid under s. 49.19, and each Wisconsin works agency may release the current address of a participant in Wisconsin works under ss. 49.141 to 49.161, to a law enforcement officer if the officer meets all of the following conditions:

2. b. That the location or apprehension of the felon under subd. 4. 2. a. is within the official duties of the officer.

c. That the officer is making the request in the proper exercise of his or her duties under subd. 2. b.

SECTION 157. 49.32 (10) (b) of the statutes is created to read:

49.32 (10) (b) If a law enforcement officer believes, on reasonable grounds, that a warrant has been issued and is outstanding for the arrest of a Wisconsin works participant, the law enforcement officer may request that a law enforcement officer be notified when the participant appears to obtain his or her benefits under the Wisconsin works program. At the request of a law enforcement officer under this paragraph, an employe of a Wisconsin works agency who disburses benefits may notify a law enforcement officer when the participant appears to obtain Wisconsin works benefits.

SECTION 158. 49.33 (1) (b) of the statutes, as affected by [1995 Wisconsin Act 27](#), section [2047](#), is amended to read:

49.33 (1) (b) “Income maintenance program” means aid to families with dependent children under s. 49.19, Wisconsin works under ss. 49.141 to 49.161, medical assistance under subch. IV of ch. 49 or the food stamp program under [7 USC 2011 to 2029](#).

SECTION 159. 49.33 (1) (c) of the statutes, as affected by [1995 Wisconsin Act 27](#), section [2048](#), is amended to read:

49.33 (1) (c) “Income maintenance worker” means a person employed by a county ~~or~~ a governing body of a federally recognized American Indian tribe or a Wisconsin works agency whose duties include determinations or redeterminations of income maintenance program eligibility.

SECTION 160c. 49.33 (2) of the statutes, as affected by [1995 Wisconsin Act 27](#), section [2043](#), is amended to read:

49.33 (2) **CONTRACTS.** County departments under ss. 46.215, 46.22 and 46.23 shall annually enter into a contract with the department detailing the reasonable cost of administering the income maintenance programs ~~under ss. 49.19, 49.26 (1) and 49.45 to 49.47~~ and the food stamp program under [7 USC 2011 to 2029](#) when so appointed by the department. Contracts created under this section control the distribution of payments under s. 20.445 (3) (de) and (nL) in accordance with the reimbursement method established under s. 49.33 (8). The department may reduce its payment to any county under s. 20.445 (3) (de) and (nL) if federal reimbursement is withheld due to audits, quality control samples or program reviews.

SECTION 161c. 49.33 (8) (a) of the statutes, as affected by [1995 Wisconsin Act 27](#), section [3130](#), is amended to read:

49.33 (8) (a) The department shall reimburse each county for reasonable costs of income maintenance relat-

ing to the administration of the programs under this subchapter and subch. IV according to a formula based on workload within the limits of available state and federal funds under s. 20.445 (3) (de), (dz) and (nL) by contract under s. 49.33 (2). The amount of reimbursement calculated under this paragraph and par. (b) is in addition to any reimbursement provided to a county for fraud and error reduction under s. 49.197 (1m) and (4).

SECTION 163. 49.36 (title) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (title) Work experience and job training program for noncustodial parents.

SECTION 164c. 49.36 (2) of the statutes, as affected by [1995 Wisconsin Act 27](#), section [2137](#), is amended to read:

49.36 (2) The department may contract with any county to administer a work experience and job training program for parents who are not custodial parents and who fail to pay child support or to meet their children's needs for support as a result of unemployment or underemployment. The program may provide the kinds of work experience and job training services available from the program under s. 49.193 or 49.147 (3) or (4). The program may also include job search and job orientation activities. The department shall fund the program from the appropriation under s. 20.445 (3) (df).

SECTION 165. 49.36 (3) (a) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (3) (a) Except as provided in par. (f), a person ordered to register under s. 767.295 (2) (a) shall participate in a work experience ~~and job training~~ program if services are available.

SECTION 166. 49.36 (3) (g) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (3) (g) If the person's child receives benefits under s. 49.19, the liability under s. 49.195 of a parent who is a member of the child's household is reduced by the amount of the federal minimum hourly wage under [29 USC 206](#) (a) (1) for each hour the person participates in a program under this section. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 167. 49.36 (4) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (4) When a person completes 16 weeks of participation in a program under this section, the county or Wisconsin works agency operating the program shall inform the clerk of courts, by affidavit, of that completion.

SECTION 168. 49.36 (5) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (5) A person participating in work experience ~~in a county~~ as part of the program under this section is considered an employe of ~~that~~ the county or Wisconsin works agency administering the program under this section for purposes of worker's compensation benefits only.

SECTION 169. 49.36 (6) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (6) A county or Wisconsin works agency administering the program under this section shall reimburse a person for reasonable transportation costs incurred because of participation in a program under this section up to a maximum of \$25 per month.

SECTION 170. 49.36 (7) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.36 (7) The department shall pay a county or Wisconsin works agency \$200 for each person who participates in the program under this section in ~~that county~~ the region in which the county or Wisconsin works agency administers the program under this section. The county or Wisconsin works agency shall pay any additional costs of the program.

SECTION 172c. 49.45 (6m) (br) 1. of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

49.45 (6m) (br) 1. Notwithstanding s. 20.410 (3) (cd), 20.435 (1) (bt) or (bu) or (7) (b) or 20.445 (3) (de), the department shall reduce allocations of funds to counties in the amount of the disallowance from the appropriations under s. 20.410 (3) (cd) or 20.435 (1) (bt) or (bu) or (7) (b), or the department shall direct the department of industry, labor and job development to reduce allocations of funds to counties or Wisconsin works agencies in the amount of the disallowance from the appropriation under s. 20.445 (3) (de) or (dz), in accordance with s. 16.544 to the extent applicable.

SECTION 173. 49.46 (1) (a) 1. of the statutes is amended to read:

49.46 (1) (a) 1. Any person included in the grant of aid to families with dependent children and any person who does not receive such aid solely because of the application of s. 49.19 (11) (a) 7. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 174. 49.46 (1) (a) 1m. of the statutes is amended to read:

49.46 (1) (a) 1m. Any pregnant woman who meets the resource and income limits under s. 49.19 (4) (bm) and (es) and whose pregnancy is medically verified. Eligibility continues to the last day of the month in which the 60th day after the last day of the pregnancy falls. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 175. 49.46 (1) (a) 4m. of the statutes is created to read:

49.46 (1) (a) 4m. Any dependent child whose custodial parent, as defined under s. 49.141 (1) (b), receives a payment under s. 49.77 (3v).

SECTION 176. 49.46 (1) (a) 5. of the statutes is amended to read:

**Vetoed
In Part**

49.46 (1) (a) 5. Any child in an adoption assistance, foster care, kinship care or treatment foster care placement under ch. 48, as determined by the department.

SECTION 177. 49.46 (1) (a) 6. of the statutes is amended to read:

49.46 (1) (a) 6. Any person not described in pars. (c) to (e) who is considered, under federal law, to be receiving aid to families with dependent children ~~or supplemental security income~~ for the purpose of determining eligibility for medical assistance. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 178. 49.46 (1) (a) 6m. of the statutes is created to read:

49.46 (1) (a) 6m. Any person not described in pars. (c) to (e) who is considered, under federal law, to be receiving supplemental security income for the purpose of determining eligibility for medical assistance.

SECTION 179. 49.46 (1) (a) 9. of the statutes is amended to read:

49.46 (1) (a) 9. Any pregnant woman not described under subd. 1. or 1m. whose family income does not exceed 133% of the poverty line for a family the size of the woman's family. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 180. 49.46 (1) (a) 10. of the statutes is amended to read:

49.46 (1) (a) 10. Any child not described under subd. 1. who is under 6 years of age and whose family income does not exceed 133% of the poverty line for a family the size of the child's family. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 181. 49.46 (1) (a) 11. of the statutes is amended to read:

49.46 (1) (a) 11. Any child not described under subd. 1. who was born after September 30, 1983, who has attained the age of 6 but has not attained the age of 19 and whose family income does not exceed 100% of the poverty line for a family the size of the child's family. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 182. 49.46 (1) (a) 12. of the statutes is amended to read:

49.46 (1) (a) 12. Any child not described under subd. 1. who is under 19 years of age and who meets the resource and income limits under s. 49.19 (4). This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 183. 49.46 (1) (a) 13. of the statutes is amended to read:

49.46 (1) (a) 13. Any child who is under one year of age, whose mother was determined to be eligible under subd. 9. and who lives with his or her mother. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 184. 49.46 (1) (a) 16. of the statutes is created to read:

49.46 (1) (a) 16. Any child who is living with a relative who is eligible to receive payments under s. 48.57 (3m) with respect to that child, if the department determines that no other insurance is available to the child.

SECTION 185. 49.46 (1) (am) 3. of the statutes is created to read:

49.46 (1) (am) 3. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 186. 49.46 (1) (cb) of the statutes is created to read:

49.46 (1) (cb) Paragraph (c) does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 187. 49.46 (1) (cg) of the statutes is amended to read:

49.46 (1) (cg) Except as provided in par. (cs), medical assistance shall be provided to a dependent child, a relative with whom the child is living or the spouse of the relative, if the spouse meets the requirements of s. 49.19 (1) (c) 2. a. or b., for 4 calendar months beginning with the month in which the child, relative or spouse is ineligible for aid to families with dependent children because of the collection or increased collection of maintenance or support, if the child, relative or spouse received aid to families with dependent children in 3 or more of the 6 months immediately preceding the month in which that ineligibility begins. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 188. 49.46 (1) (co) 4. of the statutes is created to read:

49.46 (1) (co) 4. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 189. 49.46 (1) (cr) of the statutes is renumbered 49.46 (1) (cr) 1., and 49.46 (1) (cr) 1. b. and c., as renumbered, are amended to read:

49.46 (1) (cr) 1. b. Discloses in the application under subd. 1. a. any health insurance possessed by a member of the family.

c. Demonstrates that, but for the loss of the disregards for earned income under s. 49.19 (5) (a) 4., the family was continuously eligible for aid to families with dependent children from the date of that loss until the date of the application made under subd. 1. a.

SECTION 190. 49.46 (1) (cr) 2. of the statutes is created to read:

49.46 (1) (cr) 2. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 191. 49.46 (1) (cs) of the statutes is amended to read:

49.46 (1) (cs) Medical assistance shall be provided to members of a work-not-welfare group, as defined in s. 49.27 (1) (c), that is eligible for transitional medical assistance coverage under s. 49.27 (8) (c). If the person is or was a member of a work-not-welfare group, as defined in s. 49.27 (1) (c), and if the period of ineligibility under s. 49.27 (4) (f) and (g) for that work-not-welfare group has not yet expired, the person is not eligible for medical assistance under par. (c), (cg), (co) or (cr), unless the person was a dependent child, as defined in s. 49.19 (1) (a), at the time that he or she was a member of the work-not-welfare group. This paragraph does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 192. 49.46 (1) (d) 1. of the statutes is amended to read:

49.46 (1) (d) 1. Children who are placed in licensed foster homes or licensed treatment foster homes by the department and who would be eligible for payment of aid to families with dependent children in foster homes or treatment foster homes except that their placement is not made by a county department under s. 46.215, 46.22 or 46.23 will be considered as recipients of aid to families with dependent children. This subdivision does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 193. 49.46 (1) (e) of the statutes, as affected by 1995 Wisconsin Act 27, is renumbered 49.46 (1) (e) 1.

SECTION 194. 49.46 (1) (e) 2. of the statutes is created to read:

49.46 (1) (e) 2. Beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d), this paragraph does not apply with respect to a person who has income and resources within the limitations of s. 49.19 whether or not the person requests or receives a grant of aid under that section.

SECTION 195. 49.465 (7) of the statutes is created to read:

49.465 (7) This section does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 195m. 49.47 (1) of the statutes is amended to read:

49.47 (1) PURPOSE. Medical assistance as set forth herein shall be provided to persons over 65, all disabled children under 18 and, ~~if the child is "dependent" pursuant to s. 49.19, the relatives enumerated in s. 49.19 with~~

~~whom the child is living, or persons who are blind or disabled if eligible under this section.~~

SECTION 196. 49.47 (4) (a) (intro.) of the statutes is amended to read:

49.47 (4) (a) (intro.) Any Except as provided in par. (ag), any individual who meets the limitations on income and resources under pars. (b) and (c) and who complies with par. (cm) shall be eligible for medical assistance under this section if such individual is:

SECTION 197. 49.47 (4) (ag) of the statutes is created to read:

49.47 (4) (ag) No individual is eligible for medical assistance in a month that the individual is eligible for health care coverage under s. 49.153.

SECTION 198. 49.47 (4) (an) of the statutes is created to read:

49.47 (4) (an) Paragraph (am) does not apply beginning on the first day of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

SECTION 198g. 49.47 (4) (c) 2. of the statutes is amended to read:

49.47 (4) (c) 2. Whenever an applicant has excess income under subd. 1. or par. (am), no certification may be issued until the excess income above the applicable limits has been obligated or expended for medical care or for any other type of remedial care recognized under state law or for personal health insurance premiums or both. No individual is eligible for medical assistance under this subdivision in a month in which the individual is eligible for health care coverage under s. 49.153.

SECTION 199. 49.50 (6e) (a) of the statutes is repealed.

SECTION 200. 49.50 (6e) (b) of the statutes, as affected by 1995 Wisconsin Act 27, section 3091, is renumbered 49.50 (6e).

SECTION 201. 49.50 (6g) of the statutes is amended to read:

49.50 (6g) DAY CARE FUNDS FOR FORMER RECIPIENTS OF AID TO FAMILIES WITH DEPENDENT CHILDREN. The department shall pay the child care costs of an individual who secures unsubsidized employment and loses eligibility for aid to families with dependent children because of earned income or number of hours worked for up to 12 months following the loss of eligibility if the child care is provided by a child care provider. The department shall establish a formula for assistance based on ability to pay. The rates for child care services under this subsection shall be determined under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher rate is established under s. 46.98 (4) (e) and if the child care services meet the quality standards established under s. 46.98 (4) (e), the rates for child care services under this subsection that meet those standards shall be determined under s. 46.98 (4) (e). The department shall promulgate rules for the disbursement of funds under this subsection.

SECTION 202. 49.50 (6k) (a) of the statutes is amended to read:

49.50 (6k) (a) County departments under ss. 46.215, 46.22 and 46.23 shall administer the funds appropriated for the purpose of providing child care under subs. (6e) (b) and (6g) for recipients and former recipients of aid under s. 49.19 and under sub. (7) (e) for participants in the learnfare program. The department shall allocate funds to county departments under ss. 46.215, 46.22 and 46.23 for the purposes of this paragraph.

SECTION 203. 49.50 (6k) (b) of the statutes is amended to read:

49.50 (6k) (b) Beginning on January 1, 1994, a county department under s. 46.215, 46.22 or 46.23 may, with the approval of the department, provide payment for, or reimbursement of, child care under s. 49.193 (8) ~~or 49.50 (6e) (a)~~ using funds allocated under par. (a). The department shall approve or disapprove this use of funds under criteria established to maximize state and federal funding available for child care.

SECTION 204. 49.50 (7) (e) of the statutes is amended to read:

49.50 (7) (e) For an individual who is a recipient of aid under s. 49.19, who is the parent with whom a dependent child lives and who is either required to attend school under par. (g) or is under 20 years of age and wants to attend school, the department shall make a monthly payment to the individual or the child care provider for the month's child care costs in an amount based on need with the maximum amount per child equal to the lesser of the actual cost of the care or the rate established under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher rate is established under s. 46.98 (4) (e) and if the child care meets the quality standards established under s. 46.98 (4) (e), in an amount based on need with the maximum amount per child equal to the lesser of the actual cost of the care or the rate established under s. 46.98 (4) (e), if the individual demonstrates the need to purchase child care services in order to attend school and those services are available from a child care provider.

SECTION 207. 49.52 (1) (d) of the statutes, as affected by 1995 Wisconsin Act 27, section 3134m, is amended to read:

49.52 (1) (d) From the appropriations under s. 20.435 (7) (b) and (o), the department shall distribute the funding for social services, including funding for foster care or treatment foster care of a child receiving aid under s. 49.19, to county departments under ss. 46.215, 46.22 and 46.23 as provided under s. 46.40. County matching funds are required for the distributions under s. 46.40 (2), (4m) and (8). Each county's required match for a year equals 9.89% of the total of the county's distributions for that year for which matching funds are required plus the amount the county was required by s. 46.26 (2) (c), 1985 stats., to spend for juvenile delinquency-related services from its distribution for 1987. Matching funds may be

from county tax levies, federal and state revenue sharing funds or private donations to the county that meet the requirements specified in s. 51.423 (5). Private donations may not exceed 25% of the total county match. If the county match is less than the amount required to generate the full amount of state and federal funds distributed for this period, the decrease in the amount of state and federal funds equals the difference between the required and the actual amount of county matching funds.

SECTION 209. 49.77 (3v) of the statutes is created to read:

49.77 (3v) INCREASED SUPPLEMENTAL PAYMENTS TO CUSTODIAL PARENTS. (a) In this subsection:

1. "Custodial parent" has the meaning given in s. 49.141 (1) (b).
2. "Dependent child" has the meaning given in s. 49.141 (1) (c).

(b) A person who is entitled to receive supplemental payments under this section and who is a custodial parent shall receive an increased state supplement of \$77 for each dependent child with respect to whom the person is a custodial parent.

(c) Notwithstanding par. (b), if a person who is entitled to receive supplemental payments under this section is married to a person who is also entitled to receive supplemental payments under this section, and both persons are custodial parents of a dependent child, only one increased state supplemental payment of \$77 may be paid with respect to that child.

SECTION 210. 49.83 of the statutes, as affected by 1995 Wisconsin Act 27, sections 3142 and 3144, is amended to read:

49.83 Limitation on giving information. Except as provided under s. 49.32 (9) and (10), no person may use or disclose information concerning applicants and recipients of relief funded by a relief block grant, aid to families with dependent children, Wisconsin works under ss. 49.141 to 49.161, social services or supplemental payments under s. 49.77, for any purpose not connected with the administration of the programs. Any person violating this subsection may be fined not less than \$25 nor more than \$500 or imprisoned in the county jail not less than 10 days nor more than one year or both.

SECTION 211. 49.84 (5) of the statutes, as affected by 1995 Wisconsin Act 27, section 3211, is amended to read:

49.84 (5) A person applying for Wisconsin works under ss. 49.141 to 49.161, aid to families with dependent children under s. 49.19, medical assistance under subch. IV or food stamp program benefits under 7 USC 2011 to 2029 shall, as a condition of eligibility, provide a declaration and other verification of citizenship or satisfactory immigration status as required by the department by rule or as required in 42 USC 1320b-7 (d).

SECTION 212. 49.85 (1) of the statutes, as affected by 1995 Wisconsin Act 27, section 2146, is amended to read:

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49.85 (1) COUNTY DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under s. 46.215, 46.22 or 46.23 or a governing body of a federally recognized American Indian tribe or band or a Wisconsin works agency determines that the department of health and social services may recover an amount under s. 49.497 or that the department of industry, labor and human relations may recover an amount under s. 49.125, 49.161 or 49.195 (3), the county department or governing body shall notify the affected department of the determination.

SECTION 213. 49.85 (2) (b) and (3) (b) 1. of the statutes, as created by 1995 Wisconsin Act 27, are amended to read:

49.85 (2) (b) At least annually, the department of industry, labor and human relations shall certify to the department of revenue the amounts that, based on the notifications received under sub. (1) and on other information received by the department of industry, labor and human relations, the department of industry, labor and human relations has determined that it may recover under ss. 49.125, 49.161 and 49.195 (3), except that the department of industry, labor and human relations may not certify an amount under this subsection unless it has met the notice requirements under sub. (3) and unless ~~it's~~ its determination has either not been appealed or is no longer under appeal.

(3) (b) 1. Inform the person that the department of industry, labor and human relations intends to certify to the department of revenue an amount that the department of industry, labor and human relations has determined to be due under s. 49.125, 49.161 or 49.195 (3), for setoff from any state tax refund that may be due the person.

SECTION 214. 49.95 (4m) (a) of the statutes, as affected by 1995 Wisconsin Act 27, section 3220, is amended to read:

49.95 (4m) (a) Without legal authority, sends or brings a person to a county, tribal governing body or municipality or advises a person to go to a county, tribal governing body or municipality for the purpose of obtaining relief funded by a relief block grant, benefits under the Wisconsin works program under ss. 49.141 to 49.161, aid to families with dependent children under s. 49.19, medical assistance under subch. IV or food stamps under 7 USC 2011 to 2029.

SECTION 215. 49.95 (11) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.95 (11) "Public assistance" as used in this section includes relief funded by a relief block grant and benefits under ss. 49.141 to 49.161.

SECTION 216. 49.96 of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

49.96 Assistance grants exempt from levy. All grants of aid to families with dependent children, payments made under ss. 48.57 (3m) or 49.148 (1) (b) to 49.159, payments made for social services, cash benefits

paid by counties under s. 59.07 (154), and benefits under s. 49.77 or federal Title XVI, are exempt from every tax, and from execution, garnishment, attachment and every other process and shall be inalienable.

SECTION 217. 59.07 (97) of the statutes is amended to read:

59.07 (97) CHILD AND SPOUSAL SUPPORT; PATERNITY PROGRAM; MEDICAL SUPPORT LIABILITY PROGRAM. The county board shall contract with the department of health and social services to implement and administer the child and spousal support and establishment of paternity and the medical support liability programs provided for by Title IV of the federal social security act. The board may designate by board resolution any office, officer, board, department or agency as the county designee. The board or its designee shall implement and administer the programs in accordance with the contract with the state department of health and social services. The attorneys responsible for support enforcement under s. 59.458 (1), family court commissioner, clerk of court and all other county officials shall cooperate with the county and the department as necessary to provide the services required under the programs. The county shall charge the fee established by the department under s. 46.25 for services provided under this subsection to persons not receiving benefits under s. 49.148, 49.153 or 49.155 or assistance under s. 46.261, 49.19 or 49.47.

SECTION 218. 60.23 (25) of the statutes is amended to read:

60.23 (25) SELF-INSURED HEALTH PLANS. Provide health care benefits to its officers and employes on a self-insured basis if the self-insured plan complies with ss. 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2, and (b) 2., 632.747 (3), 632.87 (4) and (5), 632.895 (9) and 632.896.

SECTION 219. 66.184 of the statutes is amended to read:

66.184 Self-insured health plans. If a city, including a 1st class city, or a village provides health care benefits under its home rule power, or if a town provides health care benefits, to its officers and employes on a self-insured basis, the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2, and (b) 2., 632.747 (3), 632.87 (4) and (5), 632.895 (9) and (10), 632.896, 767.25 (4m) (d) and 767.51 (3m) (d).

SECTION 219m. 71.07 (9e) (em) of the statutes is created to read:

71.07 (9e) (em) 1. If an employe completes a form prescribed by the department of revenue on which the employe estimates the amount of credit that is due to the employe under this subsection for the taxable year and submits the form to his or her employer and if the estimated credit for the taxable year is at least \$120, that employer may pay, for each pay period, a prorated portion of the estimated credit.

**Vetoed
In Part**

Vetoed In Part 2. An employer who pays employes under subd. 1. may reduce the amount owed under subch. X for the reporting period by the total of the payments made during the reporting period. If the total amount due under subch. X for any reporting period is less than the total amount paid under subd. 1. for the reporting period, the employer may subtract the difference from any contributions due under ch. 108 in accordance with s. 108.16 (11).

3. On his or her return for the taxable year for which an employe receives payments under subd. 1., the employe may claim a credit under this subsection only for the amount that was otherwise due under this subsection and not paid under subd. 1. and shall subtract from the refund or credit due or add to the liability under this chapter any amount received under subd. 1. that is not otherwise due under this subsection.

SECTION 220. 71.54 (2) (a) (intro.) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

71.54 (2) (a) (intro.) Property taxes accrued or rent constituting property taxes accrued shall be reduced by one-twelfth for each month or portion of a month for which the claimant received relief from any county under s. 59.07 (154) equal to or in excess of \$400, participated in Wisconsin works under s. 49.147 (4) or (5) or received assistance under s. 49.19, except assistance received:

SECTION 221. 102.07 (17) of the statutes is created to read:

102.07 (17) A participant in a trial job under s. 49.147 (3) is an employe of any employer under this chapter for whom the participant is performing service at the time of the injury.

SECTION 222. 102.07 (18) of the statutes is created to read:

102.07 (18) A participant in a community service job under s. 49.147 (4) or a transitional placement under s. 49.147 (5) is an employe of the Wisconsin works agency, as defined under s. 49.001 (9), for the purposes of this chapter, except to the extent that the person for whom the participant is performing work provides worker’s compensation coverage.

SECTION 223. 102.29 (8m) of the statutes is created to read:

102.29 (8m) No participant in a community service job under s. 49.147 (4) or a transitional placement under s. 49.147 (5) who, under s. 49.147 (4) (c) or (5) (c), is provided worker’s compensation coverage by a Wisconsin works agency, as defined under s. 49.001 (9), and who makes a claim for compensation under this chapter may make a claim or maintain an action in tort against the employer who provided the community service job or transitional placement from which the claim arose.

SECTION 224. 106.21 (1) (g) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

106.21 (1) (g) “Public assistance” means relief provided by counties under s. 59.07 (154), Wisconsin works under ss. 49.141 to 49.161, aid to families with dependent

children under s. 49.19, medical assistance under subch. IV of ch. 49, low-income energy assistance under s. 16.385, weatherization assistance under s. 16.39 and the food stamp program under 7 USC 2011 to 2029.

SECTION 225. 106.215 (1) (fm) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

106.215 (1) (fm) “Public assistance” means relief provided by counties under s. 59.07 (154), Wisconsin works under ss. 49.141 to 49.161, aid to families with dependent children under s. 49.19, medical assistance under subch. IV of ch. 49, low-income energy assistance under s. 16.385, weatherization assistance under s. 16.39 and the food stamp program under 7 USC 2011 to 2029.

SECTION 225b. 108.16 (2) (b) of the statutes is amended to read:

108.16 (2) (b) Each Except as provided in sub. (6) and s. 108.19, each employer’s account shall be credited with all its contributions paid into the fund and any amounts transferred by the department to the fund in lieu of such contributions under sub. (11), and shall be charged with all benefits duly paid from the fund to its employes based on their past employment by it, except as otherwise specified in this chapter.

SECTION 225d. 108.16 (6) (L) of the statutes is created to read:

108.16 (6) (L) Any moneys payable from the appropriation under s. 20.445 (1) (gg) in lieu of contributions under sub. (11).

SECTION 225f. 108.16 (11) of the statutes is created to read:

108.16 (11) If an employer that is subject to a contribution requirement is permitted under s. 71.07 (9e) (em) to pay, and elects to pay, an estimated earned income tax credit to its employes, the employer may, after first applying the employer’s payments to the total amounts owed by that employer under subch. X of ch. 71 for any quarter, reduce its contributions otherwise payable to the department under ss. 108.17 to 108.19 by the remaining total amount of credits paid by the employer to its employes for the same quarter, to the extent of the employer’s contribution liability for that quarter. The department shall promptly transfer an amount equal to any reduction lawfully claimed by an employer under this subsection from the appropriation under s. 20.445 (1) (gg) to the unemployment trust fund of the United States under sub. (5) (a), except that if the reduced contributions would otherwise be credited to the balancing account or administrative account, the department shall promptly transfer an amount equal to such reduced contributions from the appropriation under s. 20.445 (1) (gg) to the appropriate account.

SECTION 225h. 108.18 (1) (a) of the statutes is amended to read:

108.18 (1) (a) Each Except as authorized in s. 108.16 (11), each employer shall pay contributions to the fund for each calendar year at whatever rate on the employer’s

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Vetoed In Part payroll for that year duly applies to the employer pursuant to this section.

SECTION 225j. 108.19 (1) and (1m) of the statutes are amended to read:

108.19 (1) ~~Each~~ Except as authorized in s. 108.16 (11), each employer subject to this chapter shall regularly contribute to the administrative account at the rate of two-tenths of one per cent per year on its payroll, except that the department may prescribe at the close of any fiscal year such lower rates of contribution under this section, to apply to classes of employers throughout the ensuing fiscal year, as will in the department's judgment adequately finance the administration of this chapter, and as will in the department's judgment fairly represent the relative cost of the services rendered by the department to each such class.

(1m) ~~Each~~ Except as authorized in s. 108.16 (11), each employer subject to this chapter as of the date a rate is established under this subsection shall pay an assessment to the administrative account at a rate established by the department sufficient to pay interest due on advances from the federal unemployment account under title XII of the social security act (42 USC 1321 to 1324). The rate established by the department for employers who finance benefits under s. 108.15 (2) or 108.151 (2) shall be 75% of the rate established for other employers. The amount of any employer's assessment shall be the product of the rate established for that employer multiplied by the employer's payroll of the previous calendar year as taken from quarterly contribution reports filed by the employer or, in the absence of the filing of such reports, estimates made by the department. Each assessment made under this subsection is due on the 30th day commencing after the date on which notice of the assessment is mailed by the department. If the amounts collected under this subsection are in excess of the amounts needed to pay interest due, the amounts shall be retained in the administrative account and utilized for the purposes specified in s. 108.20 (2m).

SECTION 225L. 108.20 (2m) of the statutes is amended to read:

108.20 (2m) From the moneys not appropriated under s. 20.445 (1) (ge) and (gf) which are received by the administrative account as interest and penalties under this chapter, the department shall pay the benefits chargeable to the administrative account under s. 108.07 (5) ~~and~~, the interest payable to employers under s. 108.17 (3m) ~~and the cost of administration of s. 108.16 (11)~~ and may pay interest due on advances to the unemployment reserve fund from the federal unemployment account under title XII of the social security act, 42 USC 1321 to 1324, may make payments to satisfy a federal audit exception concerning a payment from the fund or any federal aid disallowance involving the unemployment compensation program, or may make payments to the fund if such action is necessary to obtain a lower interest rate or

deferral of interest payments on advances from the federal unemployment account under title XII of the social security act, except that any interest earned pending disbursement of federal employment security grants under s. 20.445 (1) (n) shall be credited to the general fund. Any moneys reverting to the administrative account from the appropriations under s. 20.445 (1) (ge) and (gf) shall be utilized as provided in this subsection.

SECTION 225n. 108.22 (1) (g) of the statutes is created to read:

108.22 (1) (g) If an employer lawfully reduces its contributions otherwise payable to the department under s. 108.16 (11), the amount of any reduction is considered to be timely paid by that employer if a report claiming that reduction is filed by the employer in a timely manner.

SECTION 226. 111.70 (1) (a) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

111.70 (1) (a) "Collective bargaining" means the performance of the mutual obligation of a municipal employer, through its officers and agents, and the representative of its municipal employees in a collective bargaining unit, to meet and confer at reasonable times, in good faith, with the intention of reaching an agreement, or to resolve questions arising under such an agreement, with respect to wages, hours and conditions of employment, and with respect to a requirement of the municipal employer for a municipal employee to perform law enforcement and fire fighting services under s. 61.66, except as provided in sub. (4) (m) and (n) and s. 40.81 (3) and except that a municipal employer shall not meet and confer with respect to any proposal to diminish or abridge the rights guaranteed to municipal employees under ch. 164. The duty to bargain, however, does not compel either party to agree to a proposal or require the making of a concession. Collective bargaining includes the reduction of any agreement reached to a written and signed document. The municipal employer shall not be required to bargain on subjects reserved to management and direction of the governmental unit except insofar as the manner of exercise of such functions affects the wages, hours and conditions of employment of the municipal employees in a collective bargaining unit. In creating this subchapter the legislature recognizes that the municipal employer must exercise its powers and responsibilities to act for the government and good order of the jurisdiction which it serves, its commercial benefit and the health, safety and welfare of the public to assure orderly operations and functions within its jurisdiction, subject to those rights secured to municipal employees by the constitutions of this state and of the United States and by this subchapter.

SECTION 227. 111.70 (4) (n) of the statutes is created to read:

111.70 (4) (n) *Health benefit plan requirements.* 1. Except as provided in subd. 2., the municipal employer is prohibited from bargaining collectively with respect to

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compliance with the health benefit plan requirements under ss. 632.745, 632.747 and 632.749.

2. If a municipal employer offers its employees a health care coverage plan through a program offered by the group insurance board under s. 40.51 (7), the municipal employer is prohibited from bargaining collectively with respect to compliance with the health benefit plan requirements under ss. 632.745 (1) to (3) and (5) and 632.747 with respect to the health care coverage plan.

SECTION 228. 111.91 (2) (k) of the statutes is created to read:

111.91 (2) (k) Compliance with the health benefit plan requirements under ss. 632.745 (1) to (3) and (5) and 632.747.

SECTION 229. 115.347 of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

115.347 (2) Whenever a school district that is located in whole or in part in a county that has converted to the client assistance for reemployment and economic support data system submits a report under sub. (1) in the prescribed format, the department of industry, labor and human relations shall determine which children enrolled in the school district are members of Wisconsin works groups participating under s. 49.147 (3) to (5) or of families receiving aid to families with dependent children or food stamps, or both, and shall provide the information to the school board as soon thereafter as possible. The school board shall use the information to directly certify children as eligible for free or reduced-price meals served by the school district under federal school nutrition programs, pursuant to [42 USC 1758](#) (b) (2) (C) (ii) and (iii).

SECTION 230. 115.40 (4) (b) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

115.40 (4) (b) The secretary and the secretary of health and social services shall review the applications and jointly determine the grant recipients and the amount of each grant. A grant may not be awarded to a school board, agency or organization unless the percentage of the participating school district's membership in the previous school year for whom aid to families with dependent children was being received under s. 49.19, or who were members of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who participated under s. 49.147 (3) to (5), was greater than 5%. In this paragraph, "membership" has the meaning given in s. 121.004 (5).

SECTION 231. 115.40 (4) (c) 1. of the statutes is amended to read:

115.40 (4) (c) 1. Programs that involve a school district that, in the previous school year, had a high proportion of pupils for whom aid to families with dependent children was being received under s. 49.19, a high proportion of pupils who were members of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who participated under s. 49.147 (3) to (5), a high pro-

portion of pupils who were children at risk, as defined under s. 118.153 (1) (a), or a high proportion of dropouts, as defined under s. 118.153 (1) (b).

SECTION 232. 115.45 (3m) (a) 2. of the statutes is amended to read:

115.45 (3m) (a) 2. "Low-income pupil" means a pupil for whom aid to families with dependent children is being received under s. 49.19 or a pupil who is a member of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who is participating in Wisconsin works under s. 49.147 (3) to (5).

SECTION 233. 119.82 (1) (a) 2. of the statutes is amended to read:

119.82 (1) (a) 2. Is receiving aid to families with dependent children under s. 49.19 or is a member of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who is participating in Wisconsin works under s. 49.147 (3) to (5).

SECTION 234. 120.13 (2) (g) of the statutes is amended to read:

120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2. and (b) 2., 632.747 (3), 632.87 (4) and (5), 632.895 (9) and (10), 632.896, 767.25 (4m) (d) and 767.51 (3m) (d).

SECTION 234m. 120.13 (14) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

120.13 (14) DAY CARE PROGRAMS. Establish and provide or contract for the provision of day care programs for children. The school board may receive federal or state funds for this purpose. The school board may charge a fee for all or part of the cost of the service for participation in a day care program established under this subsection. Costs associated with a day care program under this subsection may not be included in shared costs under s. 121.07 (6). Day care programs established under this subsection shall meet the standards for licensed day care centers established by the department of health and family services. If a school board proposes to contract for or renew a contract for the provision of a day care program under this subsection or if on the effective date of this subsection [revisor inserts date], a school board is a party to a contract for the provision of a day care program under this subsection, the school board shall refer the contractor or proposed contractor to the department of health and family services for the background investigations required under s. 48.65 (1m).

SECTION 235. 120.13 (27m) of the statutes is amended to read:

120.13 (27m) TRANSPORTATION OF INDIGENT PUPILS. Provide transportation to and from school for indigent pupils who reside in the school district and who are not required to be transported under s. 121.54. In this subsection, "indigent pupils" means pupils eligible for free lunches or reduced-price lunches under [42 USC 1758](#) or aid to 18-year-old students under s. 49.20 or for whom

aid to families with dependent children is being received under s. 49.19 or who are members of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who is participating in Wisconsin works under s. 49.147 (3) to (5) or any combination thereof, as determined by the school board. If a school board determines to provide transportation under this subsection, there shall be reasonable uniformity in the transportation furnished such pupils whether they attend public or private schools. The cost of transporting pupils under this subsection may not be included in the school district's shared cost under s. 121.07 (6) (a).

SECTION 236. 185.981 (4t) of the statutes is amended to read:

185.981 (4t) A sickness care plan operated by a cooperative association is subject to ss. 252.14, 631.89, 632.72 (2), 632.745, 632.747, 632.749, 632.87 (2m), (3), (4) and (5), 632.895 (10) and 632.897 (10) and ch. 155.

SECTION 237. 185.983 (1) (intro.) of the statutes is amended to read:

185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41, 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.89, 631.93, 632.72 (2), 632.745, 632.747, 632.749, 632.775, 632.79, 632.795, 632.87 (2m), (3), (4) and (5), 632.895 (5), (9) and (10), 632.896 and 632.897 (10), subch. II of ch. 619 and chs. 609, 630, 635, 645 and 646, but the sponsoring association shall:

SECTION 239. 227.01 (13) (zs) of the statutes is created to read:

227.01 (13) (zs) Establishes geographical areas under s. 49.143 for the administration of Wisconsin works under ss. 49.141 to 49.161.

SECTION 241. 230.04 (13) (a) and (e) 1. and 2. of the statutes are amended to read:

230.04 (13) (a) Establish standards for plans to increase state employment of recipients of aid under s. 49.19 or benefits under s. 49.147 (3) to (5) prepared by agencies under s. 230.147 (1). The standards shall state the time periods within which these plans shall be prepared.

(e) 1. A description of each agency's effort during that fiscal year to employ under s. 230.147 persons who received aid under s. 49.19 or benefits under s. 49.147 (3) to (5).

2. The number of persons receiving aid under s. 49.19 or benefits under s. 49.147 (3) to (5) who were employed by each agency under s. 230.147 during that fiscal year and the job title or classification of each position filled under s. 230.147.

SECTION 242. 230.147 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

230.147 (1) Each appointing authority of an agency with more than 100 authorized permanent full-time equivalent positions shall prepare and implement a plan

of action to employ persons who, at the time determined under sub. (4), receive aid under s. 49.19, or benefits under s. 49.147 (3) to (5), with the goal of making the ratio of those persons occupying permanent positions in the agency to the total number of persons occupying permanent positions in the agency equal to the ratio of the average case load receiving aid under s. 49.19, or benefits under s. 49.147 (3) to (5), in this state in the previous fiscal year to the average number of persons in the state civilian labor force in the preceding fiscal year, as determined by the department of industry, labor and human relations.

SECTION 243. 230.147 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

230.147 (2) Each appointing authority of an agency with 100 or fewer authorized permanent full-time equivalent positions is encouraged to employ persons who, at the time determined under sub. (4), receive aid under s. 49.19, or benefits under s. 49.147 (3) to (5), to attempt to make the ratio of those persons occupying permanent positions in the agency to the total number of persons occupying permanent positions in the agency equal to the ratio of the average case load receiving aid under s. 49.19, or benefits under s. 49.147 (3) to (5) in this state in the previous fiscal year to the average number of persons in the state civilian labor force in the preceding fiscal year, as determined by the department of industry, labor and human relations.

SECTION 244. 230.147 (3) of the statutes is amended to read:

230.147 (3) Notwithstanding subs. (1) and (2), the state fair park board shall make every reasonable effort to employ in permanent full-time equivalent positions persons who, at the time determined under sub. (4), receive aid under s. 49.19 or benefits under s. 49.147 (3) to (5). The state fair park board shall consult with the department of employment relations to assure that its efforts under this subsection comply with ch. 230.

SECTION 245. 560.14 (1) (a) (intro.) and 1. of the statutes are consolidated, renumbered 560.14 (1) (a) and amended to read:

560.14 (1) (a) "Applicable median household income" means the ~~greater of the following:~~ 1. The median family income for the county where the household is located, as determined annually by the U.S. department of housing and urban development.

SECTION 246. 560.14 (1) (a) 2. of the statutes is repealed.

SECTION 247. 600.01 (2) (b) of the statutes is amended to read:

600.01 (2) (b) Group or blanket insurance described in sub. (1) (b) 3. and 4. is not exempt from s. 632.745, 632.747 or 632.749 or ch. 633 or 635.

SECTION 248. 628.34 (3) (a) of the statutes is amended to read:

628.34 (3) (a) No insurer may unfairly discriminate among policyholders by charging different premiums or

by offering different terms of coverage except on the basis of classifications related to the nature and the degree of the risk covered or the expenses involved, subject to s. ss. 632.365 and 632.745. Rates are not unfairly discriminatory if they are averaged broadly among persons insured under a group, blanket or franchise policy, and terms are not unfairly discriminatory merely because they are more favorable than in a similar individual policy.

SECTION 249. 628.34 (3) (b) of the statutes is amended to read:

628.34 (3) (b) No insurer may refuse to insure or refuse to continue to insure, or limit the amount, extent or kind of coverage available to an individual, or charge an individual a different rate for the same coverage because of a mental or physical disability except when the refusal, limitation or rate differential is based on either sound actuarial principles supported by reliable data or actual or reasonably anticipated experience, subject to ss. 632.745, 632.747, 632.749, 635.09 and 635.26.

SECTION 250. 632.745 of the statutes is created to read:

632.745 Coverage requirements for group health benefit plans. (1) GROUP HEALTH INSURANCE MARKET REFORM; DEFINITIONS. In this section and ss. 632.747 and 632.749:

(a) 1. Except as provided in subd. 2., “eligible employe” means an employe who works on a permanent basis and has a normal work week of 30 or more hours. The term includes a sole proprietor, a business owner, including the owner of a farm business, a partner of a partnership and a member of a limited liability company if the sole proprietor, business owner, partner or member is included as an employe under a health benefit plan of an employer, but the term does not include an employe who works on a temporary or substitute basis.

2. For purposes of a group health benefit plan, or a self-insured health plan, that is offered by the state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7), “eligible employe” has the meaning given in s. 40.02 (25).

(b) “Employer” means any of the following:

1. An individual, firm, corporation, partnership, limited liability company or association that is actively engaged in a business enterprise in this state, including a farm business.

2. A municipality, as defined in s. 16.70 (8).

3. The state.

(c) “Group health benefit plan” means a health benefit plan that is issued by an insurer to an employer on behalf of a group consisting of eligible employes of the employer. The term includes individual health benefit plans covering eligible employes when 3 or more are sold to an employer.

(d) “Health benefit plan” means any hospital or medical policy or certificate. “Health benefit plan” does not

include accident-only, credit accident or health, dental, vision, medicare supplement, medicare replacement, long-term care, disability income or short-term insurance, coverage issued as a supplement to liability insurance, worker’s compensation or similar insurance, automobile medical payment insurance, individual conversion policies, specified disease policies, hospital indemnity policies, as defined in s. 632.895 (1) (c), policies or certificates issued under the health insurance risk-sharing plan or an alternative plan under subch. II of ch. 619 or other insurance exempted by rule of the commissioner.

(e) “Insurer” means an insurer that is authorized to do business in this state, in one or more lines of insurance that includes health insurance, and that offers group health benefit plans covering eligible employes of one or more employers in this state. The term includes a health maintenance organization, as defined in s. 609.01 (2), a preferred provider plan, as defined in s. 609.01 (4), an insurer operating as a cooperative association organized under ss. 185.981 to 185.985 and a limited service health organization, as defined in s. 609.01 (3).

(f) 1. “Qualifying coverage” means benefits or coverage provided under any of the following:

a. Medicare, medicaid or the Wisconsin works healthplan.

b. A group health benefit plan or an employer-based health benefit arrangement that provides benefits similar to or exceeding benefits provided under a basic health benefit plan under subch. II of ch. 635.

c. An individual health benefit plan that provides benefits similar to or exceeding benefits provided under a basic health benefit plan under subch. II of ch. 635, if the individual health benefit plan has been in effect for at least one year.

2. Notwithstanding subd. 1. b. and c., “qualifying coverage” does not include a high cost-share health benefit plan that is linked to a tax-preferred savings plan for payment of medical expenses if the employer that provides the individual’s new coverage offers its eligible employes a choice of health benefit plan options that includes a high cost-share health benefit plan that may be linked to a tax-preferred savings plan for payment of medical expenses and the individual’s new coverage is not such a high cost-share health benefit plan.

(g) “Self-insured health plan” means a self-insured health plan of the state or a county, city, village, town or school district.

(2) PREEXISTING CONDITIONS. (a) A group health benefit plan, or a self-insured health plan, may not deny, exclude or limit benefits for a covered individual for losses incurred more than 12 months after the effective date of the individual’s coverage due to a preexisting condition.

(b) Except as provided in par. (c), a group health benefit plan, or a self-insured health plan, may not define

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a preexisting condition more restrictively than any of the following:

1. A condition that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care or treatment during the 6 months immediately preceding the effective date of coverage and for which the individual did not seek medical advice, diagnosis, care or treatment.

2. A condition for which medical advice, diagnosis, care or treatment was recommended or received during the 6 months immediately preceding the effective date of coverage.

(c) Notwithstanding par. (b) 1. and 2., a group health benefit plan, or a self-insured health plan, shall exclude pregnancy from the definition of a preexisting condition for the purpose of coverage of expenses related to prenatal and postnatal care, delivery and any complications of pregnancy.

(3) PORTABILITY. (a) A group health benefit plan, or a self-insured health plan, shall waive any period applicable to a preexisting condition exclusion or limitation period with respect to particular services for the period that an individual was previously covered by qualifying coverage that was not sponsored by the employer sponsoring the group health benefit plan or the self-insured health plan and that provided benefits with respect to such services, if the qualifying coverage terminated not more than 60 days before the effective date of the new coverage.

(b) Paragraph (a) does not prohibit the application of a waiting period to all new enrollees under a group health benefit plan or a self-insured health plan; however, a waiting period may not be applied when determining whether the qualifying coverage terminated not more than 60 days before the effective date of the new coverage.

Vetoed In Part (c) If the federal government enacts legislation providing for a federal income tax exemption for amounts deposited in a savings plan for payment of medical expenses that is linked to a high cost-share health benefit plan, and for any interest, dividends or other gain that accrues in the savings plan if redeposited in the savings plan, 6 years after the enactment of the federal legislation the commissioner shall conduct a study of individuals and groups that had coverage under a high cost-share health benefit plan linked to a tax-preferred savings plan for payment of medical expenses and that terminated that coverage in order to enroll in a health benefit plan that was not such a high cost-share health plan. If as a result of the study the commissioner determines that s. 632.745 (1) (f) 2. is not necessary for the purpose for which it was intended, the commissioner shall certify that determination to the revisor of statutes. Upon the certification, the revisor of statutes shall publish notice in the Wisconsin administrative register of the determination, the date of the certification and that after 30 days after the date of the certification s. 632.745 (1) (f) 2. is not effective.

(4) MINIMUM PARTICIPATION OF EMPLOYEES. (a) Except as provided in par. (d), requirements used by an insurer in determining whether to provide coverage under a group health benefit plan to an employer, including requirements for minimum participation of eligible employees and minimum employer contributions, shall be applied uniformly among all employers that apply for or receive coverage from the insurer.

(b) An insurer may vary its minimum participation requirements and minimum employer contribution requirements only by the size of the employer group based on the number of eligible employees.

(c) In applying minimum participation requirements with respect to an employer, an insurer may not count eligible employees who have other coverage that is qualifying coverage in determining whether the applicable percentage of participation is met, except that an insurer may count eligible employees who have coverage under another health benefit plan that is sponsored by that employer and that is qualifying coverage.

(d) An insurer may not increase a requirement for minimum employee participation or a requirement for minimum employer contribution that applies to an employer after the employer has been accepted for coverage.

(e) This subsection does not apply to a group health benefit plan offered by the state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7).

(5) PROHIBITED COVERAGE PRACTICES. (a) 1. Except as provided in rules promulgated under subd. 3., if an insurer offers a group health benefit plan to an employer, the insurer shall offer coverage to all of the eligible employees of the employer and their dependents. Except as provided in rules promulgated under subd. 3., an insurer may not offer coverage to only certain individuals in an employer group or to only part of the group, except for an eligible employee who has not yet satisfied an applicable waiting period, if any.

2. Except as provided in rules promulgated under subd. 3., if the state or a county, city, village, town or school district offers coverage under a self-insured health plan, it shall offer coverage to all of its eligible employees and their dependents. Except as provided in rules promulgated under subd. 3., the state or a county, city, village, town or school district may not offer coverage to only certain individuals in the employer group or to only part of the group, except for an eligible employee who has not yet satisfied an applicable waiting period, if any.

3. The secretary of employee trust funds, with the approval of the group insurance board, shall promulgate rules related to offering coverage to eligible employees under a group health benefit plan, or a self-insured health plan, offered by the state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7). The rules shall conform to the intent of subds. 1. and 2. and may not allow the state or the group insurance board to refuse to

offer coverage to an eligible employe or dependent for reasons related to health condition.

(b) 1. An insurer may not modify a group health benefit plan with respect to an employer or an eligible employe or dependent, through riders, endorsements or otherwise, to restrict or exclude coverage for certain diseases or medical conditions otherwise covered by the group health benefit plan.

2. The state or a county, city, village, town or school district may not modify a self-insured health plan with respect to an eligible employe or dependent, through riders, endorsements or otherwise, to restrict or exclude coverage for certain diseases or medical conditions otherwise covered by the self-insured health plan.

3. Nothing in this paragraph limits the authority of the group insurance board to fulfill its obligations as trustee under s. 40.03 (6) (d) or to design or modify procedures or provisions pertaining to enrollment, premium transmitted or coverage of eligible employes for health care benefits under s. 40.51 (1).

Vetoed In Part SECTION 250m. 632.745 (1) (f) 2. of the statutes, as created by 1995 Wisconsin Act ... (this act), is repealed.

SECTION 251. 632.747 of the statutes is created to read:

632.747 Guaranteed acceptance. (1) EMPLOYE BECOMES ELIGIBLE AFTER COMMENCEMENT OF COVERAGE. If an insurer provides coverage under a group health benefit plan, the insurer shall provide coverage under the group health benefit plan to an eligible employe who becomes eligible for coverage after the commencement of the employer's coverage, and to the eligible employe's dependents, regardless of health condition or claims experience, if all of the following apply:

- (a) The employe has satisfied any applicable waiting period.
- (b) The employer agrees to pay the premium required for coverage of the employe under the group health benefit plan.

(2) EMPLOYE WAIVED COVERAGE PREVIOUSLY. If an insurer provides coverage under a group health benefit plan, the insurer shall provide coverage under the group health benefit plan to an eligible employe who waived coverage during an enrollment period during which the employe was entitled to enroll in the group health benefit plan, regardless of health condition or claims experience, if all of the following apply:

- (a) The eligible employe was covered as a dependent under qualifying coverage when he or she waived coverage under the group health benefit plan.
- (b) The eligible employe's coverage under the qualifying coverage has terminated or will terminate due to a divorce from the insured under the qualifying coverage, the death of the insured under the qualifying coverage, loss of employment by the insured under the qualifying coverage or involuntary loss of coverage under the quali-

fy coverage by the insured under the qualifying coverage.

(c) The eligible employe applies for coverage under the group health benefit plan not more than 30 days after termination of his or her coverage under the qualifying coverage.

(d) The employer agrees to pay the premium required for coverage of the employe under the group health benefit plan.

(3) STATE OR MUNICIPAL SELF-INSURED PLANS. If the state or a county, city, village, town or school district provides coverage under a self-insured health plan, it shall provide coverage under the self-insured health plan to an eligible employe who waived coverage during an enrollment period during which the employe was entitled to enroll in the self-insured health plan, regardless of health condition or claims experience, if all of the following apply:

(a) The eligible employe was covered as a dependent under qualifying coverage when he or she waived coverage under the self-insured health plan.

(b) The eligible employe's coverage under the qualifying coverage has terminated or will terminate due to a divorce from the insured under the qualifying coverage, the death of the insured under the qualifying coverage, loss of employment by the insured under the qualifying coverage or involuntary loss of coverage under the qualifying coverage by the insured under the qualifying coverage.

(c) The eligible employe applies for coverage under the self-insured health plan not more than 30 days after termination of his or her coverage under the qualifying coverage.

SECTION 252. 632.749 of the statutes is created to read:

632.749 Contract termination and renewability.

(1) MIDTERM CANCELLATION. Notwithstanding s. 631.36 (2) to (4m), a group health benefit plan may not be canceled by an insurer before the expiration of the agreed term, and shall be renewable to the policyholder and all insureds and dependents eligible under the terms of the group health benefit plan at the expiration of the agreed term at the option of the policyholder, except for any of the following reasons:

- (a) Failure to pay a premium when due.
- (b) Fraud or misrepresentation by the policyholder, or, with respect to coverage for an insured individual, fraud or misrepresentation by that insured individual.
- (c) Substantial breaches of contractual duties, conditions or warranties.
- (d) The number of individuals covered under the group health benefit plan is less than the number required by the group health benefit plan.

(e) The employer to which the group health benefit plan is issued is no longer actively engaged in a business enterprise.

(2) NONRENEWAL. Notwithstanding sub. (1), an insurer may elect not to renew a group health benefit plan if the insurer complies with all of the following:

(a) The insurer ceases to renew all other group health benefit plans issued by the insurer.

(b) The insurer provides notice to all affected policyholders and to the commissioner in each state in which an affected insured individual resides at least one year before termination of coverage.

(c) The insurer does not issue a group health benefit plan before 5 years after the nonrenewal of the group health benefit plans.

(d) The insurer does not transfer or otherwise provide coverage to a policyholder from the nonrenewed business unless the insurer offers to transfer or provide coverage to all affected policyholders from the nonrenewed business without regard to claims experience, health condition or duration of coverage.

(3) INSURER IN LIQUIDATION. This section does not apply to a group health benefit plan if the insurer that issued the group health benefit plan is in liquidation.

(4) APPLICABILITY TO CERTAIN GOVERNMENT PLANS. This section does not apply to a group health benefit plan offered by the state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7).

SECTION 253. 632.76 (2) (a) of the statutes is amended to read:

632.76 (2) (a) No claim for loss incurred or disability commencing after 2 years from the date of issue of the policy may be reduced or denied on the ground that a disease or physical condition existed prior to the effective date of coverage, unless the condition was excluded from coverage by name or specific description by a provision effective on the date of loss. This paragraph does not apply to a group health benefit plan, as defined in s. 632.745 (1) (c), which is subject to s. 632.745 (2).

SECTION 254. 632.896 (4) of the statutes is amended to read:

632.896 (4) PREEXISTING CONDITIONS. Notwithstanding s. ss. 632.745 (2) and 632.76 (2) (a), a disability insurance policy that is subject to sub. (2) and that is in effect when a court makes a final order granting adoption or when the child is placed for adoption may not exclude or limit coverage of a disease or physical condition of the child on the ground that the disease or physical condition existed before coverage is required to begin under sub. (3).

SECTION 255. 635.02 (5m) of the statutes is repealed.

SECTION 256. 635.07 of the statutes is repealed.

SECTION 257. 635.17 of the statutes is repealed.

SECTION 258. 635.26 (1) (a) of the statutes is renumbered 635.26 (1).

SECTION 259. 635.26 (1) (b) of the statutes is repealed.

SECTION 260. 767.045 (1) (c) 1. of the statutes is amended to read:

767.045 (1) (c) 1. Aid is provided under s. 46.261, 48.57 (3m), 49.19 or 49.45 on behalf of the child, or benefits are provided to the child's custodial parent under ss. 49.141 to 49.161, but the state and its delegate under s. 46.25 (7) are barred by a statute of limitations from commencing an action under s. 767.45 on behalf of the child.

SECTION 261. 767.075 (1) (c) of the statutes is amended to read:

767.075 (1) (c) Whenever aid under s. 46.261, 48.57 (3m), 49.19 or 49.45 is provided to on behalf of a dependent child or benefits are provided to the child's custodial parent under ss. 49.141 to 49.161.

SECTION 262m. 767.075 (1) (cm) of the statutes is created to read:

767.075 (1) (cm) Whenever aid under s. 46.261, 48.57 (3m), 49.19 or 49.45 has, in the past, been provided on behalf of a dependent child, or benefits have, in the past, been provided to the child's custodial parent under ss. 49.141 to 49.161, and the child's family is eligible for continuing child support services under 45 CFR 302.33.

SECTION 263. 767.077 (intro.) of the statutes is amended to read:

767.077 Support for dependent child. (intro.) The state or its delegate under s. 46.25 (7) shall bring an action for support of a minor child under s. 767.02 (1) (f) or, if appropriate, for paternity determination and child support under s. 767.45 whenever the child's right to support is assigned to the state under s. 46.261, 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b. if all of the following apply:

SECTION 264. 767.078 (1) (a) 2. of the statutes is amended to read:

767.078 (1) (a) 2. The child's right to support is assigned to the state under s. 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b.

SECTION 265. 767.15 (1) of the statutes is amended to read:

767.15 (1) In any action affecting the family in which either party is a recipient of benefits under ss. 49.141 to 49.161 or aid under s. 46.261, 49.19 or 49.45, each party shall, either within 20 days after making service on the opposite party of any motion or pleading requesting the court or family court commissioner to order, or to modify a previous order, relating to child support, maintenance or family support, or before filing the motion or pleading in court, serve a copy of the motion or pleading upon the child support program designee under s. 59.07 (97) of the county in which the action is begun.

SECTION 266. 767.24 (6) (c) of the statutes is amended to read:

767.24 (6) (c) In making an order of joint legal custody and periods of physical placement, the court may

specify one parent as the primary caretaker of the child and one home as the primary home of the child, for the purpose of determining eligibility for aid under s. 49.19 or benefits under ss. 49.141 to 49.161 or for any other purpose the court considers appropriate.

SECTION 267. 767.29 (1m) (c) of the statutes is amended to read:

767.29 (1m) (c) The party entitled to the support or maintenance money has applied for or is receiving aid to families with dependent children and there is an assignment to the state under s. 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b. of the party's right to the support or maintenance money.

SECTION 268. 767.29 (2) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

767.29 (2) If any party entitled to maintenance payments or support money, or both, is receiving public assistance under ch. 49, the party may assign the party's right thereto to the county department under s. 46.215, 46.22 or 46.23 granting such assistance. Such assignment shall be approved by order of the court granting the maintenance payments or support money, and may be terminated in like manner; except that it shall not be terminated in cases where there is any delinquency in the amount of maintenance payments and support money previously ordered or adjudged to be paid to the assignee without the written consent of the assignee or upon notice to the assignee and hearing. When an assignment of maintenance payments or support money, or both, has been approved by the order, the assignee shall be deemed a real party in interest within s. 803.01 but solely for the purpose of securing payment of unpaid maintenance payments or support money adjudged or ordered to be paid, by participating in proceedings to secure the payment thereof. Notwithstanding assignment under this subsection, and without further order of the court, the clerk of court, upon receiving notice that a party or a minor child of the parties is receiving aid under s. 49.19, shall forward all support assigned under s. 48.57 (3m) (b) 2. 49.19 (4) (h) 1. or 49.45 (19) to the department of industry, labor and human relations.

SECTION 269. 767.29 (4) of the statutes is amended to read:

767.29 (4) If an order or judgment providing for the support of one or more children not receiving aid under s. 48.57 (3m) or 49.19 includes support for a minor who is the beneficiary of aid under s. 48.57 (3m) or 49.19, any support payment made under the order or judgment is assigned to the state under s. 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b. in the amount that is the proportionate share of the minor receiving aid under s. 48.57 (3m) or 49.19, except as otherwise ordered by the court on the motion of a party.

SECTION 270. 767.32 (1) (a) of the statutes, as affected by [1995 Wisconsin Act 77](#), is amended to read:

767.32 (1) (a) After a judgment or order providing for child support under this chapter or s. 48.355 (2) (b) 4., 48.357 (5m), 48.363 (2), 938.183 (2), 938.355 (2) (b) 4., 938.357 (5m), 938.363 (2) or 948.22 (7), maintenance payments under s. 767.26 or family support payments under this chapter, or for the appointment of trustees under s. 767.31, the court may, from time to time, on the petition, motion or order to show cause of either of the parties, or upon the petition, motion or order to show cause of the department of health and family services, a county department under s. 46.215, 46.22 or 46.23 or a child support program designee under s. 59.07 (97) if an assignment has been made under s. 46.261, 48.57 (3m) (b) 2., 49.153 (3), 49.19 (4) (h) or 49.45 (19) or if either party or their minor children receive aid under s. 48.57 (3m) or ch. 49, and upon notice to the family court commissioner, revise and alter such judgment or order respecting the amount of such maintenance or child support and the payment thereof, and also respecting the appropriation and payment of the principal and income of the property so held in trust, and may make any judgment or order respecting any of the matters that such court might have made in the original action, except that a judgment or order that waives maintenance payments for either party shall not thereafter be revised or altered in that respect nor shall the provisions of a judgment or order with respect to final division of property be subject to revision or modification. A revision, under this section, of a judgment or order with respect to an amount of child or family support may be made only upon a finding of a substantial change in circumstances. In any action under this section to revise a judgment or order with respect to maintenance payments, a substantial change in the cost of living by either party or as measured by the federal bureau of labor statistics may be sufficient to justify a revision of judgment or order with respect to the amount of maintenance, except that a change in an obligor's cost of living is not in itself sufficient if payments are expressed as a percentage of income.

SECTION 271. 767.32 (1) (b) 1. of the statutes is amended to read:

767.32 (1) (b) 1. Commencement of receipt of aid to families with dependent children under s. 49.19 or participation in Wisconsin works under ss. 49.141 to 49.161 by either parent since the entry of the last child support order, including a revision of a child support order under this section.

SECTION 272. 767.47 (6) (a) and (b) of the statutes are amended to read:

767.47 (6) (a) Whenever the state brings the action to determine paternity pursuant to an assignment under s. 46.261, 48.57 (3m) (b) 2., 49.153 (3) (a), 49.19 (4) (h) 1. or 49.45 (19), or receipt of benefits under s. 49.148, 49.155, 49.157 or 49.159, the natural mother of the child may not be compelled to testify about the paternity of the

child if it has been determined that the mother has good cause for refusing to cooperate in establishing paternity as provided in [42 USC 602 \(a\) \(26\) \(B\)](#) and the federal regulations promulgated pursuant to this statute, as of July 1, 1981, and pursuant to any rules promulgated by the department of health and social services which define good cause in accordance with the federal regulations, as authorized by [42 USC 602 \(a\) \(26\) \(B\)](#) in effect on July 1, 1981.

(b) Nothing in par. (a) prevents the state from bringing an action to determine paternity pursuant to an assignment under s. [48.57 \(3m\) \(b\) 2.](#), [49.153 \(3\) \(a\)](#), [49.19 \(4\) \(h\) 1.](#) or [49.45 \(19\)](#), or receipt of benefits under s. [49.148](#), [49.155](#), [49.157](#) or [49.159](#), where evidence other than the testimony of the mother may establish the paternity of the child.

SECTION 272m. 799.40 (4) of the statutes is amended to read:

799.40 (4) **STAY OF PROCEEDING.** The court shall stay the proceedings in a civil action of eviction if the tenant applies for emergency assistance under s. [49.19 \(11\) \(b\)](#) [49.138](#). The tenant shall inform the court of the outcome of the determination of eligibility for emergency assistance. The stay remains in effect until the tenant's eligibility for emergency assistance is determined and, if the tenant is determined to be eligible, until the tenant receives the emergency assistance.

SECTION 273. 814.61 (13) of the statutes, as affected by [1995 Wisconsin Act 27](#), is amended to read:

814.61 (13) **SUPPORT OR MAINTENANCE PETITION.** For the cost of court services, whenever a person not receiving benefits under s. [49.148](#), [49.153](#) or [49.155](#) or aid under s. [49.19](#), [49.46](#), [49.465](#), [49.468](#) or [49.47](#) files a petition requesting child support, maintenance or family support payments, \$10 in addition to any other fee required under this section. This subsection does not apply to a petition filed by the state or its delegate.

SECTION 274. 948.22 (4) (b) of the statutes is amended to read:

948.22 (4) (b) For a person not subject to a court order requiring child, grandchild or spousal support payments, when the person knows or reasonably should have known that he or she has a dependent, failure to provide support equal to at least the amount ~~set forth~~ established by rule by the department of health and family services under s. [49.19 \(11\) \(a\)](#) [46.25 \(9\) \(a\)](#) or causing a spouse, grandchild or child to become a dependent person, or continue to be a dependent person, as defined in s. [49.01 \(2\)](#).

SECTION 275. Nonstatutory provisions; industry, labor and job development.

(1t) **ALTERNATIVE NAME FOR THE DEPARTMENT.** Notwithstanding section 15.22 of the statutes, during the period beginning on July 1, 1996, and ending on the day after publication of the 1997–99 biennial budget act, the department of industry, labor and job development may

use the name “department of workforce development” for any official purpose.

(2) **RULES RELATING TO PUBLIC ASSISTANCE.** Using the procedure under section 227.24 of the statutes, the department of health and social services shall promulgate rules required under chapters 46, 48 and 49 of the statutes, as affected by the acts of 1995, before July 1, 1996, for the period before permanent rules take effect, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department of health and social services need not provide evidence of the necessity of preservation of the public peace, health, safety or welfare in promulgating rules under this subsection.

(3) **RULES ON QUALIFICATION CRITERIA FOR THE ADMINISTRATION OF WISCONSIN WORKS.** Using the procedure under section 227.24 of the statutes, the department of industry, labor and job development shall promulgate rules required under sections [49.143](#) to [49.157](#) of the statutes, as created by this act, for the period before permanent rules take effect, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department need not provide evidence of the necessity of preservation of the public peace, health, safety or welfare in promulgating rules under this subsection.

(4) **RULES FOR THE ADMINISTRATION OF THE WISCONSIN WORKS HEALTH PLAN.** Using the procedure under section 227.24 of the statutes, the department of health and family services shall promulgate rules required under section [49.153](#) of the statutes, as created by this act, for the period before permanent rules take effect, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department of health and family services need not provide evidence of the necessity of preservation of the public peace, health, safety or welfare in promulgating rules under this subsection.

(4m) **TRANSPORTATION TO EMPLOYMENT OPPORTUNITIES.**

(a) The department of industry, labor and job development shall identify significant local and regional employment opportunities and shall identify the residential locations of current and potential Wisconsin works participants. Local governmental bodies shall assist the department of industry, labor and job development in identifying the employment opportunities and residential locations.

(b) **Not later than September 30, 1996**, the department of industry, labor and job development shall submit a report to the joint committee on finance that recommends options that Wisconsin works agencies could take

**Vetoed
In Part**

**Vetoed
In Part**

to facilitate the transportation of Wisconsin works participants to the employment opportunities identified under paragraph (a). **Vetoed In Part** **The report may not recommend options that would have an adverse impact on existing public transportation systems.** The department of transportation shall assist the department of industry, labor and job development in developing options to be included in the report.

(6) **KINSHIP CARE ASSESSMENTS AND BACKGROUND INVESTIGATIONS.** Beginning on July 1, 1996, each county department of human services or social services under sections 46.215, 46.22 and 46.23 of the statutes, when conducting its regularly scheduled reinvestigation under section 49.19 (5) (e) of the statutes of each nonlegally responsible relative who is providing care for a dependent child, as defined in section 49.19 (1) (a) of the statutes, under a program administered by that county department, shall assess and conduct a background investigation of the relative to determine if the relative is eligible to receive kinship care payments under section 48.57 (3m) (am) of the statutes, as created by this act. Immediately after conducting the assessment and background investigation, each county department of human services or social services under section 46.215, 46.22 and 46.23 of the statutes shall end income maintenance payments under section 49.33 of the statutes to the nonlegally responsible relative and, if the relative is determined to be eligible to receive kinship care payments under section 48.57 (3m) (am) of the statutes, as created by this act, the department of industry, labor and job development shall begin making those kinship care payments or, if the relative is determined eligible to receive foster care payments under section 48.62 (4) of the statutes, the county department shall begin making those foster care payments. Each county department of human services or social services under sections 46.215, 46.22 and 46.23 shall complete all of the assessments and background investigations required under this subsection and shall end all income maintenance payments under section 49.33 of the statutes to those relatives by July 1, 1997.

(7) **FUNDING FOR EMPLOYMENT SKILLS ADVANCEMENT PROGRAM.** Notwithstanding section 16.42 (1) (e) of the statutes, in submitting information under section 16.42 of the statutes for the purposes of the 1997–98 biennial budget bill, the department of industry, labor and job development shall submit information concerning the appropriation under section 20.445 (3) (em) of the statutes, as created by this act, as though the amount of that appropriation in fiscal year 1996–97 had been \$1,000,000.

SECTION 277m. Appropriation changes; joint committee on finance.

(1) **WISCONSIN WORKS.** In the schedule under section 20.005 (3) of the statutes for the appropriation to the joint committee on finance under section 20.865 (4) (a) of the statutes, as affected by the acts of 1995, the dollar amount is increased by \$13,000,000 for fiscal year 1996–97 to

fund the job opportunities and basic skills program, low-income and at-risk child care and initial administrative costs and benefit payments under the Wisconsin works program.

SECTION 278. Initial applicability.

(2t) **GROUP HEALTH INSURANCE MARKET REFORM.** The treatment of sections 40.51 (8) and (8m), 60.23 (25), 66.184, 111.70 (1) (a) and (4) (n), 111.91 (2) (k), 120.13 (2) (g), 185.981 (4t), 185.983 (1) (intro.), 600.01 (2) (b), 628.34 (3) (a) and (b), 632.747, 632.749, 632.76 (2) (a), 632.896 (4), 635.02 (5m), 635.07, 635.17 and 635.26 (1) (a) and (b) of the statutes and the creation of section 632.745 of the statutes first apply to all of the following:

(a) Except as provided in paragraphs (b) and (c), group health benefit plans that are issued or renewed, and self-insured health plans that are established, extended, modified or renewed, on the effective date of this paragraph.

(b) Group health benefit plans covering employees who are affected by a collective bargaining agreement containing provisions inconsistent with this act that are issued or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.
2. The day on which the collective bargaining agreement is extended, modified or renewed.

(c) Self-insured health plans covering employees who are affected by a collective bargaining agreement containing provisions inconsistent with this act that are established, extended, modified or renewed on the earlier of the following:

1. The day on which the collective bargaining agreement expires.
2. The day on which the collective bargaining agreement is extended, modified or renewed.

(3g) **EARNED INCOME TAX CREDIT; TAX LIABILITY.** **Vetoed In Part** The treatment of section 71.07 (9e) (em) of the statutes first applies to taxable years beginning on January 1, 1997.

(3h) **EARNED INCOME TAX CREDIT; CONTRIBUTION LIABILITY.** The treatment of sections 20.445 (1) (gd) and (gg), 108.16 (2) (b), (6) (L) and (11), 108.18 (1) (a), 108.19 (1) and (1m), 108.20 (2m) and 108.22 (1) (g) of the statutes first applies with respect to contributions payable after December 31, 1996.

SECTION 279. Effective dates. This act takes effect on July 1, 1996, or on the day after publication, whichever is later, except as follows:

(1) **PUBLIC ASSISTANCE AND LOCAL AID.** The treatment of sections 20.435 (4) (d), 46.98 (1) (at) and (b), (2) (a), (3) (c), (4) (a) 2., (am), (bm), (bt), (bu) and (d) and (4g) (b), 49.141 (2), 49.143 (1), 49.19 (4e) (a) and (c), 49.193 (2) (a) and (am), (4) (g), (j) 4., and (k) 1m., (4m), (6) (c) and (e), (7) and (9m) (a) and (ag), 49.27 (5) (e) 2., 49.50 (6e) (a) and (b), (6g), (6k) (a) and (b) and (7) (e), 49.52 (1) (d) and 560.14 (1) (a) (intro.), 1. and 2. of the statutes, the renumbering and amendment of sections

Vetoed In Part

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46.98 (4) (b), 48.651 and 49.19 (20) of the statutes, the amendment of section 49.193 (8) (bm) of the statutes, the creation of sections 16.75 (6) (bm), 20.445 (3) (dy), (dz) and (my), 46.98 (1) (bd), (bf) and (cm) and (4) (b) 1., 2. and 3., (dg) and (dm), 48.651 (1) (a) and (b) and (2) and 49.19 (20) (b) of the statutes and SECTIONS 275 (2) and (6), 277m and 278 of this act take effect on the day after publication.

(2t) GROUP HEALTH INSURANCE MARKET REFORM. The treatment of sections 40.51 (8) and (8m), 60.23 (25), 66.184, 111.70 (1) (a) and (4) (n), 111.91 (2) (k), 120.13 (2) (g), 185.981 (4t), 185.983 (1) (intro.), 600.01 (2) (b), 628.34 (3) (a) and (b), 632.747, 632.749, 632.76 (2) (a), 632.896 (4), 635.02 (5m), 635.07, 635.17 and 635.26 (1) (a) and (b) of the statutes and the creation of section

632.745 of the statutes take effect on the first day of the 12th month beginning after publication.

(3) QUALIFYING COVERAGE DEFINITION. The repeal of section 632.745 (1) (f) 2. of the statutes takes effect on the 31st day after the day on which the commissioner of insurance certifies to the revisor of statutes under section 632.745 (3) (c) of the statutes, as created by this act, that section 632.745 (1) (f) 2. of the statutes, as created by this act, is not necessary for the purpose for which it was intended.

(3g) KINSHIP CARE. The repeal and recreation of section 48.57 (3m) (a), (am) (intro.), (d) and (e) of the statutes and the amendment of section 48.57 (3p) (g) (intro.) of the statutes take effect on July 1, 1997.

**Vetoed
In Part**