

2003 DRAFTING REQUEST

Bill

Received: **09/23/2002**

Received By: **pkahler**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-8219**

By/Representing: **Fath**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Public Assistance - Wis works**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Fath - BB0298,

Topic:

Tax intercept of repayments of job access loans

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 09/30/2002	kgilfoy 10/02/2002		_____			State
/P1			pgreensl 10/02/2002	_____	mbarman 10/03/2002		State
/P2	pkahler 12/23/2002	kgilfoy 12/26/2002	rschluet 12/30/2002	_____	lemery 12/30/2002		State
/1	pkahler 01/20/2003 pkahler	kgilfoy 01/20/2003 kgilfoy	chaskett 01/21/2003	_____	sbasford 01/21/2003		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	02/06/2003	02/06/2003		_____			
/2			rschluet	_____	lemery		
			02/06/2003	_____	02/06/2003		

FE Sent For:

<END>

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/P1			pgreensl 10/02/2002	_____	mbarman 10/03/2002		State
/P2	pkahler 12/23/2002	kgilfoy 12/26/2002	rschluet 12/30/2002	_____	lemery 12/30/2002		State
/1	pkahler 01/20/2003	kgilfoy 01/20/2003	chaskett 01/21/2003	_____	sbasford 01/21/2003		

12-2/6 King
[Signature]
2-63

FE Sent For:

<END>

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/?	pkahler 09/30/2002	kgilfoy 10/02/2002	1-1/21 cph	cph/p3 1/21			State
/P1			pgreensl 10/02/2002		mbarman 10/03/2002		State
/P2	pkahler 12/23/2002	kgilfoy 12/26/2002	rschluet 12/30/2002		lemery 12/30/2002		

FE Sent For:

11-1/20/03
EMG

<END>

2003 DRAFTING REQUEST

Bill

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Wanted: Soon

Identical to LRB:

For: Administration-Budget 6-8219

By/Representing: Fath

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Drafter: pkahler

May Contact:

Addl. Drafters:

Subject: Public Assistance - Wis works

Extra Copies:

Submit via email: NO

Pre Topic:

DOA:.....Fath - BB0298,

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Tax intercept of repayments of job access loans

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 09/30/2002	kgilfoy 10/02/2002		_____			State
/P1	pkahler	<i>1/2-12/26</i> kgmp	pgreensl 10/02/2002	_____	mbarman 10/03/2002		State

FE Sent For:

DD
12-30-02
<END>

2003 DRAFTING REQUEST

Bill

Received: **09/23/2002**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Workforce Development 6-5745**

By/Representing: **Lee Mutchler**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters:

Subject: **Public Assistance - Wis works**

Extra Copies:

Submit via email: **YES**

Requester's email: **lee.mutchler@dwd.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Tax intercept of repayments of job access loans

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 09/30/2002	kgilfoy 10/02/2002		_____			State
/P1			pgreensl 10/02/2002	_____	mbarman 10/03/2002		

FE Sent For:

<END>

2003 DRAFTING REQUEST

Bill

Received: 09/23/2002

Received By: pkahler

Wanted: As time permits

Identical to LRB:

For: Workforce Development 6-5745

By/Representing: Lee Mutchler

This file may be shown to any legislator: NO

Drafter: pkahler

May Contact:

Addl. Drafters:

Subject: Public Assistance - Wis works

Extra Copies:

Submit via email: YES

Requester's email: lee.mutchler@dwd.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Tax intercept of repayments of job access loans

Instructions:

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FE Sent For:		PI-10/1 Kmg	10/2 PS	10/2 <END> PS/GR			

**Department of Workforce Development
2003- 05 Biennial Budget
Statutory Language Request**

Contact: Lee Mutchler DWD/ASD/Budget Bureau 266-5745

Program: Job Access Loans

Statute(s) referenced: s.20.445(3)(jL)

ISSUE: Should the Dept. request a change to allow tax intercept for Job Access Loans?
Section 49.85(1) Certification of certain public assistance overpayments, Stats., provides for tax intercept of AFDC, CC, W2, W2 Trial Job overpayments, and W2 Transportation Assistance. It does not include s.49.147(6) for intercept of Job Access Loans. Under Wis. Stat. 20.445(3)(jL), all moneys received from repayments of Job Access Loans should be used for the purpose of making new loans.

Decision:

Propose statutory language to include tax intercept for JAL's.

Request:

Amend s. 49.85(1) to include s. 49.147(6), and would allow Job Access Loans to be subject to tax intercept. Also amend the following: s. 49.85(2)(b) to include s. 49.147(6) and s.49.85(3)(b) to include s.49.147(6)



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0229/7

PJK:.....

King

PI

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SOON
(9-30)
D-note

Agency budget draft

and making an appropriation

1

^{DON'T GEN. CAT.}
AN ACT... relating to: tax intercept of delinquent job access loan repayments.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

(W-2) WISCONSIN WORKS

OK →

OK

Under current law, overpayments of food stamp benefits and various benefits under ~~the~~ Wisconsin works program may be recovered as a setoff against any income tax refund owed to the person who received the overpayment. DWD certifies the amount of the overpayment to DOR. Before the certification, the person who received the overpayment receives notice that the overpayment amount will be certified and set off against any tax refund to which he or she may be entitled. The person may request a hearing to appeal the overpayment determination.

Also under current law, DWD makes job access loans, which must be repaid, to persons who are eligible for ~~the Wisconsin works program~~ and who need such loans to obtain or continue employment. ~~The loans must be repaid, a portion of which will be repaid to DWD.~~ This bill authorizes DWD to certify delinquent job access loan repayments to DOR for setoff against any income tax refund owed to the person who received the loan. The same notice and hearing rights that apply under current law to certification of benefits overpayments apply to certification of delinquent job access loan repayments. Delinquent repayment amounts collected by DOR and paid to DWD must be used to make more job access loans.

W-2

may be repaid

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

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

1 SECTION 1. 20.445 (3) (jL) of the statutes is amended to read:
2 20.445 (3) (jL) *Job access loan repayments.* All moneys received from
3 repayments of loans made under s. 49.147 (6), and from the department of revenue
4 under s. 71.93 for delinquent job access loan repayments certified under s. 49.85, for
5 the purpose of making loans under s. 49.147 (6).

History: 1971 c. 125 ss. 156, 522 (1); 1971 c. 211, 215; 1971 c. 228 s. 44; 1971 c. 259; 1973 c. 90, 180, 243, 333; 1975 c. 39, 147, 224, 274, 344; 1975 c. 404 ss. 3, 10 (1); 1975 c. 405 ss. 3, 11 (1); 1977 c. 29, 48, 203, 418; 1979 c. 34 ss. 512 to 522, 2102 (25) (a); 1979 c. 189, 221, 309; 1979 c. 329 s. 25 (1); 1979 c. 350 ss. 3, 27 (6); 1979 c. 353, 355; 1981 c. 20, 36, 92, 93, 317, 325, 364; 1983 a. 8; 1983 a. 27 ss. 411 to 425; 1983 a. 98 ss. 1, 31; 1983 a. 192, 384, 388, 410; 1985 a. 17, 29, 153, 313, 332; 1987 a. 27; 1987 a. 38 ss. 2 to 4, 136; 1987 a. 399, 403; 1989 a. 31, 44, 64, 77, 254, 284, 359; 1991 a. 39 ss. 372c, 545r, 545t, 545v, 547, 548, 548g, 548m, 549, 549b, 549g, 549p; 1991 a. 85, 89, 269, 315; 1993 a. 16, 126, 243, 437, 491; 1995 a. 27 ss. 772mm, 772nn, 776p to 778b, 778L, 778n, 778q, 778v, 778z to 780m, 781m to 782p, 782u, 841, 842, 849, 850, 854, 855, 858c, 873 to 876, 878, 880, 890 to 896, 962 to 1014c, 9126 (19), 9130 (4); 1995 a. 113 s. 2t; 1995 a. 117, 201, 216, 225, 289; 1995 a. 404 ss. 4, 6 to 8, 10 to 17; 1997 a. 3; 1997 a. 27 ss. 610 to 642m, 722; 1997 a. 35, 38, 39, 105, 112, 191, 235, 236, 237, 252; 1999 a. 9 ss. 270, 458 to 478; 1999 a. 15, 32; 2001 a. 16, 35, 43, 104, 109.

6 SECTION 2. 49.147 (6) (cm) of the statutes is created to read:
7 49.147 (6) (cm) *Collection of delinquent repayments.* The department may, in
8 the manner provided in s. 49.85, collect job access loan repayments that are
9 delinquent under the terms of a repayment agreement. The department shall credit
10 all delinquent repayments collected by the department of revenue as a setoff under
11 s. 71.93 to the appropriation account under s. 20.445 (3) (jL). Use of the process under
12 s. 49.85 does not preclude the department from collecting delinquent repayments
13 through other legal means.

Insert 2-13

14 SECTION 3. 49.85 (title) of the statutes is amended to read:
15 49.85 (title) **Certification of certain public assistance overpayments**
16 **and delinquent loan repayments.**

History: 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

17 SECTION 4. 49.85 (1) of the statutes is amended to read:
18 49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under
19 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American

1 Indian tribe or band determines that the department of health and family services
2 may recover an amount under s. 49.497 or that the department of workforce
3 development may recover an amount under s. 49.161, 49.195 (3), or 49.793, the
4 county department or governing body shall notify the affected department of the
5 determination. If a Wisconsin works agency determines that the department of
6 workforce development may recover an amount under s. 49.161 or 49.195 (3), or
7 collect an amount under s. 49.147 (6) (cm), the Wisconsin works agency shall notify
8 the department of workforce development of the determination.

History: 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

****NOTE: Is this subsection amended correctly, or may a county department, as
well as a Wisconsin works agency, determine that a job access loan repayment is
delinquent?

9 **SECTION 5.** 49.85 (2) (b) of the statutes is amended to read:

10 49.85 (2) (b) At least annually, the department of workforce development shall
11 certify to the department of revenue the amounts that, based on the notifications
12 received under sub. (1) and on other information received by the department of
13 workforce development, the department of workforce development has determined
14 that it may recover under ss. 49.161, 49.195 (3), and 49.793, and collect under s.
15 49.147 (6) (cm), except that the department of workforce development may not certify
16 an amount under this subsection unless it has met the notice requirements under
17 sub. (3) and unless its determination has either not been appealed or is no longer
18 under appeal.

History: 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

19 **SECTION 6.** 49.85 (3) (b) (intro.) of the statutes is amended to read:

20 49.85 (3) (b) (intro.) At least 30 days before certification of an amount, the
21 department of workforce development shall send a notice to the last-known address

1 of the person from whom that department intends to recover or collect the amount.

2 The notice shall do all of the following:

3 **History:** 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

3 **SECTION 7.** 49.85 (3) (b) 1. of the statutes is amended to read:

4 49.85 (3) (b) 1. Inform the person that the department of workforce
5 development intends to certify to the department of revenue an amount that the
6 department of workforce development has determined to be due under s. 49.161,
7 49.195 (3), or 49.793, or to be delinquent under a repayment agreement for a loan
8 under s. 49.147 (6), for setoff from any state tax refund that may be due the person.

9 **History:** 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

9 **SECTION 8.** 49.85 (5) of the statutes is amended to read:

10 49.85 (5) EFFECT OF CERTIFICATION. Receipt of a certification by the department
11 of revenue shall constitute a lien, equal to the amount certified, on any state tax
12 refunds or credits owed to the obligor. The lien shall be foreclosed by the department
13 of revenue as a setoff under s. 71.93. Certification of an amount under this section
14 does not prohibit the department of health and family services or the department of
15 workforce development from attempting to recover or collect the amount through
16 other legal means. The department of health and family services or the department
17 of workforce development shall promptly notify the department of revenue upon
18 recovery or collection of any amount previously certified under this section.

19 **History:** 1993 a. 437, 1995 a. 27 ss. 2143 to 2157, 3212, 9126 (19), 9130 (4); Stats. 1995 s. 49.85; 1995 a. 289; 1997 a. 3; 2001 a. 16.

19 **SECTION 9.** 71.93 (1) (a) 4. of the statutes is amended to read:

20 71.93 (1) (a) 4. An amount that the department of workforce development may
21 recover under s. 49.161, 49.195 (3), or 49.793, or may collect under s. 49.147 (6) (cm),
22 if the department of workforce development has certified the amount under s. 49.85.

History: 1987 a. 312; 1989 a. 31; 1993 a. 437; 1995 a. 27 ss. 3427 to 3429, 9126 (19), 9130 (4); 1995 a. 404; 1997 a. 3, 27; 2001 a. 16.

****NOTE: I added s. 49.161 as a technical correction to this subdivision. Its absence appeared to be an oversight.

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SECTION 9359. Initial applicability; workforce development.

(1) TAX REFUND SETOFF FOR DELINQUENT JOB ACCESS LOAN REPAYMENTS. The treatment of sections 20.445 (3) (jL), 49.147 (6) (cm), 49.85 (title), (1), (2) (b), (3) (b) (intro.) and 1., and (5), and 71.93 (1) (a) 4. of the statutes first applies to delinquent job access loan repayments existing on the effective date of this subsection, regardless of when the loan was made or the delinquency accrued.

(END)

D-note

:King:

See my **** NOTES in the draft
after ss. 49.85(1)✓ and 71.93(1)(a)
4.✓

PJK

**2003-2004 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0229/?ins
PJK:.....

INSERT 2-13 ✓

- 1 2. Subdivision 1: applies to delinquent repayments existing on or after the
- 2 effective date of this subdivision [revisor inserts date], regardless of when the loan
- 3 was made or when the delinquency accrued.

(END OF INSERT 2-13)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0229/P1dn
PJK:kmg:pg

October 2, 2002

See my **** NOTES in the draft after ss. 49.85 (1) and 71.93 (1) (a) 4.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

STATUTORY LANGUAGE REQUEST

2003-05 BIENNIAL BUDGET

TOPIC: Tax Intercept for Job Access Loan Program (request already submitted by DWD and drafted by LRB)

TEAM: EDUC

ANALYST: Fath

AGENCY: DWD

NUMBER: 445

BB0298

Date: December 20, 2002
To: Steve Miller, LRB
From: Erin Fath, DOA
Subject: Statutory Language Request

DWD requests DIN 5611: Tax Intercept for Job Access Loan Program

Attached is a narrative associated with a drafting request submitted by DWD to LRB prior to DWD submitting its budget to DOA. **This is not a new drafting request.**

I am submitting this request now to get the draft into DOA's statutory language tracking system as a DOA statutory language request item:

- 0229/P1 Tax intercept for job access loans

If you have any questions, please call me at 6-8219, or send me an email at:
erin.fath@doa.state.wi.us.

Thank you.

1) Tax intercept for job access loans: allow tax intercept for Job Access Loans (JALs). Provide that all moneys received from repayments via tax intercept of JALs should be used for the purpose of making new loans.

- This request has been drafted by the LRB: draft 0229/P1

2003

Date (time) needed

SOON (12-23)

(switched from DWD)

LRB-0229 / P2

DOA BUDGET DRAFT

D. note

PJK : King:

Use the appropriate components and routines developed for bills.

>>FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION<<

AN ACT ... [DO NOT generate catalog]; relating to: the budget.

Analysis by the Legislative Reference Bureau

If titles are needed in the analysis, in the component bar:

For the main heading, execute: create -> anal: -> title: -> head

For the subheading, execute: create -> anal: -> title: -> sub

For the sub-subheading, execute: create -> anal: -> title: -> sub-sub

For the analysis text, in the component bar:

For the text paragraph, execute: create -> anal: -> text

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

SECTION #.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0229/P²

PJK:kmg:pg

run

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: tax intercept of delinquent job access loan repayments
2 and making an appropriation.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, overpayments of food stamp benefits and various benefits under Wisconsin Works (W-2) may be recovered as a setoff against any income tax refund owed to the person who received the overpayment. DWD certifies the amount of the overpayment to DOR. Before the certification, the person who received the overpayment receives notice that the overpayment amount will be certified and set off against any tax refund to which he or she may be entitled. The person may request a hearing to appeal the overpayment determination.

Also under current law, DWD makes job access loans, which must be repaid, to persons who are eligible for W-2 and who need such loans to obtain or continue employment. This bill authorizes DWD to certify delinquent job access loan repayments to DOR for setoff against any income tax refund owed to the person who received the loan. The same notice and hearing rights that apply under current law to certification of benefits overpayments apply to certification of delinquent job access loan repayments. Delinquent repayment amounts collected by DOR and paid to DWD must be used to make more job access loans.

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

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

1 **SECTION 1.** 20.445 (3) (jL) of the statutes is amended to read:

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4 under s. 71.93 for delinquent job access loan repayments certified under s. 49.85, for
5 the purpose of making loans under s. 49.147 (6).

6 **SECTION 2.** 49.147 (6) (cm) of the statutes is created to read:

7 49.147 (6) (cm) *Collection of delinquent repayments.* 1. The department of
8 workforce development may, in the manner provided in s. 49.85, collect job access
9 loan repayments that are delinquent under the terms of a repayment agreement.
10 The department of workforce development shall credit all delinquent repayments
11 collected by the department of revenue as a setoff under s. 71.93 to the appropriation
12 account under s. 20.445 (3) (jL). Use of the process under s. 49.85 does not preclude
13 the department of workforce development from collecting delinquent repayments
14 through other legal means.

15 2. Subdivision 1. applies to delinquent repayments existing on or after the
16 effective date of this subdivision [revisor inserts date], regardless of when the loan
17 was made or when the delinquency accrued.

18 **SECTION 3.** 49.85 (title) of the statutes is amended to read:

19 **49.85 (title) Certification of certain public assistance overpayments**
20 **and delinquent loan repayments.**

21 **SECTION 4.** 49.85 (1) of the statutes is amended to read:

1 49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under
2 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American
3 Indian tribe or band determines that the department of health and family services
4 may recover an amount under s. 49.497 or that the department of workforce
5 development may recover an amount under s. 49.161, 49.195 (3), or 49.793, the
6 county department or governing body shall notify the affected department of the
7 determination. If a Wisconsin works agency determines that the department of
8 workforce development may recover an amount under s. 49.161 or 49.195 (3), or
9 collect an amount under s. 49.147 (6) (cm), the Wisconsin works agency shall notify
10 the department of workforce development of the determination.

 ***NOTE: Is this subsection amended correctly, or may a county department, as
 well as a Wisconsin Works agency, determine that a job access loan repayment is
 delinquent?

11 **SECTION 5.** 49.85 (2) (b) of the statutes is amended to read:

12 49.85 (2) (b) At least annually, the department of workforce development shall
13 certify to the department of revenue the amounts that, based on the notifications
14 received under sub. (1) and on other information received by the department of
15 workforce development, the department of workforce development has determined
16 that it may recover under ss. 49.161, 49.195 (3), and 49.793, and collect under s.
17 49.147 (6) (cm), except that the department of workforce development may not certify
18 an amount under this subsection unless it has met the notice requirements under
19 sub. (3) and unless its determination has either not been appealed or is no longer
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12 refunds or credits owed to the obligor. The lien shall be foreclosed by the department
13 of revenue as a setoff under s. 71.93. Certification of an amount under this section
14 does not prohibit the department of health and family services or the department of
15 workforce development from attempting to recover or collect the amount through
16 other legal means. The department of health and family services or the department
17 of workforce development shall promptly notify the department of revenue upon
18 recovery or collection of any amount previously certified under this section.

19 **SECTION 9.** 71.93 (1) (a) 4. of the statutes is amended to read:

20 71.93 (1) (a) 4. An amount that the department of workforce development may
21 recover under s. 49.161, 49.195 (3), or 49.793, or may collect under s. 49.147 (6) (cm),
22 if the department of workforce development has certified the amount under s. 49.85.

****NOTE: I added s. 49.161 as a technical correction to this subdivision. Its absence
appeared to be an oversight.

D. note

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0229/Pfdn²
PJK:kmg:pg

~~October 2, 2002~~

Erin:

See my **** NOTES in the draft after ss. 49.85 (1) and 71.93 (1) (a) 4.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0229/P2dn
PJK:kmg:rs

December 30, 2002

Erin:

See my **** NOTES in the draft after ss. 49.85 (1) and 71.93 (1) (a) 4.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

Kahler, Pam

From: Fath, Erin
Sent: Sunday, January 19, 2003 2:47 PM
To: Kahler, Pam
Subject: LRB Draft 0226/P2

Pam, you had a few notes on this draft:

Concerning the note under s.49.85(1) - per the Department, it should be amended to so that a county, as well as a W-2 agency, could determine that a JAL repayment is delinquent.

I saw the other note on s.71.93(1)(a)4. - OK.

I guess the only other thing to note is that in the W-2 draft, the JAL section has been changed from s.49.147 to s.49.1471 - but that's something I think you all catch when you reconcile the various drafts.

Thanks.

Erin K. Fath

Wisconsin State Budget Office
(608) 266-8219
Erin.Fath@doa.state.wi.us



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0229/12

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DOA:.....Fath - BB0298, Tax intercept of repayments of job access loans

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, overpayments of food stamp benefits and various benefits under Wisconsin Works (W-2) may be recovered as a setoff against any income tax refund owed to the person who received the overpayment. DWD certifies the amount of the overpayment to DOR. Before the certification, the person who received the overpayment receives notice that the overpayment amount will be certified and set off against any tax refund to which he or she may be entitled. The person may request a hearing to appeal the overpayment determination.

Also under current law, DWD makes job access loans, which must be repaid, to persons who are eligible for W-2 and who need such loans to obtain or continue employment. This bill authorizes DWD to certify delinquent job access loan repayments to DOR for setoff against any income tax refund owed to the person who received the loan. The same notice and hearing rights that apply under current law to certification of benefits overpayments apply to certification of delinquent job access loan repayments. Delinquent repayment amounts collected by DOR and paid to DWD must be used to make more job access loans.

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

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

1 **SECTION 1.** 20.445 (3) (jL) of the statutes is amended to read:

2 20.445 (3) (jL) *Job access loan repayments.* All moneys received from
3 repayments of loans made under s. 49.147 (6), and from the department of revenue
4 under s. 71.93 for delinquent job access loan repayments certified under s. 49.85, for
5 the purpose of making loans under s. 49.147 (6).

6 **SECTION 2.** 49.147 (6) (cm) of the statutes is created to read:

7 49.147 (6) (cm) *Collection of delinquent repayments.* 1. The department of
8 workforce development may, in the manner provided in s. 49.85, collect job access
9 loan repayments that are delinquent under the terms of a repayment agreement.
10 The department of workforce development shall credit all delinquent repayments
11 collected by the department of revenue as a setoff under s. 71.93 to the appropriation
12 account under s. 20.445 (3) (jL). Use of the process under s. 49.85 does not preclude
13 the department of workforce development from collecting delinquent repayments
14 through other legal means.

15 2. Subdivision 1. applies to delinquent repayments existing on or after the
16 effective date of this subdivision [revisor inserts date], regardless of when the loan
17 was made or when the delinquency accrued.

18 **SECTION 3.** 49.85 (title) of the statutes is amended to read:

19 **49.85 (title) Certification of certain public assistance overpayments**
20 **and delinquent loan repayments.**

21 **SECTION 4.** 49.85 (1) of the statutes is amended to read:

1 49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under
 2 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American
 3 Indian tribe or band determines that the department of health and family services
 4 may recover an amount under s. 49.497 or that the department of workforce
 5 development may recover an amount under s. 49.161, 49.195 (3), or 49.793, the
 6 county department or governing body shall notify the affected department of the
 7 determination. If a Wisconsin works agency determines that the department of
 8 workforce development may recover an amount under s. 49.161 or 49.195 (3), or
 9 collect an amount under s. 49.147 (6) (cm), the Wisconsin works agency shall notify
 10 the department of workforce development of the determination.

***NOTE: Is this subsection amended correctly, or may a county department, as well as a Wisconsin Works agency, determine that a job access loan repayment is delinquent?

11 **SECTION 5.** 49.85 (2) (b) of the statutes is amended to read:
 12 49.85 (2) (b) At least annually, the department of workforce development shall
 13 certify to the department of revenue the amounts that, based on the notifications
 14 received under sub. (1) and on other information received by the department of
 15 workforce development, the department of workforce development has determined
 16 that it may recover under ss. 49.161, 49.195 (3), and 49.793, and collect under s.
 17 49.147 (6) (cm), except that the department of workforce development may not certify
 18 an amount under this subsection unless it has met the notice requirements under
 19 sub. (3) and unless its determination has either not been appealed or is no longer
 20 under appeal.

21 **SECTION 6.** 49.85 (3) (b) (intro.) of the statutes is amended to read:
 22 49.85 (3) (b) (intro.) At least 30 days before certification of an amount, the
 23 department of workforce development shall send a notice to the last-known address

or collect an amount under 49.147(6)(cm)

1 of the person from whom that department intends to recover or collect the amount.

2 The notice shall do all of the following:

3 SECTION 7. 49.85 (3) (b) 1. of the statutes is amended to read:

4 49.85 (3) (b) 1. Inform the person that the department of workforce
5 development intends to certify to the department of revenue an amount that the
6 department of workforce development has determined to be due under s. 49.161,
7 49.195 (3), or 49.793, or to be delinquent under a repayment agreement for a loan
8 under s. 49.147 (6), for setoff from any state tax refund that may be due the person.

9 SECTION 8. 49.85 (5) of the statutes is amended to read:

10 49.85 (5) EFFECT OF CERTIFICATION. Receipt of a certification by the department
11 of revenue shall constitute a lien, equal to the amount certified, on any state tax
12 refunds or credits owed to the obligor. The lien shall be foreclosed by the department
13 of revenue as a setoff under s. 71.93. Certification of an amount under this section
14 does not prohibit the department of health and family services or the department of
15 workforce development from attempting to recover or collect the amount through
16 other legal means. The department of health and family services or the department
17 of workforce development shall promptly notify the department of revenue upon
18 recovery or collection of any amount previously certified under this section.

19 SECTION 9. 71.93 (1) (a) 4. of the statutes is amended to read:

20 71.93 (1) (a) 4. An amount that the department of workforce development may
21 recover under s. 49.161, 49.195 (3), or 49.793, or may collect under s. 49.147 (6) (cm),
22 if the department of workforce development has certified the amount under s. 49.85.

→ ***NOTE: I added s. 49.161 as a technical correction to this subdivision. Its absence appeared to be an oversight.



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0229/2

PJK:kmg:cph

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DOA:.....Fath – BB0298, Tax intercept of repayments of job access loans

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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1 AN ACT .; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

WISCONSIN WORKS

Under current law, overpayments of food stamp benefits and various benefits under Wisconsin Works (W-2) may be recovered as a setoff against any income tax refund owed to the person who received the overpayment. DWD certifies the amount of the overpayment to DOR. Before the certification, the person who received the overpayment receives notice that the overpayment amount will be certified and set off against any tax refund to which he or she may be entitled. The person may request a hearing to appeal the overpayment determination.

Also under current law, DWD makes job access loans, which must be repaid, to persons who are eligible for W-2 and who need such loans to obtain or continue employment. This bill authorizes DWD to certify delinquent job access loan repayments to DOR for setoff against any income tax refund owed to the person who received the loan. The same notice and hearing rights that apply under current law to certification of benefits overpayments apply to certification of delinquent job access loan repayments. Delinquent repayment amounts collected by DOR and paid to DWD must be used to make more job access loans.

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

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

SECTION 1. 20.445 (3) (jL) of the statutes is amended to read:

20.445 (3) (jL) *Job access loan repayments.* All moneys received from repayments of loans made under s. 49.147 (6), and from the department of revenue under s. 71.93 for delinquent job access loan repayments certified under s. 49.85, for the purpose of making loans under s. 49.147 (6).

SECTION 2. 49.147 (6) (cm) of the statutes is created to read:

49.147 (6) (cm) *Collection of delinquent repayments.* 1. The department of workforce development may, in the manner provided in s. 49.85, collect job access loan repayments that are delinquent under the terms of a repayment agreement. The department of workforce development shall credit all delinquent repayments collected by the department of revenue as a setoff under s. 71.93 to the appropriation account under s. 20.445 (3) (jL). Use of the process under s. 49.85 does not preclude the department of workforce development from collecting delinquent repayments through other legal means.

2. Subdivision 1. applies to delinquent repayments existing on or after the effective date of this subdivision [revisor inserts date], regardless of when the loan was made or when the delinquency accrued.

SECTION 3. 49.85 (title) of the statutes is amended to read:

49.85 (title) Certification of certain public assistance overpayments and delinquent loan repayments.

SECTION 4. 49.85 (1) of the statutes is amended to read:

Note: reconciled with note: This is reconciled to 20.445(3)(jL). This section has been affected by CRB-0229 and LRB-1256

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1 49.85 (1) DEPARTMENT NOTIFICATION REQUIREMENT. If a county department under
2 s. 46.215, 46.22, or 46.23 or a governing body of a federally recognized American
3 Indian tribe or band determines that the department of health and family services
4 may recover an amount under s. 49.497 or that the department of workforce
5 development may recover an amount under s. 49.161, 49.195 (3), or 49.793, or collect
6 an amount under s. 49.147 (6) (cm), the county department or governing body shall
7 notify the affected department of the determination. If a Wisconsin works agency
8 determines that the department of workforce development may recover an amount
9 under s. 49.161 or 49.195 (3), or collect an amount under s. 49.147 (6) (cm), the
10 Wisconsin works agency shall notify the department of workforce development of the
11 determination.

12 **SECTION 5.** 49.85 (2) (b) of the statutes is amended to read:

13 49.85 (2) (b) At least annually, the department of workforce development shall
14 certify to the department of revenue the amounts that, based on the notifications
15 received under sub. (1) and on other information received by the department of
16 workforce development, the department of workforce development has determined
17 that it may recover under ss. 49.161, 49.195 (3), and 49.793, and collect under s.
18 49.147 (6) (cm), except that the department of workforce development may not certify
19 an amount under this subsection unless it has met the notice requirements under
20 sub. (3) and unless its determination has either not been appealed or is no longer
21 under appeal.

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23 49.85 (3) (b) (intro.) At least 30 days before certification of an amount, the
24 department of workforce development shall send a notice to the last-known address

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3 SECTION 7. 49.85 (3) (b) 1. of the statutes is amended to read:

4 49.85 (3) (b) 1. Inform the person that the department of workforce
5 development intends to certify to the department of revenue an amount that the
6 department of workforce development has determined to be due under s. 49.161,
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21 recover under s. 49.161, 49.195 (3), or 49.793, or may collect under s. 49.147 (6) (cm),
22 if the department of workforce development has certified the amount under s. 49.85.

23 (END)

Note
This draft reconciles LRB-0229 (no changes were made)
and LRB-1256. Both drafts should continue to appear in the
compiled bill.
PJK

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0229/2dn
PJK:kmg:rs

February 6, 2003

This draft reconciles LRB-0229 (no changes were made) and LRB-1256. Both drafts should continue to appear in the compiled bill.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-0229/2

PJK:kmg:rs

DOA:.....Fath – BB0298, Tax intercept of repayments of job access loans

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

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22 if the department of workforce development has certified the amount under s. 49.85.

23

(END)