



1 agreement under subch. I of ch. 111 an amount equal to 4% of the earnings paid by
2 the authority unless a different amount is established by the board of directors of the
3 authority under s. 233.10.

4 ***-0912/2.7* SECTION 1006.** 40.05 (2) (bw) of the statutes is amended to read:

5 40.05 (2) (bw) The employer contribution rate determined under par. (b) for the
6 University of Wisconsin System shall be adjusted to reflect the cost of granting
7 creditable service under s. ~~40.02 (17) (i)~~ 40.285 (2) (e) and that rate shall be sufficient
8 to amortize the unfunded prior service liability of the employers over the remainder
9 of the 40-year amortization period under par. (b).

10 ***-0912/2.8* SECTION 1007.** 40.05 (2) (g) 1. of the statutes is amended to read:

11 40.05 (2) (g) 1. A participating employer may make contributions as provided
12 in its compensation agreements for any participating employee in addition to the
13 employer contributions required by this subsection. The additional employer
14 contributions made under this paragraph shall be available for all benefit purposes
15 and shall be administered and invested on the same basis as employee additional
16 contributions made under sub. (1) (a) 5., except that ss. 40.24 (1) (f) and, 40.25 (4),
17 and ~~(6) (a) 3.~~ 40.285 (2) (a) 1. c. do not apply to additional employer contributions
18 made under this paragraph.

19 ***-1712/5.26* SECTION 1008.** 40.05 (4) (a) 2. of the statutes is amended to read:

20 40.05 (4) (a) 2. For an insured employee who is an eligible employee under s.
21 40.02 (25) (a) 2. or (b) 1m. ~~or 2m.~~, the employer shall pay required employer
22 contributions toward the health insurance premium of the insured employee
23 beginning on the date on which the employee becomes insured. For an insured
24 employee who is currently employed but who is not an eligible employee under s.
25 40.02 (25) (a) 2. or (b) 1m. ~~or 2m.~~, the employer shall pay required employer

1 contributions toward the health insurance premium of the insured employee
2 beginning on the first day of the 7th month beginning after the date on which the
3 employee begins employment with the state, not including any leave of absence.

4 ***-1757/4.2* SECTION 1009.** 40.05 (4) (ag) of the statutes is repealed and
5 recreated to read:

6 40.05 (4) (ag) Beginning on January 1, 2004, except as otherwise provided in
7 accordance with a collective bargaining agreement under subch. I or V of ch. 111 or
8 s. 230.12 or 233.10 with respect to eligible employees specified in subd. 2., the
9 employer shall pay for its currently employed insured employees:

10 1. For insured part-time employees other than employees specified in s. 40.02
11 (25) (b) 2., including those in project positions as defined in s. 230.27 (1), who are
12 appointed to work less than 1,566 hours per year, an amount equal to 50% of the
13 employer contribution under subd. 2.

14 2. For eligible employees not specified in subd. 1., regardless of the plan
15 selected by the employee, not less than 80% of the average premium cost of plans
16 offered in the tier with the lowest employee premium cost under s. 40.51 (6).

17 ***-0576/8.58* SECTION 1010.** 40.05 (4) (ar) of the statutes is amended to read:

18 40.05 (4) (ar) The employer shall pay under par. (a) for employees who are not
19 covered by a collective bargaining agreement under subch. I or V of ch. 111 and for
20 employees whose health insurance premium contribution rates are not determined
21 under s. 230.12 or 233.10 an amount equal to the amount specified in par. (ag) unless
22 a different amount is recommended by the ~~secretary of employment relations~~
23 director of the office of state human resources management and approved by the joint
24 committee on employment relations in the manner provided for approval of changes
25 in the compensation plan under s. 230.12 (3).

1 ***-1698/3.2*** **SECTION 1011.** 40.05 (4) (b) of the statutes is amended to read:
2 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused
3 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, and 757.02 (5) and subch.
4 I or V of ch. 111 of any eligible employee shall, at the time of death, upon qualifying
5 for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon
6 termination of creditable service and qualifying as an eligible employee under s.
7 40.02 (25) (b) 6. or 10., be converted, at the employee's ~~current~~ highest basic pay rate
8 he or she received while employed by the state, to credits for payment of health
9 insurance premiums on behalf of the employee or the employee's surviving insured
10 dependents. Any supplemental compensation that is paid to a state employee who
11 is classified under the state classified civil service as a teacher, teacher supervisor,
12 or education director for the employee's completion of educational courses that have
13 been approved by the employee's employer is considered as part of the employee's
14 basic pay for purposes of this paragraph. The full premium for any eligible employee
15 who is insured at the time of retirement, or for the surviving insured dependents of
16 an eligible employee who is deceased, shall be deducted from the credits until the
17 credits are exhausted and paid from the account under s. 40.04 (10), and then
18 deducted from annuity payments, if the annuity is sufficient. The department shall
19 provide for the direct payment of premiums by the insured to the insurer if the
20 premium to be withheld exceeds the annuity payment. Upon conversion of an
21 employee's unused sick leave to credits under this paragraph or par. (bf), the
22 employee or, if the employee is deceased, the employee's surviving insured
23 dependents may initiate deductions from those credits or may elect to delay
24 initiation of deductions from those credits, but only if the employee or surviving
25 insured dependents are covered by a comparable health insurance plan or policy

1 during the period beginning on the date of the conversion and ending on the date on
2 which the employee or surviving insured dependents later elect to initiate
3 deductions from those credits. If an employee or an employee's surviving insured
4 dependents elect to delay initiation of deductions from those credits, an employee or
5 the employee's surviving insured dependents may only later elect to initiate
6 deductions from those credits during the annual enrollment period under par. (be).
7 A health insurance plan or policy is considered comparable if it provides hospital and
8 medical benefits that are substantially equivalent to the standard health insurance
9 plan established under s. 40.52 (1).

10 ***-1698/3.3* SECTION 1012.** 40.05 (4) (bc) of the statutes is amended to read:

11 40.05 (4) (bc) The accumulated unused sick leave of an eligible employee under
12 s. 40.02 (25) (b) 6e. or 6g. shall be converted to credits for the payment of health
13 insurance premiums on behalf of the employee on the date on which the department
14 receives the employee's application for a retirement annuity or for lump sum
15 payment under s. 40.25 (1). The employee's unused sick leave shall be converted at
16 the eligible employee's highest basic pay rate ~~immediately prior to termination of all~~
17 ~~creditable service~~ he or she received while employed by the state. The full premium
18 for the employee, or for the surviving insured dependents of the employee if the
19 employee later becomes deceased, shall be deducted from the credits until the credits
20 are exhausted and paid from the account under s. 40.04 (10), and then deducted from
21 annuity payments, if the annuity is sufficient. The department shall provide for the
22 direct payment of premiums by the insured to the insurer if the premium to be
23 withheld exceeds the annuity payment.

24 ***-1698/3.4* SECTION 1013.** 40.05 (4) (bf) of the statutes is amended to read:

1 40.05 (4) (bf) Any eligible employee who was granted credit under s. 230.35 (1)
2 (gm) for service as a national guard technician, who, on December 31, 1965, had
3 accumulated unused sick leave that was based on service performed in this state as
4 a national guard technician before January 1, 1966, and who is a participating
5 employee or terminated all creditable service after June 30, 1972, or, if the eligible
6 employee is deceased, the surviving insured dependents of the eligible employee,
7 may have that accumulated unused sick leave converted to credits for the payment
8 of health insurance premiums on behalf of the eligible employee or the surviving
9 insured dependents if, not later than November 30, 1996, the eligible employee or the
10 surviving insured dependents submit to the department, on a form provided by the
11 department, an application for the conversion. The application shall include
12 evidence satisfactory to the department to establish the applicant's rights under this
13 paragraph and the amount of the accumulated unused sick leave that is eligible for
14 the conversion. The accumulated unused sick leave shall be converted under this
15 paragraph, at the eligible employee's highest basic pay rate ~~immediately prior to~~
16 ~~termination of all creditable service~~ he or she received while employed by the state,
17 on the date of conversion specified in par. (b) or on the last day of the 2nd month
18 beginning after the date on which the department receives the application under this
19 paragraph, whichever is later. Deductions from those credits, elections to delay
20 initiation of those deductions and premium payments shall be made as provided in
21 par. (b).

22 *~~1698/3.5~~* SECTION 1014. 40.05 (4) (bm) of the statutes is amended to read:

23 40.05 (4) (bm) Except as provided under par. (bp), accumulated unused sick
24 leave under ss. 36.30 and 230.35 (2) or 233.10 of any eligible employee shall, upon
25 request of the employee at the time the employee is subject to layoff under s. 40.02

1 (40), be converted at the employee's ~~current~~ highest basic pay rate he or she received
2 while employed by the state to credits for payment of health insurance premiums on
3 behalf of the employee. Any supplemental compensation that is paid to a state
4 employee who is classified under the state classified civil service as a teacher, teacher
5 supervisor or education director for the employee's completion of educational courses
6 that have been approved by the employee's employer is considered as part of the
7 employee's basic pay for purposes of this paragraph. The full amount of the required
8 employee contribution for any eligible employee who is insured at the time of the
9 layoff shall be deducted from the credits until the credits are exhausted, the
10 employee is reemployed, or 5 years have elapsed from the date of layoff, whichever
11 occurs first.

12 *~~0576/8.59~~* SECTION 1015. 40.05 (4g) (a) 4. of the statutes is amended to read:

13 40.05 (4g) (a) 4. Has received a military leave of absence under s. 230.32 (3) (a)
14 or 230.35 (3), under a collective bargaining agreement under subch. V of ch. 111 or
15 under rules promulgated by the ~~secretary of employment relations~~ director of the
16 office of state human resources management or is eligible for reemployment with the
17 state under s. 45.50 after completion of his or her service in the U.S. armed forces.

18 *~~0576/8.60~~* SECTION 1016. 40.06 (1) (dm) of the statutes is amended to read:

19 40.06 (1) (dm) Each determination by a department head regarding the
20 classification of a state employee as a protective occupation participant shall be
21 reviewed by the ~~department of employment relations~~ office of state human resources
22 management. A state employee's name may not be certified to the fund as a
23 protective occupation participant under par. (d) until the ~~department of employment~~
24 relations office of state human resources management approves the determination.

1 ***-0912/2.9*** SECTION 1019. 40.23 (2m) (em) 1. a. of the statutes is amended to
2 read:

3 40.23 (2m) (em) 1. a. Any creditable service forfeited by a participating
4 employee before January 1, 2000, and which is subsequently reestablished by the
5 participating employee under s. ~~40.25 (6)~~ 40.285 (2) (a), shall be considered to have
6 been performed before January 1, 2000.

7 ***-0912/2.10*** SECTION 1020. 40.23 (2m) (em) 1. b. of the statutes is amended
8 to read:

9 40.23 (2m) (em) 1. b. Any creditable service received under s. ~~40.25 (7)~~ 40.285
10 (2) (b), which is based on service performed before January 1, 2000, shall be
11 considered to have been performed before January 1, 2000.

12 ***-0912/2.11*** SECTION 1022. 40.25 (3) of the statutes is amended to read:

13 40.25 (3) Upon administrative approval of payment of an amount under either
14 sub. (1) or (2), the participant's account shall be closed and there shall be no further
15 right, interest or claim on the part of the former participant to any benefit from the
16 Wisconsin retirement system except as provided by ~~subs. sub. (5) and (6)~~ s. 40.285
17 (2) (a). Any former participant who is subsequently employed by any participating
18 employer shall be treated as a new participating employee for all purposes of this
19 chapter. New accumulations of contributions and credits and the computation of any
20 future benefits shall bear no relationship to any accumulations and credits paid as
21 single sums under sub. (1) or (2).

22 ***-0912/2.12*** SECTION 1023. 40.25 (6) of the statutes is repealed.

23 ***-0912/2.13*** SECTION 1024. 40.25 (7) of the statutes is repealed.

24 ***-0912/2.14*** SECTION 1025. 40.285 of the statutes is created to read:

1 **40.285 Purchase of creditable service.** (1) GENERAL REQUIREMENTS. (a)

2 *Deadline for purchase of creditable service.* An application to purchase creditable
3 service must be received by the department, on a form provided by the department,
4 from an applicant who is a participating employee on the day that the department
5 receives the application.

6 (b) *Calculation of creditable service.* Creditable service purchased under this
7 section shall be calculated in an amount equal to the year and fractions of a year to
8 the nearest one-hundredth of a year.

9 (c) *Use of creditable service.* Credit for service purchased under this section is
10 added to a participant's total creditable service, but may not be treated as service for
11 a particular annual earnings period and does not confer any other rights or benefits.

12 (d) *Applicability of Internal Revenue Code.* The crediting of service under this
13 section is subject to any applicable limit or requirement under the Internal Revenue
14 Code.

15 **(2) CONDITIONS FOR THE PURCHASE OF DIFFERENT TYPES OF CREDITABLE SERVICE.** (a)

16 *Forfeited service.* 1. A participating employee may purchase creditable service
17 forfeited in the manner specified in subd. 2., subject to all of the following:

18 a. The participating employee must have at least 3 continuous years of
19 creditable service at the time of application to purchase the creditable service.

20 b. The number of years that may be purchased may not be greater than the
21 accumulated current creditable service of the participating employee at the date of
22 application, excluding all creditable service purchased under this section or s. 40.02
23 (17) (b), 1981, 1983, 1985, 1987, 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats.,
24 s. 40.02 (17) (e), 1987, 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. 40.02
25 (17) (i), 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. 40.02 (17) (k), 1989,

1 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. 40.25 (6), 1981, 1983, 1985, 1987,
2 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. or 40.25 (7), 1991, 1993, 1995,
3 1997, 1999, and 2001 stats., less the number of years of creditable service previously
4 purchased under this paragraph or s. 40.25 (6), 1981, 1983, 1985, 1987, 1989, 1991,
5 1993, 1995, 1997, 1999, and 2001 stats.

6 c. The participating employee pays to the fund an amount equal to the
7 employee's statutory contribution on earnings under s. 40.05 (1) (a) for each year of
8 forfeited service to be purchased, based upon the participating employee's final
9 average earnings, determined as if the employee had retired on the first day of the
10 annual earnings period during which the department receives the application. The
11 amount payable shall be paid in a lump sum payment, except as provided in sub. (4)
12 (b), and no employer may pay any amount payable on behalf of a participating
13 employee.

14 d. Upon receipt by the fund of the total payment required under this
15 subdivision, the creditable service meeting the conditions and requirements of this
16 paragraph shall be credited to the account of the participating employee making the
17 payment.

18 2. Creditable service may be purchased under this paragraph if it was forfeited
19 as a result of any of the following:

- 20 a. Payment of an amount under s. 40.25 (2).
21 b. The receipt of a separation or withdrawal benefit under the applicable laws
22 and rules in effect prior to January 1, 1982.
23 c. Payment of an amount under s. 40.25 (2m), 1991, 1993, 1995, and 1997 stats.

1 3. Unless otherwise provided by the department by rule, a participating
2 employee may not purchase creditable service under this paragraph more than 2
3 times in any calendar year.

4 (b) *Other governmental service.* 1. Each participating employee whose
5 creditable service terminates on or after May 1, 1992, and who has performed
6 service, other than military service, as an employee of the federal government or a
7 state or local governmental entity in the United States, other than a participating
8 employer, that is located within or outside of this state, or each participating
9 employee whose creditable service terminates on or after May 4, 1994, and who has
10 performed service as an employee for an employer who was not at the time a
11 participating employer but who subsequently became a participating employer, may
12 receive creditable service for such service if all of the following occur:

13 a. The participant has at least 3 continuous years of creditable service at the
14 time of application.

15 b. The number of years of creditable service applied for under this paragraph
16 does not exceed the number of years of creditable service that the participant has at
17 the date of application, excluding all creditable service purchased under this section
18 or s. 40.02 (17) (b), 1981, 1983, 1985, 1987, 1989, 1991, 1993, 1995, 1997, 1999, and
19 2001 stats., s. 40.02 (17) (e), 1987, 1989, 1991, 1993, 1995, 1997, 1999, and 2001
20 stats., s. 40.02 (17) (i), 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. 40.02
21 (17) (k), 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., s. 40.25 (6), 1981, 1983,
22 1985, 1987, 1989, 1991, 1993, 1995, 1997, 1999, and 2001 stats., or s. 40.25 (7), 1991,
23 1993, 1995, 1997, 1999, and 2001 stats., less the number of years of creditable service
24 previously purchased under this paragraph or s. 40.25 (7), 1991, 1993, 1995, 1997,
25 1999, and 2001 stats.

1 c. At the time of application, the participant furnishes evidence of such service
2 that is acceptable to the department.

3 d. Except as provided in sub. (4) (b), at the time of application, the participant
4 pays to the department a lump sum equal to the present value of the creditable
5 service applied for under this paragraph, in accordance with rates actuarially
6 determined to be sufficient to fund the cost of the increased benefits that will result
7 from granting the creditable service under this paragraph. The department shall by
8 rule establish different rates for different categories of participants, based on factors
9 recommended by the actuary.

10 2. The creditable service granted under this paragraph shall be the same type
11 of creditable service as the type that is granted to participants who are not executive
12 participating employees, elected officials, or protective occupation participants.

13 3. A participating employee may apply to receive part or all of the creditable
14 service that he or she is eligible to receive under this paragraph.

15 4. A participant may not receive creditable service under this paragraph for
16 service that is used for the purpose of establishing entitlement to, or the amount of,
17 any other benefit to be paid by any federal, state, or local government entity, except
18 a disability or OASDHI benefit or a benefit paid for service in the national guard.

19 5. Unless otherwise provided by the department by rule, a participating
20 employee may not purchase creditable service under this paragraph more than 2
21 times in any calendar year.

22 **(3) APPLICATION PROCESS.** (a) *Provision of application forms and estimates.*
23 Upon request, the department shall provide a participating employee an application
24 form for the purchase of creditable service under sub. (2) and shall also provide to the
25 participating employee an estimate of the cost of purchasing the creditable service.

1 (b) *Certification of plan-to-plan transfers.* Upon request, the department shall
2 provide a participating employee a transfer certification form for payments made by
3 a plan-to-plan transfer under sub. (5) (b). If the participating employee intends to
4 make payments from more than one plan, the participating employee must submit
5 to the department a separate transfer certification form for each plan from which
6 moneys will be transferred.

7 (4) PAYMENT. (a) *Required with application.* Except as provided in par. (b), the
8 department may not accept an application for the purchase of creditable service
9 without payment in full of the department's estimated cost of creditable service
10 accompanying the application. A participating employee may also do any of the
11 following:

12 1. Use his or her accumulated after-tax additional contributions that are made
13 under s. 40.05 (1) (a) 5., including interest, to make payment.

14 2. Use his or her accumulated contributions, including interest, to a tax
15 sheltered annuity under section 403 (b) of the Internal Revenue Code, to make
16 payment, but only if the participating employee's plan under section 403 (b) of the
17 Internal Revenue Code authorizes the transfer.

18 (b) *Alternate payment options.* Notwithstanding par. (a), the department may
19 accept an application under this section without full payment if payment of at least
20 10% of the department's estimate of the cost of the creditable service is included with
21 the application, in the manner required under par. (a), and the remaining balance
22 is received by the department no later than 90 days after receipt of the application,
23 in the form of a plan-to-plan transfer under sub. (5) (b).

24 (c) *Final cost calculation for purchase of creditable service.* The department
25 may audit any transaction to purchase creditable service under this subsection and

1 make any necessary correction to the estimated cost of purchasing the creditable
2 service to reflect the amount due under sub. (2). Except as otherwise provided in sub.
3 (7), if the department determines that the final amount that is due is more than the
4 amount paid to the department, the department shall notify the participant of the
5 amount of the shortfall. If payment of the amount of the shortfall is not received by
6 the department within 30 calendar days after the date on which the department
7 sends notice to the participant, the department shall complete the creditable service
8 purchase transaction by prorating the amount of creditable service that is purchased
9 based on the payment amount actually received and shall notify the participant of
10 the amount and category of service that is credited. The department, by rule, shall
11 specify how a forfeited service purchase is prorated when the participant forfeited
12 service under more than one category of employment under s. 40.23 (2m) (e).

13 (d) *Treatment of amounts to purchase creditable service.* All amounts retained
14 by the department for the purchase of creditable service under sub. (2) shall be
15 credited and treated as employee required contributions for all purposes of the
16 Wisconsin retirement system, except that amounts received for the purchase of
17 creditable service under sub. (2) (b) may not be used for the purpose of making
18 calculations under s. 40.23 (3) or 40.73 (1) (am).

19 (5) TRANSFER OF FUNDS; PLAN-TO-PLAN TRANSFERS. (a) *Transfer from certain*
20 *benefit plans.* Subject to any applicable limitations under the Internal Revenue
21 Code, a participating employee may elect to use part or all of any of the following to
22 purchase creditable service under this section:

23 1. Accumulated after-tax additional contributions, including interest, made
24 under s. 40.05 (1) (a) 5.

1 2. Accumulated contributions treated by the department as contributions to a
2 tax sheltered annuity under section 403 (b) of the Internal Revenue Code, but only
3 if the employer sponsoring the annuity plan authorizes the transfer.

4 (b) *Other plan-to-plan transfers.* The department may also accept a plan to
5 plan transfer from any of the following:

6 1. Accumulated contributions under a state deferred compensation plan under
7 subch. VII.

8 2. The trustee of any plan qualified under sections 401 (a) or (k), 403 (b), or 457
9 of the Internal Revenue Code, but only if the purpose of the transfer is to purchase
10 creditable service under this section.

11 (c) *Payment shortfall.* Except as otherwise provided in sub. (7), if the
12 department determines that the amount paid to the department to purchase
13 creditable service under this subsection, together with the amount transferred
14 under a plan-to-plan transfer, is less than the amount that is required to purchase
15 the creditable service, the department shall notify the participant of the amount of
16 the shortfall. If payment of the amount of the shortfall is not received by the
17 department within 30 calendar days after the date on which the department sends
18 notice to the participant, the department shall complete the creditable service
19 purchase transaction by prorating the amount of creditable service that is purchased
20 based on the payment amount actually received and shall notify the participant of
21 the amount and category of service that is credited. The department, by rule, shall
22 specify how a forfeited service purchase is prorated when the participant forfeited
23 service under more than one category of employment under s. 40.23 (2m) (e).

24 (6) REFUNDS. Except as provided in sub. (7), if the department determines that
25 the amount paid to the department to purchase creditable service, including any

1 amount in a plan-to-plan transfer, is greater than the amount that is required to
2 purchase the creditable service, as determined by the department, the department
3 shall refund the difference. The department shall pay any refund to the participant,
4 up to the amount received from the participant. Any remaining amount shall be
5 returned to the applicable account in the trust fund for transfers under sub. (5) (a)
6 or to the trustee of a plan which was the source of a plan-to-plan transfer under sub.
7 (5) (b). When more than one plan-to-plan transfer occurs, the department may
8 determine which transfer is to be refunded, in whole or part. No funds transferred
9 to the department by a plan-to-plan transfer may be refunded to a participant.

10 (7) LIMIT ON PAYMENT OF CORRECTIONS. The department may not require a
11 participant to pay any shortfall under sub. (4) (c) or (5) (c) that is \$25 or less. The
12 department may not pay any refund under sub. (6) if the amount of the refund is \$25
13 or less.

14 ***-1757/4.3* SECTION 1026.** 40.51 (6) of the statutes is amended to read:

15 40.51 (6) This state shall offer to all of its employees at least 2 insured or
16 uninsured health care coverage plans providing substantially equivalent hospital
17 and medical benefits, including a health maintenance organization or a preferred
18 provider plan, if those health care plans are determined by the group insurance
19 board to be available in the area of the place of employment and are approved by the
20 group insurance board. The group insurance board shall place each of the plans into
21 one of 3 tiers established in accordance with standards adopted by the group
22 insurance board. The tiers shall be separated according to the employee's share of
23 premium costs.

24 ***b0390/1.2* SECTION 1026e.** 40.51 (10m) of the statutes is amended to read:

1 40.51 (10m) Any eligible employee, as defined in s. 40.02 (25) (b) 6e. and 6g.,
2 may become covered under any health care coverage plan offered under sub. (6),
3 without furnishing evidence of insurability, by submitting to the department, on a
4 form provided by the department and within 30 days after the date on which the
5 department receives the employee's application for a retirement annuity or for a
6 lump sum payment under s. 40.25 (1), an election to obtain the coverage, by obtaining
7 coverage subject to contractual waiting periods and by paying the cost of the required
8 premiums, as provided in s. 40.05 (4) (ad).

9 ***b0329/1.1* SECTION 1026r.** 40.53 of the statutes is created to read:

10 **40.53 Pharmacy benefits purchasing pool. (1)** In this section:

11 (a) "Brand name" has the meaning given in s. 450.12 (1) (a).

12 (b) "Eligible party" means an employer, other than the state, or a person doing
13 business or operating an organization in this state, including a self-employed
14 individual.

15 (c) "Generic name" has the meaning given in s. 450.12 (1) (b).

16 (d) "Prescription drug" has the meaning given in s. 450.01 (20).

17 **(2)** Beginning on January 1, 2005, the group insurance board shall develop a
18 purchasing pool for pharmacy benefits that uses a preferred list of covered
19 prescription drugs. The pool shall consist of the state and any eligible party that
20 satisfies the conditions established under sub. (3) for joining the pool. The group
21 insurance board shall seek to develop the preferred list of covered prescription drugs
22 under an evidence-based analysis that first identifies the relative effectiveness of
23 prescription drugs within therapeutic classes for particular diseases and conditions
24 and next identifies the least costly prescription drugs, including prescription drugs

1 with generic names that are alternatives to prescription drugs with brand names,
2 among those found to be equally effective.

3 (3) The group insurance board shall propose conditions that an eligible party
4 must satisfy to join the purchasing pool established under sub. (2) and shall submit
5 the proposed conditions to the joint committee on finance. If the cochairpersons of
6 the committee do not notify the group insurance board within 14 working days after
7 the date of the group insurance board's submittal that the committee has scheduled
8 a meeting for the purpose of reviewing the proposed conditions, the conditions may
9 be implemented as proposed by the group insurance board. If, within 14 working
10 days after the date of the group insurance board's submittal, the cochairpersons of
11 the committee notify the group insurance board that the committee has scheduled
12 a meeting for the purpose of reviewing the proposed conditions, the conditions may
13 be implemented only upon approval of the committee.

14 *b0390/1.2* SECTION 1026t. 40.95 (1) (a) (intro.) of the statutes is amended to
15 read:

16 40.95 (1) (a) (intro.) Subject to sub. (2), the department shall administer a
17 program that provides health insurance premium credits for the purchase of health
18 insurance for a retired employee, or the retired employee's surviving insured
19 dependents, and for an eligible employee under s. 40.02 (25) (b) 6e., or the eligible
20 employee's surviving insured dependents, for the benefit of an eligible employee
21 whose compensation includes such health insurance premium credits and who
22 satisfies at least one of the following:

23 *-1876/1.3* SECTION 1027. 40.98 (2) (h) of the statutes is amended to read:

24 40.98 (2) (h) The department may seek funding from any person for the
25 payment of costs of designing, marketing, and contracting for or providing

1 administrative services under the health care coverage program ~~and for lapsing to~~
2 ~~the general fund any amount required under sub. (6m)~~. Any moneys received by the
3 department under this paragraph shall be credited to the appropriation account
4 under s. 20.515 (2) (g).

5 ***-1876/1.4* SECTION 1028.** 40.98 (6m) of the statutes is repealed.

6 ***-1281/2.2* SECTION 1030.** 43.24 (1) (c) of the statutes is amended to read:

7 43.24 (1) (c) Beginning in the fiscal year in which the total amount of state aid
8 appropriated for public library systems under s. 20.255 (3) (e) and (qm), as
9 determined by the department, equals at least 11.25% of the total operating
10 expenditures for public library services from local and county sources in the calendar
11 year ending in that fiscal year, the amount paid to each system shall be determined
12 by adding the result of each of the following calculations:

13 1. Multiply the system's percentage of the state's population by the product of
14 the amount appropriated under s. 20.255 (3) (e) and (qm) and 0.85.

15 2. Multiply the system's percentage of the state's geographical area by the
16 product of the amount appropriated under s. 20.255 (3) (e) and (qm) and 0.075.

17 3. Divide the sum of the payments to the municipalities and counties in the
18 system under subch. I of ch. 79 for the current fiscal year, as reflected in the
19 statement of estimated payments under s. 79.015, by the total of all payments under
20 subch. I of ch. 79 for the current fiscal year, as reflected in the statement of estimated
21 payments under s. 79.015, and multiply the result by the product of the amount
22 appropriated under s. 20.255 (3) (e) and (qm) and 0.075.

23 ***-1281/2.3* SECTION 1031.** 43.24 (3) of the statutes is amended to read:

24 43.24 (3) Annually, the division shall review the reports and proposed service
25 plans submitted by the public library systems under s. 43.17 (5) for conformity with

1 this chapter and such rules and standards as are applicable. Upon approval, the
2 division shall certify to the department of administration an estimated amount to
3 which each system is entitled under this section. Annually on or before December
4 1 of the year immediately preceding the year for which aids are to be paid, the
5 department of administration shall pay each system 75% of the certified estimated
6 amount from the ~~appropriation~~ appropriations under s. 20.255 (3) (e) and (qm). The
7 division shall, on or before the following April 30, certify to the department of
8 administration the actual amount to which the system is entitled under this section.
9 On or before July 1, the department of administration shall pay each system the
10 difference between the amount paid on December 1 of the prior year and the certified
11 actual amount of aid to which the system is entitled from the ~~appropriation~~
12 appropriations under s. 20.255 (3) (e) and (qm). The division may reduce state aid
13 payments when any system or any participant thereof fails to meet the requirements
14 of sub. (2). Beginning September 1, 1991, the division may reduce state aid payments
15 to any system if the system or any participant in the system fails to meet the
16 requirements of s. 43.15 (4).

17 ***-1281/2.4* SECTION 1032.** 43.24 (3m) of the statutes is amended to read:

18 43.24 (3m) If the ~~appropriation~~ appropriations under s. 20.255 (3) (e) and (qm)
19 in any one year is are insufficient to pay the full amount under sub. (1), state aid
20 payments shall be prorated among the library systems entitled to such aid.

21 ***-0529/4.94* SECTION 1033.** 43.70 (3) of the statutes is amended to read:

22 43.70 (3) Immediately upon making such apportionment, the state
23 superintendent shall certify to the department of administration the estimated
24 amount that each school district is entitled to receive under this section and shall
25 notify each school district administrator of the estimated amount so certified for his

1 or her school district. The department of administration shall ~~issue its warrants~~
2 ~~upon which the state treasurer shall~~ distribute each school district's aid entitlement
3 in one payment on or before May 1. The amount paid to each school district shall be
4 based upon the amount in the appropriation account under s. 20.255 (2) (s) on April
5 15. All moneys distributed under this section shall be expended for the purchase of
6 instructional materials from the state historical society for use in teaching Wisconsin
7 history and for the purchase of library books and other instructional materials for
8 school libraries, but not for public library facilities operated by school districts under
9 s. 43.52, in accordance with rules promulgated by the state superintendent.
10 Appropriate records of such purchases shall be kept and necessary reports thereon
11 shall be made to the state superintendent.

12 *~~0666/9.40~~* SECTION 1034. Chapter 44 (title) of the statutes is amended to
13 read:

14 **CHAPTER 44**
15 **HISTORICAL SOCIETIES, AND ARTS**
16 **BOARD AND ~~TECHNOLOGY~~ FOR**
17 **~~EDUCATIONAL ACHIEVEMENT IN~~**
18 **WISCONSIN BOARD**

19 *~~b0327/1.3~~* SECTION 1034s. 44.53 (1) (fm) of the statutes is repealed.

20 *~~b0327/1.3~~* SECTION 1034t. 44.53 (2) (am) of the statutes is repealed.

21 *~~0666/9.41~~* SECTION 1035. Subchapter IV (title) of chapter 44 [precedes
22 44.70] of the statutes is repealed.

23 *~~b0306/4.32~~* SECTION 1036d. 44.70 (intro.) of the statutes is renumbered
24 16.99 (intro.).

25 *~~0666/9.43~~* SECTION 1037. 44.70 (1) of the statutes is repealed.

1 ***b0306/4.33* SECTION 1038d.** 44.70 (1d) of the statutes is renumbered 16.99
2 (1d).

3 ***b0306/4.33* SECTION 1039d.** 44.70 (1m) of the statutes is renumbered 16.99
4 (1m).

5 ***-0666/9.46* SECTION 1040.** 44.70 (2) of the statutes is repealed.

6 ***b0306/4.35* SECTION 1041d.** 44.70 (2g) of the statutes is renumbered 16.99
7 (2g) and amended to read:

8 16.99 (2g) “Educational agency” means a school district, charter school
9 sponsor, secured correctional facility, private school, cooperative educational service
10 agency, technical college district, private college, public library system, public library
11 board, public museum, the Wisconsin Center for the Blind and Visually Impaired,
12 or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing.

13 ***b0306/4.35* SECTION 1042d.** 44.70 (3) of the statutes is renumbered 16.99 (3).

14 ***b0306/4.35* SECTION 1043d.** 44.70 (3d) of the statutes is renumbered 16.99
15 (3d).

16 ***b0306/4.35* SECTION 1044d.** 44.70 (3g) of the statutes is renumbered 16.99
17 (3g).

18 ***b0306/4.35* SECTION 1045d.** 44.70 (3j) of the statutes is renumbered 16.99
19 (3j).

20 ***b0306/4.35* SECTION 1046d.** 44.70 (3m) of the statutes is renumbered 16.99
21 (3m).

22 ***b0306/4.35* SECTION 1047d.** 44.70 (3r) of the statutes is renumbered 16.99
23 (3r).

24 ***b0306/4.35* SECTION 1048d.** 44.70 (4) of the statutes is renumbered 16.99 (4).

25 ***b0306/4.35* SECTION 1049d.** 44.70 (5) of the statutes is renumbered 16.99 (5).

1 ***b0306/4.35* SECTION 1050d.** 44.70 (6) of the statutes is renumbered 16.99 (6).

2 ***-0666/9.57* SECTION 1051.** 44.71 (title) of the statutes is repealed.

3 ***-0666/9.58* SECTION 1052.** 44.71 (1) of the statutes is repealed.

4 ***b0306/4.38* SECTION 1053d.** 44.71 (2) (intro.) of the statutes is renumbered
5 16.993 (intro.) and amended to read:

6 **16.993 Duties Technology for educational achievement in Wisconsin;**
7 **departmental duties.** (intro.) The ~~board~~ department shall do all of the following:

8 ***b0306/4.38* SECTION 1054d.** 44.71 (2) (a) of the statutes is renumbered 16.993
9 (1) and amended to read:

10 16.993 (1) In cooperation with school districts, cooperative educational service
11 agencies, the technical college system board, and the board of regents of the
12 University of Wisconsin System ~~and the department~~, promote the efficient,
13 cost-effective procurement, installation, and maintenance of educational technology
14 by school districts, cooperative educational service agencies, technical college
15 districts, and the University of Wisconsin System.

16 ***b0306/4.38* SECTION 1055d.** 44.71 (2) (b) of the statutes is renumbered
17 16.993 (2).

18 ***b0306/4.38* SECTION 1056d.** 44.71 (2) (c) of the statutes is renumbered
19 16.993 (3) and amended to read:

20 16.993 (3) ~~With the consent of the department, enter~~ Enter into cooperative
21 purchasing agreements under s. 16.73 (1) under which participating school districts
22 and cooperative educational service agencies may contract for their professional
23 employees to receive training concerning the effective use of educational technology.

24 ***b0306/4.38* SECTION 1057d.** 44.71 (2) (d) of the statutes is renumbered
25 16.993 (4) and amended to read:

1 16.993 (4) In cooperation with the board of regents of the University of
2 Wisconsin System, the technical college system board, ~~the department of public~~
3 ~~instruction~~ and other entities, support the development of courses for the instruction
4 of professional employees who are licensed by the state superintendent of public
5 instruction concerning the effective use of educational technology.

6 ***b0306/4.38* SECTION 1058d.** 44.71 (2) (e) of the statutes is renumbered
7 16.993 (5) and amended to read:

8 16.993 (5) ~~Subject to s. 44.73 (5), in cooperation with the department, provide~~
9 Provide telecommunications access to educational agencies under the program
10 established under s. ~~44.73~~ 16.997.

11 ***b0306/4.38* SECTION 1059d.** 44.71 (2) (f) of the statutes is renumbered 16.993
12 (6) and amended to read:

13 16.993 (6) No later than October 1 of each even-numbered year, submit a
14 biennial report concerning the ~~board's~~ department's activities under this subchapter
15 to the governor, and to the appropriate standing committees of the legislature under
16 s. 13.172 (3).

17 ***b0306/4.38* SECTION 1060d.** 44.71 (2) (g) of the statutes is renumbered
18 16.993 (7) and amended to read:

19 16.993 (7) ~~Coordinate the purchasing of~~ Purchase educational technology
20 materials, supplies, equipment, and contractual services for school districts,
21 cooperative educational service agencies, technical college districts, and the board
22 of regents of the University of Wisconsin System ~~by the department~~ under s. 16.72
23 (8), and, ~~in cooperation with the department and subject to the approval of the~~
24 ~~department of electronic government,~~ establish standards and specifications for
25 purchases of educational technology hardware and software by school districts,

1 cooperative educational service agencies, technical college districts, and the board
2 of regents of the University of Wisconsin System.

3 *b0306/4.38* SECTION 1061d. 44.71 (2) (h) of the statutes is renumbered
4 16.993 (8) and amended to read:

5 16.993 (8) ~~With the approval of the department of electronic government,~~
6 ~~purchase~~ Purchase educational technology equipment for use by school districts,
7 cooperative educational service agencies, and public educational institutions in this
8 state and permit the districts, agencies, and institutions to purchase or lease the
9 equipment, with an option to purchase the equipment at a later date. ~~This paragraph~~
10 ~~subsection~~ does not require the purchase or lease of any educational technology
11 equipment from the ~~board~~ department.

12 *b0306/4.38* SECTION 1062d. 44.71 (2) (i) of the statutes is renumbered 16.993
13 (9).

14 *-0666/9.69* SECTION 1063. 44.71 (3) of the statutes is repealed.

15 *-0666/9.70* SECTION 1064. 44.72 (title) of the statutes is repealed.

16 *-0666/9.71* SECTION 1065. 44.72 (1) of the statutes is repealed.

17 *-0666/9.72* SECTION 1066. 44.72 (2) of the statutes is repealed.

18 *-0666/9.73* SECTION 1067. 44.72 (3) of the statutes is repealed.

19 *b0306/4.42* SECTION 1068d. 44.72 (4) (title) of the statutes is renumbered
20 16.995 (title).

21 *b0306/4.42* SECTION 1069d. 44.72 (4) (a) of the statutes is renumbered
22 16.995 (1) and amended to read:

23 16.995 (1) FINANCIAL ASSISTANCE AUTHORIZED. The ~~board~~ department may
24 provide financial assistance under this subsection section to school districts and
25 ~~charter school sponsors~~ from the proceeds of public debt contracted under s. 20.866

1 (2) (zc) and to public library boards from the proceeds of public debt contracted under
2 s. 20.866 (2) (zcm). Financial assistance under this ~~subsection~~ section may be used
3 only for the purpose of upgrading the electrical wiring of school and library buildings
4 in existence on October 14, 1997, and installing and upgrading computer network
5 wiring. The department may not provide any financial assistance under this section
6 after the effective date of this subsection [revisor inserts date].

7 *b0306/4.42* SECTION 1070d. 44.72 (4) (b) of the statutes is renumbered
8 16.995 (2) and amended to read:

9 16.995 (2) FINANCIAL ASSISTANCE APPLICATIONS, TERMS, AND CONDITIONS. The
10 ~~board~~ department shall establish application procedures for, and the terms and
11 conditions of, financial assistance under this subsection, ~~including a condition~~
12 ~~requiring a charter school sponsor to use financial assistance under this subsection~~
13 ~~for wiring upgrading and installation that benefits pupils attending the charter~~
14 ~~school~~ section. The ~~board~~ department shall make a loan to a school district, ~~charter~~
15 ~~school sponsor, or public library board, or to a municipality on behalf of a public~~
16 library board, in an amount equal to 50% of the total amount of financial assistance
17 for which the ~~board~~ department determines the school district or public library board
18 is eligible and provide a grant to the school district or public library board for the
19 remainder of the total. The terms and conditions of any financial assistance under
20 this ~~subsection~~ section may include the provision of professional building
21 construction services under s. 16.85 (15). The ~~board~~ department shall determine the
22 interest rate on loans under this ~~subsection~~ section. The interest rate shall be as low
23 as possible but shall be sufficient to fully pay all interest expenses incurred by the
24 state in making the loans and to provide reserves that are reasonably expected to be
25 required in the judgment of the ~~board~~ department to ensure against losses arising

1 from delinquency and default in the repayment of the loans. The term of a loan under
2 this ~~subsection~~ section may not exceed 10 years.

3 *b0306/4.42* SECTION 1071d. 44.72 (4) (c) of the statutes is renumbered
4 16.995 (3) and amended to read:

5 16.995 (3) REPAYMENT OF LOANS. The ~~board~~ department shall credit all moneys
6 received from school districts and ~~charter school sponsors~~ for repayment of loans
7 under this ~~subsection~~ section to the appropriation account under s. ~~20.275 (1) (h)~~
8 20.505 (4) (ha). The ~~board~~ department shall credit all moneys received from public
9 library boards or from municipalities on behalf of public library boards for
10 repayment of loans under this ~~subsection~~ section to the appropriation account under
11 s. ~~20.275 (1)~~ 20.505 (4) (hb).

12 *b0306/4.42* SECTION 1072d. 44.72 (4) (d) of the statutes is renumbered
13 16.995 (4) and amended to read:

14 16.995 (4) FUNDING FOR FINANCIAL ASSISTANCE. The ~~board, with the approval of~~
15 ~~the governor and~~ department, subject to the limits of s. 20.866 (2) (zc) and (zcm), may
16 request that the building commission contract public debt in accordance with ch. 18
17 to fund financial assistance under this ~~subsection~~ section.

18 *b0306/4.42* SECTION 1073d. 44.73 (title) of the statutes is renumbered
19 16.997 (title).

20 *b0306/4.42* SECTION 1074d. 44.73 (1) of the statutes is renumbered 16.997
21 (1) and amended to read:

22 16.997 (1) Except as provided in s. 196.218 (4t), the ~~board, in consultation with~~
23 ~~the department and~~ subject to the approval of the department of electronic
24 government, department shall promulgate rules establishing an educational

1 telecommunications access program to provide educational agencies with access to
2 data lines and video links.

3 ***b0306/4.42* SECTION 1075d.** 44.73 (2) (intro.) of the statutes is renumbered
4 16.997 (2) (intro.).

5 ***b0306/4.42* SECTION 1076d.** 44.73 (2) (a) of the statutes is renumbered
6 16.997 (2) (a) and amended to read:

7 16.997 (2) (a) Allow an educational agency to make a request to the ~~board~~
8 department for access to either one data line or one video link, except that any
9 educational agency may request access to additional data lines if the agency shows
10 to the satisfaction of the ~~board~~ department that the additional data lines are more
11 cost-effective than a single data line and except that a school district that operates
12 more than one high school or a public library board that operates more than one
13 library facility may request access to both a data line and a video link and access to
14 more than one data line or video link.

15 ***b0306/4.42* SECTION 1077d.** 44.73 (2) (b) of the statutes is renumbered
16 16.997 (2) (b).

17 ***b0306/4.42* SECTION 1078d.** 44.73 (2) (c) of the statutes is renumbered
18 16.997 (2) (c).

19 ***b0306/4.42* SECTION 1079d.** 44.73 (2) (d) of the statutes is renumbered
20 16.997 (2) (d).

21 ***b0306/4.42* SECTION 1080d.** 44.73 (2) (e) of the statutes is renumbered
22 16.997 (2) (e).

23 ***b0306/4.42* SECTION 1081d.** 44.73 (2) (f) of the statutes is renumbered 16.997
24 (2) (f).

1 ***b0306/4.42* SECTION 1082d.** 44.73 (2g) of the statutes is renumbered 16.997
2 (2g).

3 ***b0306/4.42* SECTION 1083d.** 44.73 (2r) of the statutes is renumbered 16.997
4 (2r), and 16.997 (2r) (c), as renumbered, is amended to read:

5 16.997 (2r) (c) A public library board shall provide the ~~technology for~~
6 ~~educational achievement in Wisconsin board~~ department with written notice within
7 30 days after entering into or modifying a shared service agreement under par. (a).

8 ***b0306/4.42* SECTION 1084d.** 44.73 (3) of the statutes is renumbered 16.997
9 (3) and amended to read:

10 16.997 (3) ~~The board shall submit an annual report to the department~~ shall
11 prepare an annual report on the status of providing data lines and video links that
12 are requested under sub. (2) (a) and the impact on the universal service fund of any
13 payment under contracts under s. 16.974.

14 ***b0306/4.42* SECTION 1085d.** 44.73 (4) of the statutes is renumbered 16.997
15 (4).

16 ***-0666/9.92* SECTION 1086.** 44.73 (5) of the statutes is repealed.

17 ***b0306/4.43* SECTION 1087d.** 44.73 (6) (a) of the statutes is renumbered
18 16.997 (6) (a) and amended to read:

19 16.997 (6) (a) From the appropriation under s. ~~20.275 (1)~~ 20.505 (4) (s) or (tm),
20 the ~~board~~ department may award an annual grant to a school district or private
21 school that had in effect on October 14, 1997, a contract for access to a data line or
22 video link, as documented by the ~~board~~ department. The ~~board~~ department shall
23 determine the amount of the grant, which shall be equal to the cost incurred by the
24 state to provide telecommunications access to a school district or private school
25 under a contract entered into under s. 16.974 (1) or (3) less the amount that the school

1 district or private school would be paying under sub. (2) (d) if the school district or
2 private school were participating in the program established under sub. (1), except
3 that the amount may not be greater than the cost that a school district or private
4 school incurs under the contract in effect on October 14, 1997. A school district or
5 private school receiving a grant under this subsection is not eligible to participate in
6 the program under sub. (1). No grant may be awarded under this subsection after
7 December 31, 2005.

8 ***b0306/4.43* SECTION 1088d.** 44.73 (6) (b) of the statutes is renumbered
9 16.997 (6) (b) and amended to read:

10 16.997 (6) (b) Notwithstanding par. (a), the ~~board~~ department may award a
11 school district that operates more than one high school and that had in effect on
12 October 14, 1997, a contract for access to more than one data line or video link an
13 annual grant for each data line or video link serving each high school covered by that
14 contract.

15 ***b0153/3.2* SECTION 1088m.** 45.25 (title) of the statutes is amended to read:

16 **45.25 (title) Veterans' tuition and fee reimbursement program.**

17 ***b0153/3.2* SECTION 1088p.** 45.25 (1) of the statutes is renumbered 45.25 (1m)
18 and amended to read:

19 45.25 (1m) ADMINISTRATION. The department shall administer a tuition and fee
20 reimbursement program for eligible veterans enrolling as undergraduates in any
21 institution of higher education, as defined in s. 45.396 (1) (a), in this state, enrolling
22 in a school that is approved under s. 45.35 (9m), enrolling in a proprietary school that
23 is approved under s. 45.54, or receiving a waiver of nonresident tuition under s.
24 39.47.

25 ***b0153/3.2* SECTION 1088r.** 45.25 (1g) of the statutes is created to read:

1 45.25 (1g) DEFINITION. In this section, “tuition,” when referring to the
2 University of Wisconsin System, means “academic fees,” as described in s. 36.27 (1),
3 and when referring to the technical colleges, means “program fees,” as described in
4 s. 38.24 (1m) (a) and (b).

5 ***b0153/3.2* SECTION 1088t.** 45.25 (2) (intro.) of the statutes is amended to
6 read:

7 45.25 (2) ELIGIBILITY. (intro.) An individual is eligible for the tuition and fee
8 reimbursement program if he or she meets all of the following criteria:

9 ***-1780/1.1* SECTION 1089.** 45.25 (2) (c) of the statutes is amended to read:

10 45.25 (2) (c) The individual applies for the tuition and fee reimbursement
11 program for courses ~~completed~~ begun within 10 years after separation from the
12 service.

13 ***b0153/3.4* SECTION 1089c.** 45.25 (2) (d) of the statutes is amended to read:

14 45.25 (2) (d) The individual is a resident at the time of application for the
15 tuition and fee reimbursement program and was a Wisconsin resident at the time of
16 entry or reentry into service or was a resident for any consecutive 12-month period
17 after entry or reentry into service and before the date of his or her application. If a
18 person applying for a benefit under this section meets the residency requirement of
19 12 consecutive months, the department may not require the person to reestablish
20 that he or she meets that residency requirement when he or she later applies for any
21 other benefit under this chapter that requires that residency.

22 ***b0153/3.4* SECTION 1089e.** 45.25 (3) (a) of the statutes is amended to read:

23 45.25 (3) (a) Except as provided in par. (am), an individual who meets the
24 requirements under sub. (2), upon satisfactory completion of a full-time
25 undergraduate semester in any institution of higher education, as defined in s.

1 45.396 (1) (a), in this state, any school that is approved under s. 45.35 (9m), any
2 proprietary school that is approved under s. 45.54, or any institution from which the
3 individual receives a waiver of nonresident tuition under s. 39.47, may be
4 reimbursed an amount not to exceed the total cost of the individual's tuition and fees
5 minus any grants or scholarships, including those made under s. 21.49, that the
6 individual receives specifically for the payment of the tuition ~~or fees~~, or 85% of the
7 standard cost of tuition for a state resident for an equivalent undergraduate ~~course~~
8 semester at the University of Wisconsin–Madison ~~per course~~, whichever is less.
9 Reimbursement is available only for tuition ~~and fees~~ that ~~are~~ is part of a curriculum
10 that is relevant to a degree in a particular course of study at the institution.

11 *b0153/3.4* SECTION 1089g. 45.25 (3) (am) of the statutes is repealed and
12 recreated to read:

13 45.25 (3) (am) Any individual who is eligible to receive reimbursement under
14 par. (a) and received reimbursement under par. (a) or s. 45.25 (3) (am), 2001 stats.,
15 before the effective date of this paragraph [revisor inserts date], shall be
16 reimbursed an amount not to exceed the amount determined under par. (a) or the
17 amount determined under s. 45.25 (3) (a) or (am), 2001 stats., whichever is greater.

18 *b0153/3.4* SECTION 1089j. 45.25 (3) (b) (intro.) of the statutes is amended to
19 read:

20 45.25 (3) (b) (intro.) An application for reimbursement of tuition ~~and fees~~ under
21 par. (a) ~~or (am)~~ shall meet all of the following requirements:

22 *b0319/2.4* SECTION 1089m. 45.35 (14) (h) of the statutes is amended to read:
23 45.35 (14) (h) To provide grants to the governing bodies of federally recognized
24 American Indian tribes and bands from the appropriation under s. 20.485 (2) (~~km~~)
25 (vz) if that governing body enters into an agreement with the department regarding

1 the creation, goals and objectives of a tribal veterans' service officer, appoints a
2 veteran to act as a tribal veterans' service officer and gives that veteran duties
3 similar to the duties described in s. 45.43 (5), except that the veteran shall report to
4 the governing body of the tribe or band. The department may make annual grants
5 of up to \$2,500 under this paragraph and shall promulgate rules to implement this
6 paragraph.

7 ***-0324/1.2* SECTION 1090.** 45.365 (7) of the statutes is created to read:

8 45.365 (7) The department may develop a program to provide stipends to
9 individuals to attend school and receive the necessary credentials to become
10 employed at the home or the southeastern facility. If the department does develop
11 a stipend program under this subsection, the department shall promulgate
12 administrative rules related to the program, including the application process,
13 eligibility criteria, stipend amount, repayment provisions, and other provisions that
14 the department determines are necessary to administer the program.

15 ***-0529/4.95* SECTION 1091.** 45.37 (11) of the statutes is amended to read:

16 45.37 (11) DISPOSITION OF PROPERTY DESCENDING TO STATE. If a member dies
17 without a relative that is entitled to an interest in the property of the member under
18 the rules of intestate succession and without leaving a will the existence of which is
19 made known to the commandant of the home within 60 days of the member's death,
20 the member's property shall be converted to cash and turned over by the
21 commandant of the home to the ~~state treasurer~~ secretary of administration to be paid
22 into the appropriation under s. 20.485 (1) (h), without administration. The amount
23 is subject to refund within 6 years to the estate of a veteran if it is subsequently
24 discovered that the veteran left a will or a relative that is entitled to an interest in
25 the property of the member under the rules of intestate succession or to any creditor

1 of the veteran who establishes right to the fund or property or any portion thereof.
2 The department, upon being satisfied that a claim out of such funds or property is
3 legal and valid, shall pay the same out of such funds or property, except that payment
4 of claims for a member's funeral and burial expenses may not exceed a total of \$1,500
5 including any amount allowed by the United States for the member's funeral and
6 burial and the right for burial and interment provided in sub. (15) (a).

7 ***-0190/7.4* SECTION 1092.** 45.37 (15) (c) of the statutes is amended to read:

8 45.37 (15) (c) Expenses incident to the burial at the home of a member shall
9 be paid from the estate of the decedent, except that if there is no estate or the estate
10 is insufficient, the expense of burial, or necessary part thereof, shall be paid from the
11 appropriation under s. 20.485 (1) (gk) and the amount expended therefor shall not
12 exceed the amount established for funeral and burial expenses under s. ~~49.30~~ 49.785
13 (1) (b).

14 ***b0153/3.5* SECTION 1092g.** 45.396 (1) (c) of the statutes is created to read:

15 45.396 (1) (c) "Tuition" has the meaning given in s. 45.25 (1g).

16 ***b0153/3.5* SECTION 1092m.** 45.396 (4) of the statutes is amended to read:

17 45.396 (4) Enrolled part-time classroom study or direct correspondence
18 courses from a qualified educational institution may be authorized and the veteran
19 reimbursed in part by the department when such courses are related to one's
20 occupational, professional or employment objectives, and to the extent that payment
21 or reimbursement is not available from any other sources, or, in cases where
22 reimbursement is not specifically for ~~fees and~~ tuition, to the extent that such
23 reimbursement is insufficient to cover all educational costs.

24 ***b0153/3.5* SECTION 1092p.** 45.396 (5) of the statutes is renumbered 45.396

25 (5) (a) and amended to read:

1 45.396 (5) (a) Except as provided in ~~sub. (9) par. (b)~~, the amount of the
2 reimbursement may not exceed ~~85% of the total cost of the individual's tuition and~~
3 ~~fees or 85% of the standard cost for a state resident for tuition and fees for an~~
4 equivalent undergraduate course at the University of Wisconsin–Madison per
5 course, whichever is less, and may not be provided to an individual more than 4 times
6 during any consecutive 12–month period.

7 ***b0153/3.5* SECTION 1092q.** 45.396 (5) (b) of the statutes is created to read:

8 45.396 (5) (b) Any individual who is eligible to receive reimbursement under
9 par. (a) and received reimbursement under par. (a) before the effective date of this
10 paragraph ... [revisor inserts date], shall be reimbursed an amount not to exceed the
11 amount determined under par. (a) or the amount determined under s. 45.396 (5) (a),
12 2001 stats., whichever is greater.

13 ***b0153/3.5* SECTION 1092r.** 45.396 (9) of the statutes is repealed.

14 ***-0576/8.61* SECTION 1093.** 45.43 (7) (b) of the statutes is amended to read:

15 45.43 (7) (b) The department shall award a grant annually to a county that
16 meets the standards developed under this subsection and employs a county veterans'
17 service officer who, if chosen after August 9, 1989, is chosen from a list of candidates
18 who have taken a civil service examination for the position of county veterans' service
19 officer developed and administered by the division of merit recruitment and selection
20 in the ~~department of employment relations~~ office of state human resources
21 management, or is appointed under a civil service competitive examination
22 procedure under ch. 63 or s. 59.52 (8). The grant shall be \$8,500 for a county with
23 a population of less than 20,000, \$10,000 for a county with a population of 20,000 to
24 45,499, \$11,500 for a county with a population of 45,500 to 74,999, and \$13,000 for
25 a county with a population of 75,000 or more. The department shall use the most

1 recent Wisconsin official population estimates prepared by the demographic services
2 center when making grants under this paragraph.

3 ***-0344/1.2* SECTION 1094.** 45.54 (10) (a) of the statutes is amended to read:

4 45.54 (10) (a) *Authority.* All proprietary schools shall be examined and
5 approved by the board before operating in this state. Approval shall be granted to
6 schools meeting the criteria established by the board for a period not to exceed one
7 year. No school may advertise in this state unless approved by the board. All
8 approved schools shall submit quarterly reports, including information on
9 enrollment, number of teachers and their qualifications, course offerings, number of
10 graduates, number of graduates successfully employed, and such other information
11 as the board deems necessary. If a school closure results in losses to students,
12 parents, or sponsors, the board may authorize the full or partial payment of those
13 losses from the appropriation under s. 20.485 (5) (gm).

14 ***-0344/1.3* SECTION 1095.** 45.54 (10) (c) 4. of the statutes is created to read:

15 45.54 (10) (c) 4. Specify a student protection fee.

16 ***b0154/1.1* SECTION 1095m.** 45.54 (10) (cm) of the statutes is created to read:

17 45.54 (10) (cm) *Limit on student protection fee.* The board shall discontinue
18 collecting annual student protection fees under par. (c) 4. during the period that the
19 balance in the fund created by those fees exceeds \$1,000,000.

20 ***-0115/1.1* SECTION 1096.** 46.03 (7) (h) of the statutes is created to read:

21 46.03 (7) (h) Contract for the provision of a centralized unit for determining
22 whether the cost of providing care for a child is eligible for reimbursement under 42
23 USC 670 to 679a.

24 ***b0202/1.2* SECTION 1098d.** 46.057 (2) of the statutes is amended to read:

1 46.057 (2) From the appropriation account under s. 20.410 (3) (ba), the
2 department of corrections shall transfer to the appropriation account under s. 20.435
3 (2) (kx) \$1,379,300 in fiscal year ~~2001–02~~ 2003–04 and \$1,379,300 in fiscal year
4 ~~2002–03~~ 2004–05 and, from the appropriation account under s. 20.410 (3) (hm), the
5 department of corrections shall transfer to the appropriation account under s. 20.435
6 (2) (kx) ~~\$2,489,300 in fiscal year 1999–2000~~ and ~~\$2,489,900 in fiscal year 2000–01~~
7 \$2,086,700 in fiscal year 2003–04 and \$2,155,600 in fiscal year 2004–05 for services
8 for juveniles placed at the Mendota juvenile treatment center. The department of
9 health and family services may charge the department of corrections not more than
10 the actual cost of providing those services.

11 ***b0285/3.3*** SECTION 1100g. 46.10 (16) of the statutes is amended to read:

12 46.10 (16) The department shall delegate to county departments under ss.
13 51.42 and 51.437 or the local providers of care and services meeting the standards
14 established by the department under s. 46.036, the responsibilities vested in the
15 department under this section for collection of patient fees for services other than
16 those provided at state facilities or those provided to children that are reimbursed
17 under a waiver under s. 46.27 (11), 46.275, or 46.278 or a waiver requested under
18 2001 Wisconsin Act 16, section 9123 (16rs), or 2003 Wisconsin Act (this act),
19 section 9124 (8c), if such ~~the~~ county departments or providers meet the conditions
20 deemed that the department determines are appropriate by the department. The
21 department may delegate to county departments under ss. 51.42 and 51.437 the
22 responsibilities vested in the department under this section for collection of patient
23 fees for services provided at the state facilities if the necessary conditions are met.

24 ***-1634/7.42*** SECTION 1101. 46.215 (1) (n) of the statutes is amended to read:

1 46.215 (1) (n) To collect and transmit information to the department of
2 administration so that a federal energy assistance payment may be made to an
3 eligible household; to collect and transmit information to the department of
4 administration so that weatherization services may be made available to an eligible
5 household; to receive applications from individuals seeking low-income energy
6 assistance under s. ~~16.385~~ 16.27 (4) or weatherization services under s. ~~16.39~~ 16.26;
7 to provide information on the income eligibility for weatherization of a recipient of
8 low-income energy assistance to an entity with which the department of
9 administration contracts for provision of weatherization under s. ~~16.39~~ 16.26; and
10 to receive a request, determine a correct payment amount, if any, and provide
11 payment, if any, for emergency assistance under s. ~~16.385~~ 16.27 (8).

12 *~~1634/7.43~~* SECTION 1102. 46.22 (1) (b) 4m. c. of the statutes is amended to
13 read:

14 46.22 (1) (b) 4m. c. To receive applications from individuals seeking low-income
15 energy assistance under s. ~~16.385~~ 16.27 (4) or weatherization services under s. ~~16.39~~
16 16.26.

17 *~~1634/7.44~~* SECTION 1103. 46.22 (1) (b) 4m. d. of the statutes is amended to
18 read:

19 46.22 (1) (b) 4m. d. To provide information on the income eligibility for
20 weatherization of a recipient of low-income energy assistance to an entity with
21 which the department of administration contracts for provision of weatherization
22 under s. ~~16.39~~ 16.26.

23 *~~1634/7.45~~* SECTION 1104. 46.22 (1) (b) 4m. e. of the statutes is amended to
24 read:

1 46.22 (1) (b) 4m. e. To receive a request, determine a correct payment amount,
2 if any, and provide payment, if any, for emergency assistance under s. ~~16.385~~ 16.27
3 (8).

4 ***b0165/3.2* SECTION 1104m.** 46.22 (1) (c) 8. f. of the statutes is amended to
5 read:

6 46.22 (1) (c) 8. f. Before July 1, 2005, the county department of social services
7 shall implement the statewide automated child welfare information system
8 established by the department under s. 46.03 (7) (g). After that system has been
9 implemented in a county, the department shall require that county to support 50%
10 of the nonfederal portion of the ongoing cost of that system. All moneys received by
11 the department under this subd. 8. f. shall be credited to the appropriation account
12 under s. 20.435 (3) (j).

13 ***-0190/7.5* SECTION 1105.** 46.22 (1) (d) of the statutes is amended to read:

14 46.22 (1) (d) *Merit system; records.* The county department of social services
15 is subject to s. ~~49.33~~ 49.78 (4) to (7). The county department of social services and
16 all county officers and employees performing any duties in connection with the
17 administration of aid to families with dependent children shall observe all rules
18 promulgated by the department of workforce development under s. ~~49.33~~ 49.78 (4)
19 and shall keep records and furnish reports as the department of workforce
20 development requires in relation to their performance of such duties.

21 ***-0190/7.6* SECTION 1106.** 46.22 (2) (b) of the statutes is amended to read:

22 46.22 (2) (b) Appoint the county social services director under sub. (3) subject
23 to s. ~~49.33~~ 49.78 (4) to (7) and the rules promulgated thereunder and subject to the
24 approval of the county board of supervisors in a county with a single-county

1 department of social services or the county boards of supervisors in counties with a
2 multicounty department of social services.

3 ***-0190/7.7* SECTION 1107.** 46.22 (3m) (a) of the statutes is amended to read:

4 46.22 (3m) (a) In any county with a county executive or a county administrator
5 ~~which~~ that has established a single-county department of social services, the county
6 executive or county administrator, subject to s. ~~49.33~~ 49.78 (4) to (7) and the rules
7 promulgated thereunder, shall appoint and supervise the county social services
8 director. The appointment is subject to the confirmation of the county board of
9 supervisors unless the county board of supervisors, by ordinance, elects to waive
10 confirmation or unless the appointment is made under a civil service system
11 competitive examination procedure established under s. 59.52 (8) or ch. 63.

12 ***-0190/7.8* SECTION 1108.** 46.27 (7) (am) of the statutes is amended to read:

13 46.27 (7) (am) From the appropriation under s. 20.435 (7) (bd), the department
14 shall allocate funds to each county or private nonprofit agency with which the
15 department contracts to pay assessment and case plan costs under sub. (6) not
16 otherwise paid by fee or under s. ~~49.33 (2)~~ or 49.45 or 49.78 (2). The department shall
17 reimburse counties for the cost of assessing persons eligible for medical assistance
18 under s. 49.46, 49.468, or 49.47 as part of the administrative services of medical
19 assistance, payable under s. 49.45 (3) (a). Counties may use unspent funds allocated
20 under this paragraph to pay the cost of long-term community support services and
21 for a risk reserve under par. (fr).

22 ***-0092/P1.1* SECTION 1109.** 46.27 (7) (fm) of the statutes is amended to read:

23 46.27 (7) (fm) The department shall, at the request of a county, carry forward
24 up to ~~10%~~ 5% of the amount allocated under this subsection to the county for a
25 calendar year if up to ~~10%~~ 5% of the amount so allocated has not been spent or

1 encumbered by the county by December 31 of that year, for use by the county in the
2 following calendar year, except that the amount carried forward shall be reduced by
3 the amount of funds that the county has notified the department that the county
4 wishes to place in a risk reserve under par. (fr). The department may transfer funds
5 within s. 20.435 (7) (bd) to accomplish this purpose. An allocation under this
6 paragraph does not affect a county's base allocation under this subsection and shall
7 lapse to the general fund unless expended within the calendar year to which the
8 funds are carried forward. A county may not expend funds carried forward under
9 this paragraph for administrative or staff costs, except administrative or staff costs
10 that are associated with implementation of the waiver under sub. (11) and approved
11 by the department.

12 ***-1760/2.2*** SECTION 1111. 46.27 (9) (a) of the statutes is amended to read:

13 46.27 (9) (a) The department may select up to 5 counties that volunteer to
14 participate in a pilot project under which they will receive certain funds allocated for
15 long-term care. The department shall allocate a level of funds to these counties
16 equal to the amount that would otherwise be paid under s. 20.435 (4) (b), (gp), or (w)
17 to nursing homes for providing care because of increased utilization of nursing home
18 services, as estimated by the department. In estimating these levels, the department
19 shall exclude any increased utilization of services provided by state centers for the
20 developmentally disabled. The department shall calculate these amounts on a
21 calendar year basis under sub. (10).

22 ***-1760/2.3*** SECTION 1112. 46.27 (10) (a) 1. of the statutes is amended to read:

23 46.27 (10) (a) 1. The department shall determine for each county participating
24 in the pilot project under sub. (9) a funding level of state medical assistance
25 expenditures to be received by the county. This level shall equal the amount that the

1 department determines would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w)
2 because of increased utilization of nursing home services, as estimated by the
3 department.

4 ***-0194/9.8* SECTION 1113.** 46.275 (5) (a) of the statutes is amended to read:

5 46.275 (5) (a) Medical assistance Assistance reimbursement for services a
6 county, or the department under sub. (3r), provides under this program is available
7 from the ~~appropriations~~ appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, ~~(hm)~~, (o),
8 and (w). If 2 or more counties jointly contract to provide services under this program
9 and the department approves the contract, ~~medical assistance~~ Medical Assistance
10 reimbursement is also available for services provided jointly by these counties.

11 ***-0194/9.9* SECTION 1114.** 46.275 (5) (c) of the statutes is amended to read:

12 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), ~~(gp)~~, ~~(hm)~~, (o), and (w)
13 to counties and to the department under sub. (3r) for services provided under this
14 section may not exceed the amount approved by the federal department of health and
15 human services. A county may use funds received under this section only to provide
16 services to persons who meet the requirements under sub. (4) and may not use
17 unexpended funds received under this section to serve other developmentally
18 disabled persons residing in the county.

19 ***-0211/5.2* SECTION 1115.** 46.275 (5) (e) of the statutes is created to read:

20 46.275 (5) (e) From the appropriation under s. 20.435 (2) (gL), the department
21 may provide moneys to a county to pay for one-time costs associated with the
22 relocation under this section of an individual from a state center for the
23 developmentally disabled.

24 ***-0090/P1.1* SECTION 1123.** 46.277 (5) (g) of the statutes is created to read:

1 46.277 (5) (g) The department may provide enhanced reimbursement for
2 services provided under this section to an individual who is relocated to the
3 community from a nursing home by a county department on or after the effective date
4 of this paragraph [revisor inserts date], if the nursing home bed that was used by
5 the individual is delicensed upon relocation of the individual. The department shall
6 develop and utilize a formula to determine the enhanced reimbursement rate.

7 *~~0208/2.15~~* SECTION 1131. 46.278 (6) (f) of the statutes is repealed.

8 *~~0209/2.1~~* SECTION 1132. 46.279 of the statutes is created to read:

9 **46.279 Restrictions on placements and admissions to intermediate**
10 **and nursing facilities. (1) DEFINITIONS.** In this section:

11 (a) “Developmental disability” has the meaning given in s. 51.01 (5) (a).

12 (b) “Intermediate facility” means an intermediate care facility for the mentally
13 retarded, as defined in 42 USC 1396d (d), other than a center for the developmentally
14 disabled, as defined in s. 51.01 (3).

15 (bm) “Most integrated setting” means a setting that enables an individual to
16 interact with persons without developmental disabilities to the fullest extent
17 possible.

18 (c) “Nursing facility” has the meaning given under 42 USC 1369r (a).

19 **(2) PLACEMENTS AND ADMISSIONS TO INTERMEDIATE FACILITIES.** Except as provided
20 in sub. (5), no person may place an individual with a developmental disability in an
21 intermediate facility and no intermediate facility may admit such an individual
22 unless, before the placement or admission and after having considered a plan
23 developed under sub. (4), a court under s. 55.06 (9) (a) or (10) (a) 2. finds that
24 placement in the intermediate facility is the most integrated setting that is
25 appropriate to the needs of the individual, taking into account information presented

1 by all affected parties. An intermediate facility to which an individual who has a
2 developmental disability applies for admission shall, within 5 days after receiving
3 the application, notify the county department that is participating in the program
4 under s. 46.278 of the county of residence of the individual who is seeking admission
5 concerning the application.

6 (3) PLACEMENTS AND ADMISSIONS TO NURSING FACILITIES. Except as provided in
7 sub. (5), if the department or an entity determines from a screening under s. 49.45
8 (6c) (b) that an individual requires active treatment for developmental disability, no
9 individual may be placed in a nursing facility, and no nursing facility may admit the
10 individual, unless it is determined from the screening that the individual's need for
11 care cannot fully be met in an intermediate facility or under a plan under sub. (4).

12 (4) PLAN FOR HOME OR COMMUNITY-BASED CARE. Except as provided in a contract
13 specified in sub. (4m), a county department that participates in the program under
14 s. 46.278 shall develop a plan for providing home or community-based care in a
15 noninstitutional community setting to an individual who is a resident of that county,
16 under any of the following circumstances:

17 (a) Within 120 days after any determination made under s. 49.45 (6c) (c) 3. that
18 the level of care required by a resident that is provided by a facility could be provided
19 in an intermediate facility or under a plan under this subsection.

20 (b) Within 120 days after receiving written notice under sub. (2) of an
21 application.

22 (c) Within 120 days after a proposal is made under s. 55.06 (9) (a) to place the
23 individual in an intermediate facility or a nursing facility.

24 (d) Within 120 days after receiving written notice under s. 55.06 (10) (a) 2. of
25 the placement of the individual in a nursing facility or an intermediate facility.

1 (e) Within 90 days after extension of a temporary placement order by the court
2 under s. 55.06 (11) (c).

3 **(4m) CONTRACT FOR PLAN DEVELOPMENT.** The department shall contract with a
4 public or private agency to develop a plan under sub. (4), and the county department
5 is not required to develop such a plan, for an individual, as specified in the contract,
6 to whom all of the following apply:

7 (a) The individual resides in a county with a population of less than 100,000
8 in which are located at least 2 intermediate facilities that have licenses issued to
9 private nonprofit organizations that are exempt from federal income tax under
10 section 501 (a) of the Internal Revenue Code.

11 (b) Placement for the individual is in, or proposed to be in, an intermediate
12 facility specified under par. (a) that has agreed to reduce its licensed bed capacity to
13 an extent and according to a schedule acceptable to the facility and the department.

14 **(5) EXCEPTIONS.** Subsections (2) and (3) do not apply to an emergency placement
15 under s. 55.06 (11) (a) or to a temporary placement under s. 55.06 (11) (c) or (12).

16 ***-1610/2.1* SECTION 1133.** 46.2805 (2) of the statutes is amended to read:

17 46.2805 (2) “Eligible person” means a person who meets all eligibility criteria
18 under s. 46.286 (1) ~~or (1m)~~.

19 ***-1760/2.4* SECTION 1134.** 46.283 (5) of the statutes is amended to read:

20 46.283 (5) **FUNDING.** From the appropriation accounts under s. 20.435 (4) (b),
21 (bm), (gp), (pa), and (w) and (7) (b), (bd), and (md), the department may contract with
22 organizations that meet standards under sub. (3) for performance of the duties under
23 sub. (4) and shall distribute funds for services provided by resource centers.

24 ***-1760/2.5* SECTION 1135.** 46.284 (5) (a) of the statutes is amended to read:

1 46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), (gp),
2 (im), (o), and (w) and (7) (b) and (bd), the department shall provide funding on a
3 capitated payment basis for the provision of services under this section.
4 Notwithstanding s. 46.036 (3) and (5m), a care management organization that is
5 under contract with the department may expend the funds, consistent with this
6 section, including providing payment, on a capitated basis, to providers of services
7 under the family care benefit.

8 ***-1610/2.2*** SECTION 1136. 46.286 (1) (intro.) of the statutes is amended to
9 read:

10 46.286 (1) ELIGIBILITY. (intro.) ~~Except as provided in sub. (1m), a~~ A person is
11 eligible for, but not necessarily entitled to, the family care benefit if the person is at
12 least 18 years of age; has a physical disability, as defined in s. 15.197 (4) (a) 2., a
13 developmental disability, as defined in s. 51.01 (5) (a), or infirmities of aging, as
14 defined in s. 55.01 (3); and meets all of the following criteria:

15 ***-1610/2.3*** SECTION 1137. 46.286 (1m) of the statutes is repealed.

16 ***-1610/2.4*** SECTION 1138. 46.286 (3) (a) (intro.) of the statutes is amended to
17 read:

18 46.286 (3) (a) (intro.) Subject to pars. (c) and (d), a person is entitled to and may
19 receive the family care benefit through enrollment in a care management
20 organization if, ~~except as provided in subd. 5.,~~ he or she is at least 18 years of age,
21 has a physical disability, as defined in s. 15.197 (4) (a) 2., a developmental disability,
22 as defined in s. 51.01 (5) (a), or infirmities of aging, as defined in s. 55.01 (3), is
23 financially eligible, fulfills any applicable cost-sharing requirements and meets any
24 of the following criteria:

25 ***-1610/2.5*** SECTION 1139. 46.286 (3) (a) 5. of the statutes is repealed.

1 ***-0093/P2.1*** SECTION 1140. 46.286 (3) (d) of the statutes is amended to read:

2 46.286 (3) (d) The department shall determine the date, which shall not be later
3 than January 1, ~~2004~~ 2006, on which par. (a) shall first apply to persons who are not
4 eligible for medical assistance under ch. 49. Before the date determined by the
5 department, persons who are not eligible for medical assistance may receive the
6 family care benefit within the limits of state funds appropriated for this purpose and
7 available federal funds.

8 ***-1610/2.6*** SECTION 1141. 46.287 (2) (a) 1. a. of the statutes is amended to
9 read:

10 46.287 (2) (a) 1. a. Denial of eligibility under s. 46.286 (1) ~~or (1m)~~.

11 ***-0576/8.62*** SECTION 1142. 46.29 (3) (d) of the statutes is amended to read:

12 46.29 (3) (d) ~~The secretary of employment relations~~ director of the office of state
13 human resources management.

14 ***-0202/P1.2*** SECTION 1143. 46.295 (1) of the statutes is amended to read:

15 46.295 (1) The department may, on the request of any hearing-impaired
16 person, city, village, town, or county or private agency, provide funds from the
17 appropriation under s. 20.435 (6) ~~(a) and (hs)~~ and (7) (d) to reimburse interpreters
18 for hearing-impaired persons for the provision of interpreter services.

19 ***-0116/2.2*** SECTION 1144. 46.40 (1) (d) of the statutes is created to read:

20 46.40 (1) (d) If the department receives any federal moneys under 42 USC 1396
21 to 1396v in reimbursement of the cost of preventing out-of-home placements of
22 children, the department shall use those moneys as the first source of moneys used
23 to meet the amount of the allocation under sub. (2) that is budgeted from federal
24 funds.

25 ***-0117/2.1*** SECTION 1145. 46.40 (2) of the statutes is amended to read:

1 46.40 (2) BASIC COUNTY ALLOCATION. Subject to sub. (9), for social services under
2 s. 46.495 (1) (d) and services under s. 51.423 (2), the department shall distribute not
3 more than ~~\$244,745,200 for fiscal year 2001–02 and \$244,703,400 for fiscal year~~
4 ~~2002–03~~ \$242,078,700 in each fiscal year.

5 *~~0117/2.2~~* SECTION 1146. 46.40 (7) of the statutes is amended to read:

6 46.40 (7) FAMILY SUPPORT ALLOCATION. For family support programs for the
7 families of disabled children under s. 46.985, the department shall distribute ~~not~~
8 ~~more than \$4,589,800 in fiscal year 2001–02 and not more than \$5,089,800 in fiscal~~
9 ~~year 2002–03 and in each fiscal year thereafter.~~

10 *~~0115/1.2~~* SECTION 1147. 46.45 (2) (a) of the statutes is amended to read:

11 46.45 (2) (a) ~~If~~ Subject to par. (am), if on December 31 of any year there remains
12 unspent or unencumbered in the allocation under s. 46.40 (2) an amount that exceeds
13 the amount received under 42 USC 670 to 679a and allocated under s. 46.40 (2) in
14 that year, the department shall carry forward the excess moneys and distribute not
15 less than 50% of the excess moneys to counties having a population of less than
16 500,000 that are making a good faith effort, as determined by the department, to
17 comply with s. 46.22 (1) (c) 8. f. for services and projects to assist children and
18 families, notwithstanding the percentage limit specified in sub. (3) (a). A county
19 shall use not less than 50% of the moneys distributed to the county under this
20 subsection for services for children who are at risk of abuse or neglect to prevent the
21 need for child abuse and neglect intervention services, except that in the calendar
22 year in which a county achieves compliance with s. 46.22 (1) (c) 8. f. and in the 2
23 calendar years after that calendar year the county may use 100% of the moneys
24 distributed under this paragraph to reimburse the department for the costs of
25 achieving that compliance. If a county does not comply with s. 46.22 (1) (c) 8. f. before

1 July 1, 2005, the department may recover any amounts distributed to that county
2 under this paragraph after June 30, 2001, by billing the county or deducting from
3 that county's allocation under s. 46.40 (2). All moneys received by the department
4 under this paragraph shall be credited to the appropriation account under s. 20.435
5 (3) (j).

6 ***-0115/1.3* SECTION 1148.** 46.45 (2) (am) of the statutes is created to read:

7 46.45 (2) (am) If on December 31 of any year a county is not using the
8 centralized unit contracted for under s. 46.03 (7) (h) for determining whether the cost
9 of providing care for a child is eligible for reimbursement under 42 USC 670 to 679a,
10 the department shall reduce that county's distribution under par. (a) by 50%.

11 ***-0205/1.1* SECTION 1149.** 46.45 (3) (a) of the statutes is amended to read:

12 46.45 (3) (a) Except as provided in par. (b), at the request of a county, tribal
13 governing body, or private nonprofit organization, the department shall carry
14 forward up to 3% of the total amount allocated to the county, tribal governing body,
15 or nonprofit organization for a calendar year, not including the amount allocated to
16 the county under s. 46.40 (7), which amount may be carried forward as provided in
17 par. (c). All funds carried forward for a tribal governing body or nonprofit
18 organization, all federal child welfare funds under 42 USC 620 to 626, and all funds
19 allocated under s. 46.40 (2m) carried forward for a county shall be used for the
20 purpose for which the funds were originally allocated. ~~Except as provided under par.~~
21 ~~(am), other~~ Other funds carried forward under this paragraph may be used for any
22 purpose under s. 20.435 (7) (b), except that a county may not use any funds carried
23 forward under this paragraph for administrative or staff costs. An allocation of
24 carried-forward funding under this paragraph does not affect a county's base
25 allocations under s. 46.40 (2), (2m), (8), and (9).

1 ***-0205/1.2*** SECTION 1150. 46.45 (3) (am) of the statutes is repealed.

2 ***-0205/1.3*** SECTION 1151. 46.45 (3) (c) of the statutes is created to read:

3 46.45 (3) (c) At the request of a county, the department shall carry forward up
4 to 5% of the amount allocated to the county under s. 46.40 (7) for a calendar year.
5 All funds carried forward under this paragraph shall be used for the purpose for
6 which the funds were originally allocated, except that a county may not use any of
7 those funds for administrative or staff costs. All funds carried forward under this
8 paragraph that are not spent or encumbered by a county December 31 of the calendar
9 year to which those funds were carried forward shall lapse to the general fund on the
10 succeeding January 1. An allocation of carried-forward funding under this
11 paragraph does not affect a county's base allocation under s. 46.40 (7).

12 ***-0205/1.4*** SECTION 1152. 46.45 (6) of the statutes is renumbered 46.45 (6) (a)
13 and amended to read:

14 46.45 (6) (a) The department may carry forward 10% of any funds specified in
15 sub. (3) (a) that are not carried forward under sub. (3) (a) for emergencies, for
16 justifiable unit services costs above planned levels, and to provide compensation for
17 increased costs due to population shifts. An allocation of carried-forward funding
18 under this paragraph does not affect a county's base allocations under s. 46.40 (2),
19 (2m), (8), and (9).

20 ***-0205/1.5*** SECTION 1153. 46.45 (6) (b) of the statutes is created to read:

21 46.45 (6) (b) The department may carry forward any funds specified in sub. (3)
22 (c) that are not carried forward under sub. (3) (c) for emergencies, for justifiable unit
23 services costs above planned levels, and for increased costs due to population shifts.
24 An allocation of carried-forward funding under this paragraph does not affect a
25 county's base allocation under s. 46.40 (7).

1 ***b0098/4.1* SECTION 1154d.** 46.46 (1) of the statutes is amended to read:

2 46.46 (1) From the appropriation account under s. 20.435 (8) (mb), the
3 department shall support costs that are exclusively related to the ongoing and
4 recurring operational costs of augmenting the amount of moneys received under 42
5 USC 670 to 679a, 42 USC 1395 to 1395ddd, and 42 USC 1396 to 1396v, to the
6 purposes specified in 2003 Wisconsin Act (this act), section 9124 (9c), and to any
7 other purpose provided for by the legislature by law or in budget determinations and
8 shall distribute moneys to counties as provided in sub. (1g). In addition, the
9 department may expend moneys from the appropriation account under s. 20.435 (8)
10 (mb) as provided in ~~sub.~~ subs. (1m) and (2).

11 ***b0098/4.1* SECTION 1154e.** 46.46 (1) of the statutes, as affected by 2003
12 Wisconsin Act (this act), is amended to read:

13 46.46 (1) From the appropriation account under s. 20.435 (8) (mb), the
14 department shall support costs that are exclusively related to the ongoing and
15 recurring operational costs of augmenting the amount of moneys received under 42
16 USC 670 to 679a, 42 USC 1395 to 1395ddd, and 42 USC 1396 to 1396v, ~~to the~~
17 ~~purposes specified in 2003 Wisconsin Act (this act), section 9124 (9c), and to any~~
18 other purpose provided for by the legislature by law or in budget determinations and
19 shall distribute moneys to counties as provided in sub. (1g). In addition, the
20 department may expend moneys from the appropriation account under s. 20.435 (8)
21 (mb) as provided in ~~subs.~~ sub. (1m) and (2).

22 ***-0195/2.2* SECTION 1155.** 46.46 (1g) of the statutes is created to read:

23 46.46 (1g) The department shall distribute not less than 50% of the moneys
24 received under 42 USC 1396 to 1396v as a result of the augmentation activities
25 specified in sub. (1) and credited to the appropriation account under s. 20.435 (8) (mb)