

SECTION 111

1 **SECTION 111.** 71.80 (1) (a) of the statutes is amended to read:

2 71.80 (1) (a) The department shall assess incomes as provided in this chapter
3 and in performance of such duty the department shall ~~possess all powers now or~~
4 ~~hereafter granted by law to the department in the assessment of personal property~~
5 and also the power to may estimate incomes.

6 **SECTION 112.** 71.83 (1) (ce) of the statutes is created to read:

7 71.83 (1) (ce) *Health savings accounts.* Any person who is liable for a penalty
8 for federal income tax purposes under section 223 (f) (4) of the Internal Revenue Code
9 is liable for a penalty equal to 33 percent of that penalty. The department of revenue
10 shall assess, levy, and collect the penalty under this paragraph as it assesses, levies,
11 and collects taxes under this chapter.

12 **SECTION 113.** 71.91 (5m) (a) of the statutes is renumbered 71.91 (5m).

13 **SECTION 114.** 71.91 (5m) (b) of the statutes is repealed.

14 **SECTION 115.** Subchapter XVI of chapter 71 [precedes 71.98] of the statutes is
15 created to read:

16 **CHAPTER 71**

17 **SUBCHAPTER XVI**

18 **INTERNAL REVENUE CODE UPDATE**

19 **71.98 Internal Revenue Code update.** The following federal laws, to the
20 extent that they apply to the Internal Revenue Code, apply to this chapter:

21 (1) **HEALTH SAVINGS ACCOUNTS.** Section 1201 of P.L. 108-173, relating to health
22 savings accounts.

23 **SECTION 116.** 73.03 (20) of the statutes is amended to read:

24 73.03 (20) To investigate all delinquent ~~personal property, death and estate,~~
25 income, or franchise taxes and surtaxes in the state, and the possibility of the

1 collection of them, and to require taxing officials, including town treasurers, county
2 treasurers, sheriffs, and district attorneys, to institute proceedings, actions, and
3 prosecutions for the collection of delinquent taxes so that the amount of delinquent
4 taxes shall be reduced to the minimum. In carrying out this subsection the
5 department of revenue may examine or cause to be examined by any agent,
6 employee, or representative designated by it for that purpose, any books, papers,
7 records, or memoranda of any corporation, limited liability company, partnership, or
8 individual bearing upon the collection of any delinquent taxes and may require the
9 attendance of the officials of any corporation or limited liability company or of any
10 other person having knowledge in the premises and may take testimony and require
11 proof material for their information upon any matter that they deem of value for the
12 purpose of enforcing the payment of delinquent taxes. The department of revenue
13 may also perform other duties and adopt other procedures that may be necessary to
14 carry out this subsection and direct that proceedings, actions, and prosecutions be
15 instituted to enforce the laws relating to the collection of delinquent taxes of every
16 kind. To this end, the department of justice shall, upon the request of the department
17 of revenue, conduct such actions, proceedings, or prosecutions or assist the local
18 town, city, village, or county officials in them or assist the district attorneys.

19 **SECTION 117.** 73.06 (3) of the statutes is amended to read:

20 73.06 (3) The department of revenue, through its supervisors of equalization,
21 shall examine and test the work of assessors during the progress of their assessments
22 and ascertain whether any of them is assessing property at other than full value or
23 is omitting property subject to taxation from the roll. The department and such
24 supervisors shall have the rights and powers of a local assessor for the examination
25 of persons and property and for the discovery of property subject to taxation. If any

SECTION 117

1 property has been omitted or not assessed according to law, they shall bring the same
2 to the attention of the local assessor of the proper district and if such local assessor
3 shall neglect or refuse to correct the assessment they shall report the fact to the board
4 of review. ~~If it discovers errors in identifying or valuing property that is exempt~~
5 ~~under s. 70.11 (39) or (39m), the department shall change the specification of the~~
6 ~~property as taxable or exempt and shall change the value of the property. All~~
7 ~~disputes between the department, municipalities and property owners about the~~
8 ~~taxability or value of property that is reported under s. 79.095 (2) (a) or of the~~
9 ~~property under s. 70.995 (12r) shall be resolved by using the procedures under s.~~
10 ~~70.995 (8).~~

11 **SECTION 118.** 74.05 (1) of the statutes is amended to read:

12 74.05 (1) DEFINITION. In this section, “error in the tax roll” means an error in
13 the description of any real ~~or personal~~ property, in the identification of the owner or
14 person to whom the property is assessed or in the amount of the tax or an error
15 resulting from a palpably erroneous entry in the assessment roll.

16 **SECTION 119.** 74.09 (2) of the statutes is amended to read:

17 74.09 (2) PREPARATION. The clerk of the taxation district shall prepare the real
18 ~~and personal~~ property tax bills. The form of the property tax bill shall be prescribed
19 by the department of revenue and shall be uniform.

20 **SECTION 120.** 74.11 (4) of the statutes is repealed.

21 **SECTION 121.** 74.11 (6) (a) of the statutes is amended to read:

22 74.11 (6) (a) Payments made on or before January 31 ~~and payments of taxes~~
23 ~~on improvements on leased land that are assessed as personal property shall be~~
24 made to the taxation district treasurer.

25 **SECTION 122.** 74.11 (10) (a) of the statutes is amended to read:

1 74.11 (10) (a) If all special assessments, special charges, and special taxes ~~and~~
2 ~~personal property taxes~~ due under sub. (3) ~~or~~ (4) are not paid in full on or before the
3 due date, the amounts unpaid are delinquent as of the day after the due date of the
4 first installment or of the lump-sum payment.

5 **SECTION 123.** 74.11 (11) (a) of the statutes is renumbered 74.11 (11).

6 **SECTION 124.** 74.11 (11) (b) of the statutes is repealed.

7 **SECTION 125.** 74.11 (12) (a) (intro.) of the statutes is amended to read:

8 74.11 (12) (a) (intro.) Except as provided in ~~pars. par.~~ par. (c) ~~and~~ (d), if a taxation
9 district treasurer or county treasurer receives a payment from a taxpayer which is
10 not sufficient to pay all amounts due, the treasurer shall apply the payment to the
11 amounts due, including interest and penalties, in the following order:

12 **SECTION 126.** 74.11 (12) (a) 1g. of the statutes is repealed.

13 **SECTION 127.** 74.11 (12) (b) of the statutes is amended to read:

14 74.11 (12) (b) The allocation under par. (a) ~~1g.~~ 1m. to 4. is conclusive for
15 purposes of settlement under ss. 74.23 to 74.29 and for determining delinquencies
16 under this section.

17 **SECTION 128.** 74.11 (12) (d) of the statutes is repealed.

18 **SECTION 129.** 74.12 (6) of the statutes is repealed.

19 **SECTION 130.** 74.12 (7) of the statutes is amended to read:

20 74.12 (7) DELINQUENT FIRST INSTALLMENT. If the first installment of real
21 property taxes, ~~personal property taxes on improvements on leased land~~ or special
22 assessments to which an installment option pertains is not paid on or before January
23 31, the entire amount of the remaining unpaid taxes or special assessments to which
24 an installment option pertains on that parcel is delinquent as of February 1.

25 **SECTION 131.** 74.12 (8) of the statutes is amended to read:

SECTION 131

1 74.12 (8) DELINQUENT 2ND OR SUBSEQUENT INSTALLMENT. If the 2nd or any
2 subsequent installment payment of real property taxes, ~~personal property taxes on~~
3 ~~improvements on leased land~~ or special assessments to which an installment option
4 pertains is not paid by the due date specified in the ordinance, the entire amount of
5 the remaining unpaid taxes or special assessments to which an installment option
6 pertains on that parcel is delinquent as of the first day of the month after the
7 payment is due and interest and penalties are due under sub. (10).

8 **SECTION 132.** 74.12 (9) (a) of the statutes is amended to read:

9 74.12 (9) (a) If all special assessments to which an installment option does not
10 pertain, special charges, and special taxes ~~and personal property taxes~~ that are due
11 under sub. (5) ~~or (6)~~ are not paid in full on or before January 31, the amounts unpaid
12 are delinquent as of February 1.

13 **SECTION 133.** 74.12 (10) (a) of the statutes is amended to read:

14 74.12 (10) (a) All real property taxes, special assessments, special charges and
15 special taxes that become delinquent and are paid on or before July 31, ~~and all~~
16 ~~delinquent personal property taxes, whenever paid,~~ shall be paid, together with
17 interest and penalties charged from the preceding February 1, to the taxation district
18 treasurer.

19 **SECTION 134.** 74.12 (11) (a) (intro.) of the statutes is amended to read:

20 74.12 (11) (a) (intro.) Except as provided in ~~pars. par. (c) and (d)~~, if a taxation
21 district treasurer or county treasurer receives a payment from a taxpayer which is
22 not sufficient to pay all amounts due, the treasurer shall apply the payment to the
23 amounts due, including interest and penalties, in the following order:

24 **SECTION 135.** 74.12 (11) (a) 1g. of the statutes is repealed.

25 **SECTION 136.** 74.12 (11) (b) of the statutes is amended to read:

1 74.12 (11) (b) The allocation under par. (a) ~~1g. 1m.~~ to 4. is conclusive for
2 purposes of settlement under ss. 74.29 and 74.30 and for determining delinquencies
3 under this section.

4 **SECTION 137.** 74.12 (11) (d) of the statutes is repealed.

5 **SECTION 138.** 74.13 (1) (b) of the statutes is amended to read:

6 74.13 (1) (b) ~~Except as provided in sub. (3), general~~ General property taxes,
7 special assessments, special charges and special taxes may be paid in advance of the
8 levy during the period from August 1 until the 3rd Monday in December.

9 **SECTION 139.** 74.13 (3) of the statutes is repealed.

10 **SECTION 140.** 74.25 (1) (b) (intro.) and 2. of the statutes are consolidated,
11 renumbered 74.25 (1) (b) and amended to read:

12 74.25 (1) (b) *General property taxes.* After making the distribution under par.
13 (a), the taxation district treasurer shall ~~do all of the following:~~ ~~2. Pay~~ pay to each
14 taxing jurisdiction within the district its proportionate share of real property taxes,
15 except that the treasurer shall pay the state's proportionate share to the county. As
16 part of that distribution, the taxation district treasurer shall retain for the taxation
17 district and for each tax incremental district within the taxation district its
18 proportionate share of real property taxes.

19 **SECTION 141.** 74.25 (1) (b) 1. of the statutes is repealed.

20 **SECTION 142.** 74.27 of the statutes is amended to read:

21 **74.27 March settlement between counties and the state.** On or before
22 March 15, the county treasurer shall send to the secretary of administration the
23 state's proportionate ~~shares~~ share of taxes under ss. 74.23 (1) (b) and 74.25 (1) (b) ~~1.~~
24 ~~and 2.~~

25 **SECTION 143.** 74.30 (1) (i) of the statutes is repealed.

SECTION 144

1 **SECTION 144.** 74.30 (1m) of the statutes is amended to read:

2 74.30 (1m) MARCH SETTLEMENT BETWEEN COUNTIES AND THE STATE. On or before
3 March 15, the county treasurer shall send to the secretary of administration the
4 state's proportionate shares share of taxes under sub. (1) (i) and (j).

5 **SECTION 145.** 74.42 of the statutes is repealed.

6 **SECTION 146.** 74.47 (3) (e) of the statutes is repealed.

7 **SECTION 147.** 74.55 of the statutes is repealed.

8 **SECTION 148.** 74.83 of the statutes is amended to read:

9 **74.83 Agreements.** Any 1st class city may enter into agreements to pay
10 delinquent state, county, metropolitan sewerage district and technical college
11 district real ~~or~~ personal property taxes, including accrued interest and penalties
12 thereon, applicable to property located in that city at any stage in the proceedings
13 for collection and enforcement of those taxes and thereafter collect and enforce those
14 taxes, including interest and penalties on them, in its own name in accordance with
15 any of the procedures or remedies applicable to the collection and enforcement of
16 delinquent city, state, county, metropolitan sewerage district and technical college
17 district taxes under this chapter and ch. 75.

18 **SECTION 149.** 74.87 (3) (a) of the statutes is renumbered 74.87 (3) and amended
19 to read:

20 74.87 (3) The common council of a city may, by ordinance, permit payment in
21 10 equal installments, without interest, of general property taxes, special charges
22 and special assessments of the city, other than for special assessments for which no
23 payment extension is allowed. Each installment shall be paid on or before the last
24 day of each month from January through October. ~~Taxes on personal property may~~
25 ~~be paid in installments under this subsection if, on or before January 31 of the year~~

1 in which the tax becomes due, the taxpayer has first paid to the city treasurer taxes
2 on personal property levied by all taxing jurisdictions other than the city. The
3 amounts and time of payment of city general property taxes, special assessments and
4 charges in the city tax roll shall be as provided in the charter of the city.

5 **SECTION 150.** 76.025 (1) of the statutes is amended to read:

6 76.025 (1) The property taxable under s. 76.13 shall include all franchises, and
7 all real and personal property of the company used or employed in the operation of
8 its business, excluding ~~property that is exempt from the property tax under s. 70.11~~
9 ~~(39) and (39m), such motor vehicles as are exempt under s. 70.112 (5) and treatment~~
10 ~~plant and pollution abatement equipment exempt under s. 70.11 (21) (a).~~ The
11 taxable property shall include all title and interest of the company referred to in such
12 property as owner, lessee or otherwise, and in case any portion of the property is
13 jointly used by 2 or more companies, the unit assessment shall include and cover a
14 proportionate share of that portion of the property jointly used so that the
15 assessments of the property of all companies having any rights, title or interest of
16 any kind or nature whatsoever in any such property jointly used shall, in the
17 aggregate, include only one total full value of such property.

18 **SECTION 151.** 76.03 (1) of the statutes is amended to read:

19 76.03 (1) The property, both real and personal, including all rights, franchises,
20 and privileges used in and necessary to the prosecution of the business of any
21 company enumerated in s. 76.02 ~~shall be deemed personal property for the purposes~~
22 ~~of taxation, and shall be valued and assessed together as a unit.~~

23 **SECTION 152.** 76.07 (4g) (c) 1. of the statutes is amended to read:

24 76.07 (4g) (c) 1. Determine the gross cost of gas plant in service in this state,
25 except motor vehicles ~~exempt from the property tax under s. 70.112 (5), and of all~~

1 other property owned or rented by the company and used in the operation of the
2 company's business in this state and included in the base for purposes of rate
3 regulation by the federal energy regulatory commission.

4 **SECTION 153.** 76.07 (4g) (c) 2. of the statutes is amended to read:

5 76.07 (4g) (c) 2. Determine the gross cost of gas plant in service everywhere,
6 except motor vehicles ~~specified under s. 70.112 (5)~~, and of all other property owned
7 or rented by the company and used in the operation of the company's business
8 everywhere and included in the base for purposes of rate regulation by the federal
9 energy regulatory commission.

10 **SECTION 154.** 76.125 (1) of the statutes is amended to read:

11 76.125 (1) Using the statement of assessments under s. 70.53 and the
12 statement of taxes under s. 69.61, the department shall determine the net rate of
13 taxation of commercial property under s. 70.32 (2) (a) 2., and of manufacturing
14 property under s. 70.32 (2) (a) 3. ~~and of personal property under s. 70.30~~ as provided
15 in subs. (2) to (6). The department shall enter that rate on the records of the
16 department.

17 **SECTION 155.** 76.48 (1r) of the statutes is amended to read:

18 76.48 (1r) Except as provided in s. 76.29, every electric cooperative shall pay,
19 in lieu of other general property and income or franchise taxes, an annual license fee
20 equal to its apportionment factor multiplied by its gross revenues; excluding for the
21 tax period, as defined in s. 76.29 (1) (f), gross revenues that are subject to the license
22 fee under s. 76.29; multiplied by ~~3.19%~~ 3.19 percent. ~~Real estate and personal~~
23 property not used primarily for the purpose of generating, transmitting or
24 distributing electric energy ~~are~~ is subject to general property taxes. If a general
25 structure is used in part to generate, transmit or distribute electric energy and in

1 part for nonoperating purposes, the license fee imposed by this section is in place of
2 the percentage of all other general real property taxes that fairly measures and
3 represents the extent of the use in generating, transmitting or distributing electric
4 energy, and the balance is subject to local assessment and taxation, except that the
5 entire general structure is subject to special assessments for local improvements.

6 **SECTION 156.** 76.69 of the statutes is repealed.

7 **SECTION 157.** 76.81 of the statutes is amended to read:

8 **76.81 Imposition.** There is imposed a tax on the real property of, and the
9 tangible personal property of, every telephone company, excluding ~~property that is~~
10 ~~exempt from the property tax under s. 70.11 (39) and (39m), motor vehicles that are~~
11 ~~exempt under s. 70.112 (5),~~ property that is used less than 50% 50 percent in the
12 operation of a telephone company, as provided under s. 70.112 (4) (b), and treatment
13 plant and pollution abatement equipment that is exempt under s. 70.11 (21) (a).
14 Except as provided in s. 76.815, the rate for the tax imposed on each description of
15 real property and on each item of tangible personal property is the net rate for the
16 prior year for the tax under ch. 70 in the taxing jurisdictions where the description
17 or item is located. The real and tangible personal property of a telephone company
18 shall be assessed as provided under s. 70.112 (4) (b).

19 **SECTION 158.** 77.04 (1) of the statutes is amended to read:

20 **77.04 (1) TAX ROLL.** The clerk on making up the tax roll shall enter as to each
21 forest cropland description in a special column or some other appropriate place in
22 such tax roll headed by the words “Forest Croplands” or the initials “F.C.L.”, which
23 shall be a sufficient designation that such description is subject to this subchapter.
24 Such land shall thereafter be assessed and be subject to review under ch. 70, and
25 such assessment may be used by the department of revenue in the determination of

SECTION 158

1 the tax upon withdrawal of such lands as forest croplands as provided in s. 77.10 for
2 entries prior to 1972. The tax upon withdrawal of descriptions entered as forest
3 croplands after December 31, 1971, may be determined by the department of revenue
4 by multiplying the last assessed value of the land prior to the time of the entry by an
5 annual ratio computed for the state under sub. (2) to establish the annual assessed
6 value of the description. No tax shall be levied on forest croplands except the specific
7 annual taxes as provided, except that any building located on forest cropland shall
8 be assessed as ~~personal property, subject to all laws and regulations for the~~
9 ~~assessment and taxation of general property~~ under ch. 70.

10 **SECTION 159.** 77.54 (3) (b) 1. of the statutes is amended to read:

11 77.54 (3) (b) 1. ~~“Building” has the meaning given under s. 70.111 (10) (a) 1~~
12 means any structure that is intended to be a permanent accession to real property;
13 that is designed or used for sheltering people, animals, or plants, for storing property,
14 or for working, office, parking, sales, or display space, regardless of any contribution
15 that the structure makes to the production process in it; that in physical appearance
16 is annexed to that real property; that is covered by a roof or encloses space; that is
17 not readily moved or disassembled; and that is commonly known to be a building
18 because of its appearance and because of the materials of which it is constructed.

19 **SECTION 160.** 77.84 (1) of the statutes is amended to read:

20 77.84 (1) TAX ROLL. The municipal clerk shall enter in a special column or other
21 appropriate place on the tax roll the description of each parcel of land designated as
22 managed forest land, and shall specify, by the designation “MFL-O” or “MFL-C”, the
23 acreage of each parcel that is designated open or closed under s. 77.83. The land shall
24 be assessed and is subject to review under ch. 70. Except as provided in this

1 subchapter, no tax may be levied on managed forest land, except that any building
2 on managed forest land is subject to taxation as ~~personal property~~ under ch. 70.

3 **SECTION 161.** 79.03 (3) (b) 3. of the statutes is amended to read:

4 79.03 (3) (b) 3. “Full valuation” means the ~~full value of property that is exempt~~
5 ~~under s. 70.11 (39) and (39m) as determined under s. 79.095 (3) plus the full value~~
6 of all taxable property for the preceding year as equalized for state tax purposes,
7 except that for municipalities the value of real estate assessed under s. 70.995 is
8 excluded. Value increments under s. 66.1105 ~~plus the full value of property that is~~
9 ~~exempt under s. 70.11 (39) and (39m) that would otherwise be part of a value~~
10 ~~increment~~ are included for municipalities but excluded for counties. Environmental
11 remediation value increments under s. 66.1106 are included for municipalities and
12 counties that create the environmental remediation tax incremental district and are
13 excluded for units of government that do not create the district. If property that had
14 been assessed under s. 70.995 and that has a value exceeding ~~10%~~ 10 percent of a
15 municipality’s value is assessed under s. 70.10, ~~30%~~ 30 percent of that property’s full
16 value is included in “full valuation” for purposes of the shared revenue payments in
17 the year after the assessment under s. 70.10, ~~65%~~ 65 percent of that property’s full
18 value is included in “full valuation” for purposes of the shared revenue payments in
19 the year 2 years after the assessment under s. 70.10 and ~~100%~~ 100 percent of that
20 property’s full value is included in “full valuation” for purposes of subsequent shared
21 revenue payments.

22 **SECTION 162.** 79.03 (3) (b) 4. (intro.) of the statutes is amended to read:

23 79.03 (3) (b) 4. (intro.) “Local purpose revenues” means the sum of ~~payments~~
24 ~~under s. 79.095, local general purpose taxes, regulation revenues, revenues for~~
25 services to private parties by a county’s or municipality’s general operations or

1 enterprises, revenue for sanitation services to private parties, special assessment
2 revenues, tax base equalization aids and, for municipalities only, a proxy for private
3 sewer service costs, a proxy for private solid waste and recycling service costs and a
4 proxy for retail charges for fire protection purposes. In this subdivision: ✓

5 **SECTION 163.** 79.095 of the statutes, as affected by 2005 Wisconsin Act 25, is
6 repealed.

7 **SECTION 164.** 79.096 of the statutes is created to read:

8 **79.096 State aid; personal property. (1) DEFINITIONS.** In this section:

9 (a) “Department” means the department of administration.

10 (b) “Special purpose district” means a metropolitan sewerage district organized
11 under subch. II of ch. 200, a town sanitary district organized under subch. IX of ch.
12 60, a metropolitan sewerage district created under s. 200.05, or a public inland lake
13 protection and rehabilitation district organized under subch. IV of ch. 33.

14 (c) “Taxing jurisdiction” means a municipality, county, school district, special
15 purpose district, tax incremental district, or technical college district.

16 **(2) REPORTING.** No later than April 1, 2009, each municipality shall report to
17 the department the amount of personal property taxes paid to each taxing
18 jurisdiction for which the municipality assesses property for the assessments as of
19 January 1, 2008.

20 **(3) PAYMENTS.** Annually, beginning in 2009, each taxing jurisdiction shall
21 receive a payment in an amount that is equal to the sum of the amount of personal
22 property taxes that the taxing jurisdiction received for the assessments as of January
23 1, 2008, as reported under sub. (2), plus the amount of any state aid the taxing
24 jurisdiction received under s. 79.095, 2003 stats., in 2008. The department shall
25 make the payments under this section on or before the first Monday in May.

Insert 49-6 rnc

Insert 49-21

1 **SECTION 165.** 79.10 (1) (dm) of the statutes is amended to read:

2 79.10 (1) (dm) “Principal dwelling” means any dwelling that is used by the
3 owner of the dwelling as a primary residence on January 1 of the year preceding the
4 allocation of a credit under sub. (9) (bm) and includes improvements that are
5 classified, under ch. 70, as taxable real property ~~or personal property.~~

6 **SECTION 166.** 121.004 (6) of the statutes is amended to read:

7 121.004 (6) NET COST. The “net cost” of a fund means the gross cost of that fund
8 minus all nonduplicative revenues and other financing sources of that fund except
9 property taxes, and general aid, ~~and aid received under s. 79.095 (4).~~ In this
10 subsection, “nonduplicative revenues” includes federal financial assistance under 20
11 USC 236 to 245, to the extent permitted under federal law and regulations.

12 **SECTION 167.** 121.06 (4) of the statutes is repealed.

13 **SECTION 168.** 121.15 (4) (a) of the statutes is amended to read:

14 121.15 (4) (a) In this subsection, “state aid” has the meaning given in s. 121.90
15 (2) except that it excludes aid paid to school districts under s. ~~79.095 (4)~~ 79.096 (3).

16 **SECTION 169.** 121.90 (2) (intro.) of the statutes is amended to read:

17 121.90 (2) (intro.) “State aid” means aid under ss. 121.08, 121.09 and 121.105
18 and subch. VI, as calculated for the current school year on October 15 under s. 121.15
19 (4), and including adjustments made under s. 121.15 (4), and amounts under s.
20 ~~79.095 (4)~~ 79.096 (3) for the current school year, except that “state aid” excludes all
21 of the following:

22 **SECTION 170.** 174.06 (5) of the statutes is amended to read:

23 174.06 (5) RECORDS. The listing official shall enter ~~in the records for personal~~
24 ~~property assessments, or in a separate record,~~ all dogs in the district subject to tax,
25 to whom they are assessed, the name, number, sex, spayed or unspayed, neutered or

SECTION 170

1 unneutered, breed and color of each dog. The listing official shall make in triplicate
2 a list of the owners of all dogs assessed.

3 **SECTION 171.** 174.065 (3) of the statutes is amended to read:

4 174.065 (3) COLLECTION OF DELINQUENT DOG LICENSE TAXES. Delinquent dog
5 license taxes may be collected in the same manner as provided for small claims in s.
6 74.55 and ch. 799 for the collecting of personal property taxes.

7 **SECTION 172.** 174.08 (1) of the statutes is amended to read:

8 174.08 (1) Except as provided in sub. (2), every collecting official shall pay all
9 dog license taxes to the town, village or city treasurer or other tax collecting officer
10 who shall deduct any additional tax that may have been levied by the municipal
11 governing body and pay the remainder to the county treasurer at the time settlement
12 is made with the county treasurer for collections of ~~personal~~ property taxes, and shall
13 at the same time report in writing to the county clerk the licenses issued. The report
14 shall be in the form prescribed by the department, and the forms shall be furnished
15 by the county clerks.

16 **SECTION 173.** 198.10 (1) of the statutes is amended to read:

17 198.10 (1) TAXABLE PROPERTY, TAXES. All real property situated in ~~and all~~
18 ~~personal property the situs of which for purposes of general property taxation is in~~
19 the district shall be subject to taxation in and by the district for a direct annual tax
20 sufficient to pay the interest on any indebtedness of the district, and to pay and
21 discharge the principal of the indebtedness within 20 years from the time of
22 contracting the indebtedness.

23 **SECTION 174.** 200.13 (2) of the statutes is amended to read:

24 200.13 (2) TAX LEVY. The commission may levy a tax upon the taxable property
25 in the district as equalized by the department of revenue for state purposes for the

1 purpose of carrying out and performing duties under this subchapter but the amount
2 of any such tax in excess of that required for maintenance and operation and for
3 principal and interest on bonds or promissory notes shall not exceed, in any one year,
4 one mill for each dollar of the district's equalized valuation, as determined under s.
5 70.57. The tax levy may be spread upon the respective real estate and personal
6 property tax rolls of the city, village and town areas included in the district taxes, and
7 shall not be included within any limitation on county or municipality taxes. Such
8 moneys when collected shall be paid to the treasurer of such district.

9 SECTION 175. Chapter 260 of the statutes is created to read:

10 CHAPTER 260

11 HEALTH INSURANCE PURCHASING ACCOUNTS

12 260.01 Definitions. In this chapter:

13 (1) "Board" means the board of directors of the corporation.

14 (2) "Corporation" means the Private Health Insurance Purchasing
15 Corporation of Wisconsin.

16 (3) "Eligible resident" means an individual who satisfies all of the following
17 criteria:

18 (a) The individual has been legally domiciled, as defined by the corporation, in
19 this state for at least 6 months, except that, if a child is under 6 months of age, the
20 child is an "eligible resident" if the child lives in this state and at least one of the
21 child's parents or the child's guardian has been legally domiciled, as defined by the
22 corporation, in this state for at least 6 months.

23 (b) The individual is under 65 years of age.

24 (c) The individual is not eligible for health care coverage from the federal
25 government, is not an inmate of a penal facility, as defined in s. 19.32 (1e), and is not

Insert 51-22

Insert 52-2

1 placed or confined in, or committed to, an institution for the mentally ill or
2 developmentally disabled.

3 ~~f~~ (a) Unless a waiver is requested under s. 260.60 and granted and in effect, the
4 individual is not eligible for medical assistance under subch. IV of ch. 49 or for health
5 care coverage under the Badger Care health care program under s. 49.665.

6 **260.05 Private Health Insurance Purchasing Corporation of**
7 **Wisconsin.** (1) INCORPORATION. The secretary of administration shall do all of the
8 following:

9 (a) Draft and file articles of incorporation for a nonstock corporation under ch.
10 181 and take all actions necessary to exempt the corporation from federal taxation
11 under section 501 (c) (3) of the Internal Revenue Code.

12 (b) Provide in the articles of incorporation filed under par. (a) all of the
13 following:

14 1. That the name of the corporation is the "Private Health Insurance
15 Purchasing Corporation of Wisconsin."

16 2. That the board shall consist of 8 directors who, except for the initial directors,
17 shall be designated or appointed as follows:

18 a. One designated by Wisconsin Manufacturers and Commerce.

19 b. One designated by the Wisconsin State American Federation of Labor and
20 Congress of Industrial Organizations.

21 c. One designated by the Metropolitan Milwaukee Association of Commerce.

22 d. One designated by the Wisconsin office of the National Federation of
23 Independent Business.

24 e. One designated by the Wisconsin Farm Bureau Federation.

25 f. One designated by the SEIU Wisconsin State Council.

1 g. Two designated by the governor to represent consumers.

2 3. That the term of a director shall be 4 years, except that the term of an initial
3 director shall be one year.

4 4. The names and addresses of the initial directors.

5 5. That 7 votes shall be necessary for adoption of any decision of the board,
6 except for those designated categories of decisions, if any, that the board agrees to
7 adopt by a simple majority of the votes.

8 (c) In consultation with the persons charged with designating the directors
9 under par. (b) 2. a. to g., designate the initial directors.

10 (d) Draft bylaws for adoption by the board.

11 **(2) DUTIES.** As a condition for the release of funds under s. 20.855 (8m) (r), the
12 corporation shall do all of the following:

13 (a) Establish, fund, and manage health insurance purchasing accounts in the
14 manner provided in this chapter; assist eligible residents in using their accounts to
15 purchase health care coverage; and perform all other functions required of the
16 corporation under this chapter.

17 (b) Establish an independent and binding appeals process for resolving
18 disputes over eligibility and other determinations made by the corporation.

19 (c) Keep its records open at all times to inspection and examination by the
20 governor, the secretary of administration, any committee of either or both houses of
21 the legislature, the legislative fiscal bureau, and the legislative audit bureau.

22 (d) Keep its meetings open to the public to the extent required of governmental
23 bodies under subch. V of ch. 19.

24 (e) Cooperate with the legislative audit bureau in the performance of the audits
25 under sub. (4).

1 (f) Submit on each October 1 an annual report to the legislature under s. 13.172
2 (2) and to the governor regarding its activities and including any recommendations
3 of the health care committee under s. 260.40 (1) (d).

4 **(3) CONTRACTS AND HIRING.** (a) The corporation may contract with other
5 organizations, entities, or individuals for the performance of any of its functions.
6 With respect to contracts under this subsection, the corporation shall do all of the
7 following:

8 1. Use generally accepted procedures, which shall be in writing and open to
9 public inspection, for soliciting bids or proposals and for awarding contracts to the
10 lowest-bidding, qualified person or to the most qualified person submitting a
11 proposal.

12 2. Make open to public inspection all of its requests for bids or proposals, all of
13 its analyses of bids or proposals received, and all of its final decisions on bids or
14 proposals received.

15 (b) The corporation shall use generally accepted hiring practices, which shall
16 be in writing and open to public inspection, for hiring any staff.

17 **(4) AUDITS.** At least once every 2 years, the legislative audit bureau shall
18 conduct a financial audit of the corporation and a performance evaluation audit of
19 the health insurance purchasing arrangement under this chapter that includes an
20 audit of the corporation's policies and management practices. The legislative audit
21 bureau shall distribute a copy of each audit report under this subsection to the
22 legislature under s. 13.172 (2) and to the governor. The corporation shall reimburse
23 the legislative audit bureau for the cost of the audits and reports required under this
24 subsection.

260.10 Health insurance purchasing accounts. (1) ESTABLISHMENT AND

1
2 FUNDING. (a) Beginning in January 2008, the corporation shall establish a private
3 health insurance purchasing account for each eligible resident. Beginning in 2009,
4 the corporation annually shall credit to each account the dollar amount that is the
5 full premium, as determined by the corporation under s. 260.15 (2) (b), for a Tier 1
6 health care plan in the county in which the eligible resident resides and that has been
7 actuarially adjusted for the eligible resident based on age, sex, and other appropriate
8 risk factors determined by the board. Subject to sub. (2) and s. 260.20 (3), the
9 corporation shall pay the amount credited under this paragraph to the health care
10 plan selected by the eligible resident, or to which the eligible resident has been
11 assigned, under s. 260.15 (3).

12 (b) 1. The health insurance purchasing account of an eligible resident who is
13 at least 18 years of age shall also include a health savings account, as described in
14 26 USC 223. For an eligible resident who is under 18 years of age when his or her
15 health insurance purchasing account is established, his or her health insurance
16 purchasing account shall include a health savings account beginning in the year in
17 which the eligible resident is 18 years of age on January 1.

18 2. Beginning in 2009, the corporation annually shall deposit an amount into
19 each health savings account. ~~In 2009~~, the amount deposited shall be \$500. ~~The~~
20 amount deposited in each year thereafter shall be adjusted to reflect the annual
21 percentage change in the U.S. consumer price index for all urban consumers, U.S.
22 city average, as determined by the U.S. department of labor, for the 12-month period
23 ending on December 31 of the preceding year.

→ Subject to s. 260.20(5)

1 3. If the corporation estimates that revenues will exceed costs in a year, the
2 corporation may deposit into each health savings account an amount in addition to
3 the amount deposited under subd. 2.

4 4. In addition to amounts deposited under subds. 2. and 3., the corporation may
5 deposit into the health savings account of an eligible resident who successfully
6 follows a healthy lifestyle protocol ~~established~~ ^{certified} by the corporation under s. 260.40 (2)
7 (a), an amount determined by the corporation to be equal to the average reduction
8 in health care costs per eligible resident who adopts a healthy lifestyle protocol.

9 5. Notwithstanding subds. 2., 3., and 4., the total amount deposited in an
10 eligible resident's health savings account may not exceed the maximum amount
11 allowed under federal law.

12 (2) ADDITIONAL PAYMENT FOR DISPROPORTIONATE RISK. The corporation may retain
13 a percentage of the amounts credited under sub. (1) (a) to pay to health care plans
14 that have incurred disproportionate risk not fully compensated for by the actuarial
15 adjustment in the amount credited to each account under sub. (1) (a). Any payment
16 to a health care plan under this subsection shall reflect the disproportionate risk
17 incurred by the health care plan.

18 **260.15 Health care plans.** (1) PARTICIPATION OF INSURERS. (a) ^{Subject to par. (c),} The corporation
19 shall solicit bids from, and enter into contracts with, insurers for offering coverage
20 to eligible residents. Any insurer that is authorized to do business in this state in
21 one or more lines of insurance that includes health insurance is eligible to submit a
22 bid.

23 (b) In determining which insurers qualify to offer coverage, the corporation
24 shall use financial, coverage, and disclosure standards that are comparable to those

Insert 57-2

1 that the department of employee trust funds has used in qualifying insurers for
2 offering coverage under the state employee health plan under s. 40.51 (6).

3 (2) TIER ASSIGNMENT AND PREMIUM DETERMINATION. (a) The corporation shall
4 rank the health care plans offered in each county and assign each health care plan
5 to one of 3 tiers, on a countywide basis, based on the health care plan's quality and
6 cost. The corporation shall assign to "Tier 1" health care plans that it determines
7 provide high quality care at a low risk-adjusted cost, assign to "Tier 2" health care
8 plans that it determines provide care at a higher risk-adjusted cost, and assign to
9 "Tier 3" health care plans that it determines provide care at the highest
10 risk-adjusted cost.

11 (b) The corporation shall determine the ^{out-of-pocket} monthly premium amount for coverage
12 under each health care plan, with Tier 1 health care plans having the lowest
13 premiums, Tier 2 health care plans having higher premiums than Tier 1 health care
14 plans, and Tier 3 health care plans having higher premiums than Tier 2 health care
15 plans. The premium differences shall be based on the actual differences in costs
16 between Tier 1 and Tier 2 health care plans, and between Tier 2 and Tier 3 health
17 care plans.

18 (3) PLAN SELECTION. Beginning in 2008, the corporation shall offer an annual
19 open enrollment period during which each eligible resident may select a health care
20 plan from among those offered. Coverage under the health care plan that an eligible
21 resident selects during an annual open enrollment period shall be effective on the
22 following January 1. An eligible resident who does not select a health care plan will
23 be ^{randomly} assigned to a Tier 1 health care plan.

****NOTE: Do you want to specify to which plan a person is assigned if they do not select a plan? The language I have included above comes from a version of the previous draft that I was working on before receiving new, revised instructions not including tiers.

risk-adjusted cost and

risk-adjusted cost

1 **260.20 Benefits.** (1) **GENERALLY.** Coverage under this chapter shall begin on
2 January 1, 2009, and shall include medical and hospital care coverage, prescription
3 drug coverage, and limited dental care coverage.

4 (2) **BENEFITS WITHOUT CERTAIN COST SHARING.** Notwithstanding s. 260.25 (2) and
5 (3), deductibles, coinsurance, and copayments shall not apply to coverage of any of
6 the following:

- 7 (a) Emergency care, as defined by the corporation.
- 8 (b) Prenatal care for pregnant women.
- 9 (c) Well-baby care.
- 10 (d) Annual medical examinations for children up to 18 years of age.
- 11 (e) Medically indicated immunizations.
- 12 (f) Annual gynecological examinations for older girls and women.
- 13 (g) Medically indicated Papanicolaou tests and mammograms.
- 14 (h) Annual medical examinations for older men.
- 15 (i) Medically indicated colonoscopies.
- 16 (j) Limited dental care, as determined by the corporation under sub. (4).

17 (k) Other preventive services or procedures, as determined by the corporation,
18 for which there is ^{scientific} evidence that exemption from cost sharing is likely to reduce health
19 care costs or avoid health risks.

****NOTE: I specified that deductibles, coinsurance, and copayments do not apply.
Is this what you intended?

20 (3) **PHARMACY BENEFIT.** (a) Except as provided in par. (b), the corporation shall
21 assume the risk for, and pay for, prescription drugs provided to eligible residents.
22 For this purpose, the corporation shall retain the portion of the amount credited
23 under s. 260.10 (1) (a) that is actuarially allocated for prescription drug coverage.

1 (b) If the corporation determines that the method of providing prescription
2 drug coverage under par. (a) is not cost-effective, the corporation may require the
3 health care plans to provide prescription drug coverage to eligible residents and shall
4 pay the portion of the amount credited under s. 260.10 (1) (a) that is actuarially
5 allocated for prescription drug coverage to the eligible residents' health care plans.

6 (4) DENTAL BENEFIT. Every health care plan shall provide coverage of dental
7 examinations and the application of coatings and sealants, as determined by the
8 corporation, for eligible residents who are at least 2 years of age but not more than
9 16 years of age.

10 (5) BENEFIT REDUCTION. (a) If the corporation determines, based on information
11 and recommendations received from its actuaries, that the assessment under s.
12 260.50 will not generate sufficient moneys for providing the health care benefits
13 under subs. (1) to (4), the corporation shall inform the governor and the legislature
14 of all of the following:

- 15 1. That the assessment is insufficient. *Insert 59-15*
- 16 2. What increase in the assessment would be required to maintain the current
17 benefit level. *Insert 59-17*
- 18 3. Alternative benefit reductions that would be appropriate to avoid an increase
19 in the assessment. *Insert 59-18*
- 20 4. The benefit reductions that the corporation prefers. *Insert 59-19*

21 (b) Unless legislation is enacted that implements a different solution, the
22 corporation shall implement the benefit reductions under par. (a) 4.

23 **260.25 Cost sharing.** (1) PREMIUMS. (a) An eligible resident ~~with~~ coverage
24 under a Tier 1 health care plan shall pay no premium in addition to the amount paid
25 by the corporation under s. 260.10 (1) (a) to the eligible resident's health care plan.

Insert 59-22

who selects or is assigned to

SECTION 175

who selects

1 (b) An eligible resident with coverage under a Tier 2 or Tier 3 health care plan
2 shall be required to pay the amount by which the full risk-adjusted premium for the
3 health care plan selected by the eligible resident exceeds the amount paid by the
4 corporation under s. 260.10 (1) (a) to the eligible resident's health care plan

*insert
60-4*

5 (2) DEDUCTIBLES. Subject to sub. (4), in a year, an eligible resident shall pay the
6 following annual deductible amount:

7 (a) For an eligible resident who is 18 years of age or older on January 1 of that
8 year, \$1,200.

9 (b) For an eligible resident who is under 18 years of age on January 1 of that
10 year, \$100.

11 (3) COINSURANCE AND COPAYMENTS. Subject to sub. (4), in a year, after the
12 deductible under sub. (2) has been satisfied, an eligible resident shall pay all of the
13 following:

14 (a) Coinsurance that is equal to at least 10 percent but not more than 20 percent
15 of medical, hospital, and ~~generic~~ drug costs, as determined by the corporation.

prescription

16 (b) For each prescription of a brand-name drug that is on the preferred list
17 determined by the corporation under s. 260.20 (3) (a) or by the eligible resident's
18 health care plan under s. 260.20 (3) (b), either coinsurance of at least 10 percent but
19 not more than 20 percent or a copayment of \$15, as determined by the corporation.

20 (c) For each prescription of a brand-name drug that is not on the preferred list
21 determined by the corporation, under s. 260.20 (3) (a) or by the eligible resident's
22 health care plan under s. 260.20 (3) (b), either coinsurance of at least 20 percent but
23 not more than 40 percent or a copayment of \$35, as determined by the corporation.

*Except as provided in s. 260.20(2) and
USX 2x*

*in addition to the coinsurance
required under par. (a),*

1 (4) MAXIMUM AMOUNTS. (a) Subject to par. (c), an eligible resident under sub.
2 (2) (a) may not be required to pay more than \$2,000 per year in total cost sharing
3 under subs. (2) and (3).

4 (b) Subject to par. (c), an eligible resident under sub. (2) (b) may not be required
5 to pay more than \$500 per year in total cost sharing under subs. (2) and (3).

6 (c) A family consisting of 2 or more eligible residents may not be required to pay
7 more than \$3,000 per year in total cost sharing under subs. (2) and (3).

****NOTE: Should the maximum out-of-pocket amounts include additional premium paid by persons with coverage under Tier 2 or 3 plans? As drafted, this subsection does not include premium in maximum out-of-pocket amounts.

8 (5) ADJUSTMENTS. (a) Notwithstanding subs. (2) to (4), the corporation shall
9 reduce the deductible, coinsurance, copayment, and maximum cost-sharing
10 amounts for low-income eligible residents, as determined by the corporation, to
11 ensure that the cost sharing required does not deter low-income eligible residents
12 from seeking and using appropriate health care services.

13 (b) Notwithstanding subs. (2) to (4), beginning in 2010, the corporation
14 annually shall adjust the deductible, coinsurance, copayment, and maximum
15 cost-sharing amounts to reflect the annual percentage change in the U.S. consumer
16 price index for all urban consumers, U.S. city average, as determined by the U.S.
17 department of labor, for the 12-month period ending on December 31 of the
18 preceding year.

19 **260.30 Preexisting condition exclusion. (1) TO WHOM APPLICABLE.** Subject
20 to sub. (2), a health care plan may not provide coverage for any preexisting condition,
21 as defined by the corporation, of an eligible resident who, at any time during the
22 18-month period before becoming an eligible resident, resided outside of Wisconsin

1 and who did not have health insurance coverage that was substantially similar to the
2 coverage provided under this chapter, as determined by the corporation.

3 (2) LENGTH OF EXCLUSION. A preexisting condition exclusion under sub. (1) may
4 not extend beyond ^{the date on which} 18 months after the eligible resident ^{has been covered} obtains coverage, and
5 ~~remains covered~~, under this chapter. *for a total of 18 months, which coverage need not be continuous*

****NOTE: If you don't want the coverage to be continuous, perhaps this subsection should say something along the lines of: "A preexisting condition exclusion under sub. (1) may not extend beyond the date on which the eligible resident has been covered under this chapter for a total of 18 months."

6 **260.40 Health care advisory committee; health care policies. (1)**

7 ESTABLISHMENT OF COMMITTEE. (a) The corporation shall establish a health care
8 advisory committee to advise it on all matters related to promoting healthier
9 lifestyles; promoting health care quality; increasing the transparency of health care
10 cost and quality information; preventive care; disease management; the appropriate
11 use of primary care, medical specialists, prescription drugs, and hospital emergency
12 rooms; confidentiality of medical information; the appropriate use of technology;
13 benefit design; the availability of physicians, hospitals, and other providers; and
14 reducing health care costs.

15 (b) The committee shall consist of the following:

- 16 1. Three members designated by the Wisconsin Medical Society.
- 17 2. Three members designated by the Wisconsin Hospital Association.
- 18 3. One member designated by the dean of the University of Wisconsin School
- 19 of Medicine and Public Health.
- 20 4. One member designated by the president of the Medical College of
- 21 Wisconsin.
- 22 5. One member designated by the Wisconsin Nurses Association.
- 23 6. One member designated by the Wisconsin Chiropractic Association.

6. One member designated by the Wisconsin Federation of Nurses and Health Professionals

1 8<7. One member designated by the Wisconsin Dental Association.

***NOTE: This "committee" does not fit the mold. Normally committees are short-term, advisory bodies that may be created by an entity to assist the entity with a particular issue or problem. It seems as though this committee will have a perpetual existence and advise the board indefinitely. In that case, it probably should be a council in, or attached to, a state agency. You could also simply require the corporation to establish an advisory committee on a short-term basis each time it addresses a specific issue and not specify the membership, or require the corporation to establish advisory committees composed of individuals recommended or designated by the entities you list. In any case, for the committee as drafted, do you want term lengths or are the individuals designated the permanent members?

2 (c) The committee members shall elect a chairperson from among the members.
3 The chairperson, or his or her designee, shall attend every meeting of the board to
4 communicate to the corporation the advice and recommendations of the committee.
5 The chairperson, or his or her designee, shall communicate to the committee any
6 questions on which the corporation is seeking the committee's advice or
7 recommendations. *insert 63-7*

8 (d) Annually, on or before September 1, the committee shall submit to the
9 corporation its recommendations for improving the health insurance purchasing
10 arrangement under this chapter. The corporation shall include those
11 recommendations in its annual report under s. 260.05 (2) (f).

12 (2) ADOPTION OF HEALTH CARE POLICIES. The corporation shall do all of the
13 following:

14 (a) In consultation with the health care advisory committee and experts on
15 creating effective incentives for individuals and employers to *relating* adopt healthier
16 lifestyles, adopt evidence-based policies that create incentives for eligible residents
17 to adopt healthier lifestyles and for employers to institute work-based programs
18 that have been shown to improve the health status of employees and their families.

19 These policies may include increasing the amount deposited in an eligible resident's
20 health savings account as a reward for adopting a healthier lifestyle and reducing

1 the assessment paid by an employer that institutes a work-based program shown
2 to improve the health status of employees and their families.

3 (b) In consultation with the health care advisory committee and experts on
4 increasing the transparency of health care cost and quality information, and in
5 collaboration with the health care advisory committee and health care plans and
6 health care providers, adopt policies that provide eligible residents with current,
7 comprehensive, easily accessible, and easily understandable information about the
8 cost and quality of the care provided by Wisconsin health care providers and by any
9 physicians, clinics, or hospitals outside of Wisconsin that are included in a network
10 of a health care plan offered under the health insurance purchasing arrangement
11 under this chapter.

12 (c) In consultation with the health care advisory committee, the Wisconsin
13 Health Information Organization, the Wisconsin Collaborative for Health Care
14 Quality, and other medical and nonmedical experts on health care quality, promote
15 evidence-based improvements in the quality of health care delivery in Wisconsin.

16 **260.50 Assessments, individuals and businesses. (1) DEFINITIONS.** In this
17 section:

18 (a) “Department” means the department of revenue.

19 (b) “Employer” means a person who is required under the Internal Revenue
20 Code to file form 941.

21 (c) “Self-employed individual” means an individual who is required under the
22 Internal Revenue Code to file schedule SE.

23 (d) “Social security wages” means:

1 1. For purposes of sub. (2), the amount of net earnings from self-employment,
2 as defined in section 1402 (a) of the Internal Revenue Code, received by an individual
3 in a taxable year.

4 2. For purposes of sub. (3), the amount of wages, as defined in section 3121 (a)
5 of the Internal Revenue Code, paid by an employer in a taxable year with respect to
6 employment, as defined in section 3121 (b) of the Internal Revenue Code.

7 (e) “Wisconsin earnings” means wage, salary, or tip income earned by an
8 individual in a taxable year ~~that is paid by or earned while working for a person who~~
9 is domiciled in this state.

*and subject to
the tax imposed
under 0.71.02*

10 (2) INDIVIDUALS. (a) A self-employed individual shall pay one of the following
11 amounts, as provided in sub. (4):

12 1. If social security wages do not exceed \$50,000, 5 percent of social security
13 wages.

14 2. If social security wages exceed \$50,000, but do not exceed \$500,000, an
15 amount calculated by multiplying all of the social security wages by the sum of 5
16 percent plus the product of 0.02 percent multiplied by each increment of \$1,000 by
17 which social security wages exceed \$50,000, rounded up to the next highest whole
18 number increment.

19 3. If social security wages exceed \$500,000, an amount calculated by
20 multiplying all of the social security wages by 14 percent.

21 (b) If an individual ~~has an employer and~~ *to whom par. (a) does not apply* Wisconsin earnings of less than
22 \$10,000, or less than \$20,000 if married and filing jointly, and whose federal adjusted
23 gross income is more than \$20,000, or more than \$40,000 if married and filing jointly,
24 the individual shall pay the lesser of the following amounts, as provided in sub. (4):

1 1. Ten percent of the difference between adjusted gross income and Wisconsin
2 earnings.

3 2. If the individual is single, or married and filing separately, \$2,000.

4 3. If the individual is married and filing jointly, \$4,000.

5 (3) BUSINESSES. (a) Except as provided in ^{parts} par. (c) ^{and (d)}, an employer shall pay one
6 of the following amounts, as provided in sub. (4):

7 1. If social security wages do not exceed \$50,000, 3 percent of social security
8 wages.

9 2. If social security wages exceed \$50,000, but do not exceed \$500,000, an
10 amount calculated by multiplying all of the social security wages by the sum of 3
11 percent plus the product of 0.02 percent multiplied by each increment of \$1,000 by
12 which social security wages exceed \$50,000, rounded up to the next highest whole
13 number increment.

14 3. If social security wages exceed \$500,000, an amount calculated by
15 multiplying all of the social security wages by 12 percent.

16 (b) Except as provided in par. (c), an employer shall deduct from the wages of
17 each of the employer's employees an amount that is equal to 2 percent of the social
18 security wages of each employee and shall remit that amount to the department at
19 the same time that the employer pays the amount described in par. (a).

20 (c) An employer who, on January 1, 2009, provides health care coverage to
21 employees pursuant to a collective bargaining agreement entered into with a union
22 may ^{for the duration of the agreement} exclude from the amount of social security wages subject to the assessment^s
23 ^{and (b)} under par. (a) the amount of social security wages of any employee who receives
24 health care coverage under the agreement.

INSERT 66-24 JK

1 (4) COLLECTION OF ASSESSMENTS. (a) The department shall collect the amounts
2 that an individual is required to pay under sub. (2), either through an assessment
3 that is collected as part of the income tax under subch. I of ch. 71, or through another
4 method devised by the department. The department shall collect the amounts that
5 an employer is required to pay under sub. (3), either through an assessment that is
6 collected as part of the tax under subch. IV of ch. 71, or through another method
7 devised by the department. Section 71.80 (1) (c), as it applies to ch. 71, applies to the
8 department's collection of amounts under this section.

9 (b) The amounts that the department collects under par. (a) shall be deposited
10 into the health insurance purchasing trust fund under s. 25.775.

11 **260.60 Including certain residents who are eligible for Medical**
12 **Assistance. (1) PLAN.** The corporation and the department of health and family
13 services shall jointly develop a plan for providing health care coverage under the
14 health insurance purchasing arrangement established under this chapter to
15 individuals who satisfy the criteria under s. 260.01 (3) (a) to (c) and who are eligible
16 for Medical Assistance under subch. IV of ch. 49 in the low-income families category,
17 as determined under 2005 Wisconsin Act ... (this act), section 178 (1) (b), or for health
18 care coverage under the Badger Care health care program under s. 49.665.

19 (2) WAIVER REQUEST. The department of health and family services shall, no
20 later than July 1, 2010, submit to the legislature under s. 13.172 (2) the plan
21 developed under sub. (1), together with its recommendations concerning the
22 desirability of requesting waivers from the secretary of the federal department of
23 health and human services for all of the following purposes:

24 (a) To implement the plan developed under sub. (1).

SECTION 175

1 (b) To allow the use of federal financial participation to fund, to the maximum
2 extent possible, health care coverage under the arrangement established under this
3 chapter for individuals specified in sub. (1).

4 (3) PROPOSED LEGISLATION. If the legislature authorizes or requires the
5 department of health and family services to request the waivers specified in sub. (2)
6 and if the waivers are granted, the department of health and family services shall
7 submit to the appropriate standing committees under s. 13.172 (3) proposed
8 legislation that will implement the provisions approved under the waivers.

— INS RED 1 & 2

9 **SECTION 176.** 815.18 (3) (intro.) of the statutes is amended to read:

10 815.18 (3) EXEMPT PROPERTY. (intro.) The debtor's interest in or right to receive
11 the following property is exempt, except as specifically provided in this section and
12 ss. ~~70.20 (2)~~, 71.91 (5m) and (6), ~~74.55 (2)~~ and 102.28 (5):

13 **SECTION 177.** 978.05 (6) (a) of the statutes is amended to read:

14 978.05 (6) (a) Institute, commence or appear in all civil actions or special
15 proceedings under and perform the duties set forth for the district attorney under ss.
16 17.14, 30.03 (2), 48.09 (5), 59.55 (1), 59.64 (1), ~~70.36~~, 103.50 (8), 103.92 (4), 109.09,
17 343.305 (9) (a), 453.08, 806.05, 938.09, 938.18, 938.355 (6) (b) and (6g) (a), 946.86,
18 946.87, 961.55 (5), 971.14 and 973.075 to 973.077, perform any duties in connection
19 with court proceedings in a court assigned to exercise jurisdiction under chs. 48 and
20 938 as the judge may request and perform all appropriate duties and appear if the
21 district attorney is designated in specific statutes, including matters within chs. 782,
22 976 and 979 and ss. 51.81 to 51.85. Nothing in this paragraph limits the authority
23 of the county board to designate, under s. 48.09 (5), that the corporation counsel
24 provide representation as specified in s. 48.09 (5) or to designate, under s. 48.09 (6)

1 or 938.09 (6), the district attorney as an appropriate person to represent the interests
2 of the public under s. 48.14 or 938.14.

3 **SECTION 178. Nonstatutory provisions.**

4 (1) PROPOSED LEGISLATION ON ELIGIBILITY OF AND APPROPRIATIONS FOR MEDICAL
5 ASSISTANCE AND BADGER CARE RECIPIENTS.

6 (a) *Definition.* In this subsection, “department” means the department of
7 health and family services.

8 (b) *Eligibility categories for Medical Assistance.*

9 1. The department shall review the statutes and determine which statutory
10 provisions specify eligibility criteria for Medical Assistance by each of the following
11 categories of persons:

12 a. Low-income families.

13 b. Elderly or disabled persons.

14 2. No later than April 1, 2008, the department shall submit the findings of its
15 review under subdivision 1. to the appropriate standing committees of the
16 legislature in the manner provided under section 13.172 (3) of the statutes. If the
17 department determines that one or more statutory provisions provide eligibility
18 criteria that apply to both categories of persons under subdivision 1., along with its
19 findings the department shall submit proposed legislation specifying eligibility
20 criteria for Medical Assistance that clearly separates the 2 categories of persons
21 under subdivision 1. so that any single statutory unit applies to only one of the 2
22 categories.

23 (c) *Appropriations for Medical Assistance and Badger Care.*

24 1. The department and the legislative fiscal bureau shall review the following
25 Medical Assistance and Badger Care health care program appropriations to

INS
LMK

1 determine what amount of each of the total amounts appropriated under each of the
2 appropriations is attributable to benefits provided to, or the administrative costs of
3 providing benefits to, Medical Assistance recipients in the category under paragraph

4 (b) 1. a. or Badger Care health care program recipients:

5 a. Section 20.435 (2) (gk) of the statutes.

6 b. Section 20.435 (4) (a), (b), (bc), (bm), (bn), (gp), (iL), (im), (in), (kt), (L), (vt),
7 (w), (wm), (wp), and (x) of the statutes.

8 c. Section 20.435 (6) (ga) and (k) of the statutes.

9 d. Section 20.435 (7) (b) of the statutes.

10 2. No later than April 1, 2008, the department and the legislative fiscal bureau
11 shall submit the findings of the review under subdivision 1. to the appropriate
12 standing committees of the legislature in the manner provided under section 13.172
13 (3) of the statutes, along with proposed legislation that does all of the following:

14 a. Creates, effective January 1, 2009, separate Medical Assistance
15 appropriations for the state's share of benefits and administrative costs for the
16 category of persons under paragraph (b) 1. a., along with the appropriate amounts
17 in the schedule, and funds those appropriations from the health insurance
18 purchasing trust fund.

19 b. Creates, effective January 1, 2009, separate appropriations for the state's
20 share of benefits and administrative costs for the Badger Care health care program,
21 along with the appropriate amounts in the schedule, and funds those appropriations
22 from the health insurance purchasing trust fund.

23 c. Modifies, effective January 1, 2009, the Medical Assistance and Badger Care
24 health care program appropriations in current law that are affected by the creation
25 of the appropriations under subdivision 2. a. and b., along with the amounts in the

1 schedule, to account for the creation of the appropriations under subdivision 2. a. and
2 b., and funds the modified appropriations in the same manner as those
3 appropriations are funded under current law.

4 **SECTION 179. Initial applicability.**

5 (1) HEALTH SAVINGS ACCOUNTS. The treatment of sections 71.183 (1) (ce) and
6 subchapter XVI of chapter 71 of the statutes first applies to taxable years beginning
7 on January 1, 2008.

8 **SECTION 180. Effective date.**

9 (1) PERSONAL PROPERTY TAXES. The repeal of sections 20.835 (1) (e), 70.11 (39)
10 and (39m), 70.111, 70.112 (1), (5), and (6), 70.13, 70.14, 70.15, 70.18, 70.19, 70.20,
11 70.21, 70.22, 70.29, 70.30, 70.34, 70.345, 70.35, 70.36, 70.47 (15), 70.53 (1) (a), 70.64
12 (3) (c), 70.65 (2) (a) 2., 70.68, 70.995 (12r), 71.91 (5m) (b), 74.11 (4), 74.11 (11) (b), 74.11
13 (12) (a) 1g., 74.11 (12) (d), 74.12 (6), 74.12 (11) (a) 1g., 74.12 (11) (d), 74.13 (3), 74.25
14 (1) (b) 1., 74.30 (1) (i), 74.42, 74.47 (3) (e), 74.55, 76.69, 79.095, and 121.06 (4) of the
15 statutes; the renumbering of sections 71.91 (5m) (a) and 74.11 (11) (a) of the statutes;
16 the renumbering and amendment of section 74.87 (3) (a) of the statutes; the
17 consolidation, renumbering, and amendment of sections 70.65 (2) (a) (intro.) and 1.
18 and 74.25 (1) (b) (intro.) and 2. of the statutes; the amendment of sections 17.14 (1)
19 (g), 26.03 (1m) (b) (intro.), 33.01 (9) (a), 33.01 (9) (am) 1., 33.01 (9) (am) 2., 33.01 (9)
20 (ar) 1., 33.01 (9) (b) 1., 38.28 (2) (b) 2., 66.0235 (2) (b), 66.0235 (2c) (a) 2., 66.0435 (3)
21 (c) 1. (intro.), 66.0435 (3) (c) 1. b., 66.0435 (3) (g), 66.0435 (9), 66.0517 (3) (b) 1.,
22 66.1105 (2) (j), 67.101 (1) (b), 70.01, 70.05 (5) (a) 1., 70.05 (5) (a) 1m., 70.07 (6), 70.075
23 (6), 70.10, 70.11 (4m) (a), 70.11 (9), 70.11 (11), 70.11 (12) (b), 70.11 (13), 70.11 (15),
24 70.11 (26), 70.11 (31), 70.11 (32), 70.112 (4) (b), 70.17 (1), 70.174, 70.365, 70.40 (5),
25 70.41 (5), 70.42 (5), 70.421 (1), 70.421 (5), 70.43 (2), 70.44 (1), 70.47 (7) (aa), 70.47 (14),

1 70.47 (16) (a), 70.48, 70.49 (2), 70.50, 70.52, 70.555, 70.65 (2) (b) (intro.), 70.73 (1) (b),
2 70.73 (1) (c), 70.73 (1) (d), 70.84, 70.995 (1) (a), 70.995 (4), 70.995 (7) (b), 70.995 (8)
3 (b) 1., 70.995 (12) (a), 71.17 (2), 71.80 (1) (a), 73.03 (20), 73.06 (3), 74.05 (1), 74.09 (2),
4 74.11 (6) (a), 74.11 (10) (a), 74.11 (12) (a) (intro.), 74.11 (12) (b), 74.12 (7), 74.12 (8),
5 74.12 (9) (a), 74.12 (10) (a), 74.12 (11) (a) (intro.), 74.12 (11) (b), 74.13 (1) (b), 74.27,
6 74.30 (1m), 74.83, 76.025 (1), 76.03 (1), 76.07 (4g) (c) 1., 76.07 (4g) (c) 2., 76.125 (1),
7 76.48 (1r), 76.81, 77.04 (1), 77.54 (3) (b) 1., 77.84 (1), 79.03 (3) (b) 3., 79.03 (3) (b) 4.
8 (intro.), 79.10 (1) (dm), 121.004 (6), 121.15 (4) (a), 121.90 (2) (intro.), 174.06 (5),
9 174.065 (3), 174.08 (1), 198.10 (1), 200.13 (2), 815.18 (3) (intro.), and 978.05 (6) (a) of
10 the statutes; and the creation of sections 20.835 (1) (em) and 66.0435 (1) (hm) of the
11 statutes take effect on January 1, 2009.

(END)

12 →
Insert
72-12

D-note
&
D-Nate
MC