

1 wholesalers. The department shall establish by rule minimum requirements for
2 warehouse facilities on premises described in permits issued under this section and
3 for periodic site inspections by the department of such warehouse facilities.

4 ***-1598/7.2* SECTION 1888.** 134.65 (1) of the statutes is amended to read:

5 134.65 (1) No person, except a person who holds a valid permit under s. 139.345
6 or 139.795 and who sells cigarettes or tobacco products solely as a direct marketer,
7 shall in any manner, or upon any pretense, or by any device, directly or indirectly sell,
8 expose for sale, possess with intent to sell, exchange, barter, dispose of or give away
9 any cigarettes or tobacco products to any person not holding a license as herein
10 provided or a permit under ss. 139.30 to 139.41 or 139.79 without first obtaining a
11 license from the clerk of the city, village or town wherein such privilege is sought to
12 be exercised.

13 ***-1598/7.3* SECTION 1889.** 134.65 (1n) of the statutes is created to read:

14 134.65 (1n) (a) The department of revenue shall prepare an application form
15 for licenses issued under this section. In addition to the information required under
16 sub. (1m), the form shall require all of the following information:

17 1. The applicant's history relevant to the applicant's fitness to hold a license
18 under this section.

19 2. The kind of license for which the applicant is applying.

20 3. The premises where cigarettes or tobacco products will be sold or stored.

21 4. If the applicant is a corporation, the identity of the corporate officers and
22 agent.

23 5. If the applicant is a limited liability company, the identity of the company
24 members or managers and agent.

25 6. The applicant's trade name, if any.

1 7. Any other information required by the department.

2 (b) The department of revenue shall provide 1 copy of each application prepared
3 under this subsection to each city, village, and town.

4 (c) Each applicant for a license under this section shall use the application form
5 prepared under this subsection.

6 (d) 1. Each application for a license under this section shall be sworn to by the
7 applicant and the applicant shall submit the application with the clerk of the city,
8 village, or town where the intended place of sale is located.

9 2. Within 10 days of any change in any fact set forth in an application, the
10 applicant or license holder shall file a written description of the change with the clerk
11 of the city, village, or town where the application was submitted.

12 3. Any person may inspect applications submitted under this paragraph. The
13 clerk of each city, village, or town where such applications are submitted shall retain
14 all applications submitted under this paragraph, but may destroy all applications
15 that have been retained for 5 years or longer.

16 ***-1598/7.4* SECTION 1890.** 134.65 (1r) of the statutes is created to read:

17 134.65 (1r) (a) No license under sub. (1) may be issued to any person to whom
18 any of the following applies:

19 1. Subject to ss. 111.321, 111.322, and 111.335, the person has an arrest record
20 or a conviction record.

21 2. Subject to ss. 111.321, 111.322, and 111.335, the person has been convicted
22 of a felony, or as a repeat or habitual offender, unless pardoned.

23 3. The person has not submitted proof as provided under s. 77.61 (11).

24 (b) The requirements under par. (a) apply to all partners of a partnership, all
25 members of limited liability company, all agents of a limited liability company or

1 corporation, and all officers of a corporation. Subject to ss. 111.321, 111.322, and
2 111.335, if a business entity has been convicted of a crime, the entity may not be
3 issued a license under sub. (1) unless the entity has terminated its relationship with
4 the individuals whose actions directly contributed to the conviction.

5 ***-1598/7.5* SECTION 1891.** 134.65 (2) (a) of the statutes is amended to read:

6 134.65 (2) (a) ~~Except~~ Subject to sub. (1r), and except as provided in par. (b),
7 upon filing of a proper written application a license shall be issued on July 1 of each
8 year or when applied for and continue in force until the following June 30 unless
9 sooner revoked. The city, village or town may charge a fee for the license of not less
10 than \$5 nor more than \$100 per year which shall be paid to the city, village or town
11 treasurer before the license is issued.

12 ***-1598/7.6* SECTION 1892.** 134.65 (5) of the statutes is amended to read:

13 134.65 (5) Any person violating this section shall be fined not more than \$100
14 \$1,000 nor less than ~~\$25~~ \$500 for the first offense and not more than ~~\$200~~ \$5,000 nor
15 less than ~~\$25~~ \$1,000 or imprisoned not exceeding 180 days or both for the 2nd or
16 subsequent offense. ~~If upon such 2nd or subsequent violation, the person so violating~~
17 ~~this section was personally guilty of a failure to exercise due care to prevent violation~~
18 ~~thereof, the person shall be fined not more than \$300 nor less than \$25 or imprisoned~~
19 ~~not exceeding 60 days or both.~~ Conviction Upon conviction of a 2nd or subsequent
20 offense, the court shall immediately terminate the license of the person convicted of
21 being personally guilty of such failure to exercise due care and the person shall not
22 be entitled to another license hereunder for a period of 5 years thereafter, nor shall
23 the person in that period act as the servant or agent of a person licensed hereunder
24 for the performance of the acts authorized by such license.

25 ***-1598/7.7* SECTION 1893.** 134.66 (1) (a) of the statutes is amended to read:

SECTION 1893

1 134.66 (1) (a) "Cigarette" has the meaning given in s. 139.30 (1) (1m).

2 *-1598/7.8* SECTION 1894. 134.66 (1) (am) of the statutes is created to read:

3 134.66 (1) (am) "Direct marketer" has the meaning given in s. 139.30 (2n).

4 *-1598/7.9* SECTION 1895. 134.66 (2) (a) of the statutes is amended to read:

5 134.66 (2) (a) No retailer, direct marketer, manufacturer, distributor, jobber or
6 subjobber, no agent, employee or independent contractor of a retailer, direct
7 marketer, manufacturer, distributor, jobber or subjobber and no agent or employee
8 of an independent contractor may sell or provide for nominal or no consideration
9 cigarettes or tobacco products to any person under the age of 18, except as provided
10 in s. 254.92 (2) (a). A vending machine operator is not liable under this paragraph
11 for the purchase of cigarettes or tobacco products from his or her vending machine
12 by a person under the age of 18 if the vending machine operator was unaware of the
13 purchase.

14 *-1598/7.10* SECTION 1896. 134.66 (2) (am) of the statutes is amended to read:

15 134.66 (2) (am) No retailer, direct marketer, manufacturer, distributor, jobber,
16 subjobber, no agent, employee or independent contractor of a retailer, direct
17 marketer, manufacturer, distributor, jobber or subjobber and no agent or employee
18 of an independent contractor may provide for nominal or no consideration cigarettes
19 or tobacco products to any person except in a place where no person younger than 18
20 years of age is present or permitted to enter unless the person who is younger than
21 18 years of age is accompanied by his or her parent or guardian or by his or her spouse
22 who has attained the age of 18 years.

23 *-1598/7.11* SECTION 1897. 134.66 (2) (d) of the statutes is amended to read:

1 134.66 (2) (d) No manufacturer, direct marketer, distributor, jobber, subjobber
2 or retailer, or their employees or agents, may provide cigarettes or tobacco products
3 for nominal or no consideration to any person under the age of 18.

4 *–1598/7.12* SECTION 1898. 134.66 (2) (e) of the statutes is amended to read:

5 134.66 (2) (e) No retailer or direct marketer may sell cigarettes in a form other
6 than as a package or container on which a stamp is affixed under s. 139.32 (1).

7 *–1598/7.13* SECTION 1899. 134.66 (3m) of the statutes is created to read:

8 134.66 (3m) DEFENSE OF DIRECT MARKETER. Proof of all of the following facts by
9 a direct marketer who sells cigarettes or tobacco products to a person under the age
10 of 18 is a defense to any prosecution for a violation under sub. (2) (a):

11 (a) That the direct marketer used a mechanism, approved by the department
12 of revenue, for verifying the age of the purchaser.

13 (b) That the purchaser falsely represented that he or she had attained the age
14 of 18 and presented a copy or facsimile of an identification card.

15 (c) That the name and birthdate of the purchaser, as indicated by the purchaser,
16 matched the name and birthdate on the identification presented under par. (b).

17 (d) That the sale was made in good faith, in reasonable reliance on the
18 mechanism described in par. (a) and the representation and identification under
19 pars. (b) and (c), and in the belief that the purchaser had attained the age of 18.

20 *–1243/P3.90* SECTION 1900. 134.71 (12) of the statutes is amended to read:

21 134.71 (12) APPLICATIONS AND FORMS. The department of agriculture, trade, and
22 ~~consumer protection~~ rural resources, in consultation with the department of justice,
23 shall develop applications and other forms required under subs. (5) (intro.) and (8)
24 (c). The department of agriculture, trade, and rural resources shall print a sufficient
25 number of applications and forms to provide to counties and municipalities for

SECTION 1900

1 distribution to pawnbrokers, secondhand article dealers, and secondhand jewelry
2 dealers at no cost.

3 *-1243/P3.91* SECTION 1901. 136.03 (title) of the statutes is amended to read:

4 136.03 (title) ~~Duties of the department of agriculture, trade and~~
5 ~~consumer protection justice.~~

6 *-1243/P3.92* SECTION 1902. 136.03 (1) (intro.) of the statutes is amended to
7 read:

8 136.03 (1) (intro.) The department of ~~agriculture, trade and consumer~~
9 ~~protection justice~~ shall investigate violations of this chapter and of rules and orders
10 issued under s. 136.04. The department of justice may subpoena persons and records
11 to facilitate its investigations, and may enforce compliance with such subpoenas as
12 provided in s. 885.12. The department of justice may ~~in~~ on behalf of the state:

13 *-1243/P3.93* SECTION 1903. 136.04 of the statutes is amended to read:

14 136.04 ~~Powers of the department of agriculture, trade and consumer~~
15 ~~protection justice.~~ (1) The department of ~~agriculture, trade and consumer~~
16 ~~protection justice~~ may adopt such rules as may be required to carry out the purposes
17 of this chapter.

18 (2) The department of ~~agriculture, trade and consumer protection justice~~ after
19 public hearing may issue general or special orders to carry out the purposes of this
20 chapter and to determine and prohibit unfair trade practices in business or unfair
21 methods of competition in business pursuant to s. 100.20 (2) to (4).

22 *-1820/1.2* SECTION 1904. 139.06 (1) (a) of the statutes is amended to read:

23 139.06 (1) (a) The taxes imposed under s. 139.03 (intro.) on intoxicating liquor
24 at the rates under s. 139.03 (2m) shall be paid to, and a monthly return filed with,
25 the department of revenue on or before the 15th of the month following the month

Insert 706-22

706-22:1

Section #. 139.02 (1) of the statutes is amended to read:

139.02 (1) TAX IMPOSED; RATE; LIMITATION. An ~~occupational~~ ^{excise} tax is imposed upon the removal for consumption or sale or selling of fermented malt beverages at the rate of \$2 per barrel of 31 gallons and at a proportionate rate for any other quantity or fractional parts thereof. Not more than one ~~occu-~~ ^{excise} ~~pational~~ tax shall be required to be paid on any one container of fermented malt beverages.

History: 1973 c. 256; 1977 c. 203.

excise

create
burning dots
from LRB-1649



706-22:2

Section #. 139.03 (intro.) of the statutes is amended to read:

139.03 Liquor tax. (intro.) An ~~occupational~~ ^{excise} tax is imposed upon the selling of intoxicating liquor as follows:

History: 1971 c. 125, 164, 211, 336; 1973 c. 121; 1975 c. 224; 1977 c. 12, 81, 203, 418; 1981 c. 20; 1981 c. 79 s. 18; 1981 c. 317; 1983 a. 27; 1985 a. 302; 1987 a. 312 s. 17; 1987 a. 399; 1993 a. 482; 1995 a. 233; 1997 a. 27, 136, 237; 1999 a. 9; 2001 a. 16.

burning dots
from LRB -
1649



706-22:3

Section #. 139.03 (3) of the statutes is amended to read:

139.03 (3) Not more than one ~~occupational~~ ^{excise} tax shall be required to be paid on any one container of intoxicating liquor.

History: 1971 c. 125, 164, 211, 336; 1973 c. 121; 1975 c. 224; 1977 c. 12, 81, 203, 418; 1981 c. 20; 1981 c. 79 s. 18; 1981 c. 317; 1983 a. 27; 1985 a. 302; 1987 a. 312 s. 17; 1987 a. 399; 1993 a. 482; 1995 a. 233; 1997 a. 27, 136, 237; 1999 a. 9; 2001 a. 16.

burning
dots
from
LRB-1649



706-22:4

Section #. 139.05 (2) of the statutes is amended to read:

139.05 (2) Each brewer and bottler in this state and each wholesaler of malt beverages within this state to whom malt beverages are shipped from outside this state shall on or before the fifteenth day of each month file with the secretary on forms prescribed by the secretary a verified return containing such information as may be required to compute and show the amount of ~~occupational~~ ^{excise} tax payable by the brewer, bottler or wholesaler or by the shipper for the next preceding calendar month on malt beverages.

History: 1977 c. 29; 1981 c. 79; 1985 a. 120; 1987 a. 399; 1991 a. 39; 1993 a. 482; 1995 a. 27; 1997 a. 27.

burning
dots from
LRB-1649



706-22:5

Section #. 139.05 (3) of the statutes is amended to read:

139.05 (3) The amount of the ~~occupational~~ ^{excise} tax disclosed by the return shall accompany the return and shall be paid to the department.

History: 1977 c. 29; 1981 c. 79; 1985 a. 120; 1987 a. 399; 1991 a. 39; 1993 a. 482; 1995 a. 27; 1997 a. 27.

boring jobs
from LRB-1649

end of
706-22

1 in which the tax liability is incurred. An administrative fee of 3 11 cents per gallon
2 on intoxicating liquor taxed at the rates under s. 139.03 (2m) is imposed, shall be paid
3 along with the taxes and shall be deposited in the appropriation under s. 20.566 (1)
4 (ha).

Handwritten notes: "1907-5" with arrows pointing to lines 4 and 5.

5 ***-1598/7.14* SECTION 1905.** 139.30 (1) of the statutes is renumbered 139.30
6 (1m).

7 ***-1598/7.15* SECTION 1906.** 139.30 (1d) of the statutes is created to read:
8 139.30 (1d) "Bonded direct marketer" means any person who acquires
9 unstamped cigarettes from the manufacturer thereof, affixes stamps to the packages
10 or other containers, stores them and sells them by direct marketing to consumers for
11 their own personal use and who may also acquire stamped cigarettes from
12 manufacturers or distributors for such sales.

13 ***-1598/7.16* SECTION 1907.** 139.30 (1s) of the statutes is created to read:
14 139.30 (1s) "Consumer" means any individual who receives cigarettes for his
15 or her personal use or consumption or any individual who has title to or possession
16 of cigarettes for any purpose other than for sale or resale.

17 ***-1598/7.17* SECTION 1908.** 139.30 (2n) of the statutes is created to read:
18 139.30 (2n) "Direct marketer" means a bonded direct marketer or a nonbonded
19 direct marketer.

20 ***-1598/7.18* SECTION 1909.** 139.30 (2p) of the statutes is created to read:
21 139.30 (2p) "Direct marketing" means publishing or making accessible an offer
22 for the sale of cigarettes to consumers in this state, or selling cigarettes to consumers
23 in this state, using any means by which the consumer is not physically present at the
24 time of sale on a premise that sells cigarettes.

25 ***-1598/7.19* SECTION 1910.** 139.30 (3) of the statutes is amended to read:

707-5

Section #. 139.09 of the statutes is amended to read:

139.09 Registration. Every brewer, bottler, manufacturer, rectifier, wholesaler or retailer liable for payment of the ~~occupational~~ ^{excise} tax imposed in ss. 139.01 to 139.25 shall hold a valid certificate under s. 73.03 (50). The secretary shall assign the person a registration number.

History: 1995 a. 27; 1997 a. 27.

burning dots
from LRB-1649

SECTION 1910

1 139.30 (3) “Distributor” means any person who acquires unstamped cigarettes
2 from the manufacturer thereof, affixes stamps to the packages or other containers,
3 stores them and sells them to other permittees or to retailers for resale ~~or~~ and who
4 ~~acquires~~ may acquire stamped cigarettes from another permittee manufacturers or
5 distributors for such sales.

6 *–1598/7.20* SECTION 1911. 139.30 (4n) of the statutes is created to read:

7 139.30 (4n) “Identification card” has the meaning given in s. 134.66 (1) (c).

8 *–1598/7.21* SECTION 1912. 139.30 (7) of the statutes is amended to read:

9 139.30 (7) “Manufacturer” means any person who directly manufactures
10 cigarettes for the purpose of sale, including the authorized agent of a person who
11 directly manufactures cigarettes for the purpose of sale.

12 *–1598/7.22* SECTION 1913. 139.30 (8d) of the statutes is created to read:

13 139.30 (8d) “Nonbonded direct marketer” means any person who acquires
14 stamped cigarettes from the manufacturers or distributors, stores them, and sells
15 them by direct marketing to consumers for their own personal use.

16 *–1598/7.23* SECTION 1914. 139.30 (8s) of the statutes is created to read:

17 139.30 (8s) “Person” means any individual, sole proprietorship, partnership,
18 limited liability company, corporation, or association, or any owner of a single-owner
19 entity that is disregarded as a separate entity under ch. 71.

20 *–1598/7.24* SECTION 1915. 139.30 (10) of the statutes is amended to read:

21 139.30 (10) “Retailer” ~~means any person who sells, exposes for sale or possesses~~
22 ~~with intent to sell to consumers any cigarettes~~ has the meaning given in s. 134.66 (1)
23 (g).

24 *–1598/7.25* SECTION 1916. 139.32 (1) of the statutes is amended to read:

1 139.32 (1) The tax imposed by s. 139.31 (1) shall be paid. To evidence the
2 payment, the department shall provide stamps. A person who has paid the tax shall
3 affix stamps of the proper denomination to each package in which cigarettes are
4 packed, prior to the first sale within this state. First sale does not include a sale by
5 a manufacturer to a distributor or to a bonded direct marketer or by a distributor to
6 a permittee who has obtained department approval as provided for in s. 139.321 (1)
7 (a) 2. The tax shall be paid only once on each package or container.

8 *~~1598/7.26~~* SECTION 1917. 139.32 (4) of the statutes is amended to read:

9 139.32 (4) In lieu of stamps the secretary may authorize impressions applied
10 by the use of meter machines. The secretary shall prescribe by rule the type of
11 impression and the kind of machines which may be used.

12 *~~1598/7.27~~* SECTION 1918. 139.32 (5) of the statutes is amended to read:

13 139.32 (5) Manufacturers, bonded direct marketers, and distributors having
14 a permit from the secretary who are authorized by the department to purchase tax
15 stamps shall receive a discount of 1.6% of the tax paid on stamp purchases.

16 *~~1598/7.28~~* SECTION 1919. 139.32 (5m) of the statutes is amended to read:

17 139.32 (5m) Distributors, bonded direct marketers, and manufacturers shall
18 pay to the department the cost of printing and shipping those stamps.

19 *~~1598/7.29~~* SECTION 1920. 139.32 (6) of the statutes is amended to read:

20 139.32 (6) Manufacturers, bonded direct marketers, and distributors having
21 a permit from the secretary who are authorized by the department to purchase tax
22 stamps may purchase stamps on credit. The secretary may require manufacturers,
23 bonded direct marketers, and distributors who purchase stamps on credit to file
24 under the conditions prescribed by the secretary by rule.

1 *~~1598/7.30~~* SECTION 1921. 139.321 (1) (intro.) of the statutes is amended to
2 read:

3 139.321 (1) (intro.) It is unlawful for any person to possess ~~in excess of~~ 400
4 cigarettes unless the required stamps are properly affixed as provided in ss. 139.32
5 (1) and 139.33 (4).

6 *~~1598/7.31~~* SECTION 1922. 139.321 (1) (a) 1. of the statutes is amended to
7 read:

8 139.321 (1) (a) 1. Manufacturers, bonded direct marketers, distributors or
9 warehouse operators possessing valid permits issued by the secretary.

10 *~~1598/7.32~~* SECTION 1923. 139.33 (3) of the statutes is amended to read:

11 139.33 (3) No person other than a member of the armed forces, as specified in
12 this subsection, a licensed distributor, or a bonded direct marketer who is authorized
13 by the department to purchase and affix tax stamps may import into this state ~~more~~
14 ~~than~~ 400 cigarettes on which the excise tax imposed by s. 139.31 has not been paid
15 and the container of which does not bear proper stamps. Within 15 days, any such
16 person importing cigarettes shall file a declaration of such cigarettes imported and
17 shall remit therewith the tax on such cigarettes imposed by this section. Members
18 of the armed forces shall not be required to report or pay the tax on cigarettes in their
19 possession if such cigarettes are issued to them by the U.S. government or any of its
20 subdivisions or were purchased in any armed forces post exchange or service store
21 for their personal use or consumption. If the use tax imposed by this section is not
22 paid when due, it shall become delinquent and the person liable for it shall pay, in
23 addition, a penalty of \$25 for each 200 cigarettes. Interest on the delinquent tax and
24 penalty shall accrue at the rate of 1.5% per month or each fraction of a month from
25 the date the tax became due until paid.

1 *–1598/7.33* SECTION 1924. 139.34 (1) (a) of the statutes is amended to read:

2 139.34 (1) (a) No person may manufacture cigarettes in this state or sell
3 cigarettes in this state as a distributor, manufacturer, jobber, vending machine
4 operator, direct marketer, or multiple retailer and no person may operate a
5 warehouse in this state for the storage of cigarettes for another person without first
6 filing an application for and obtaining the proper permit to perform such operations
7 from the department.

8 *–1598/7.34* SECTION 1925. 139.34 (1) (b) of the statutes is repealed.

9 *–1598/7.35* SECTION 1926. 139.34 (1) (c) (intro.) of the statutes is amended
10 to read:

11 139.34 (1) (c) (intro.) Subject to ss. ~~111.321, 111.322 and 111.335~~, no No permit
12 under this section may be granted to any person to whom any of the following applies:

13 *–1598/7.36* SECTION 1927. 139.34 (1) (c) 1. to 6. of the statutes are repealed.

14 *–1598/7.37* SECTION 1928. 139.34 (1) (c) 1m. of the statutes is created to read:

15 139.34 (1) (c) 1m. Subject to ss. 111.321, 111.322, and 111.335, the person has
16 an arrest record or a conviction record.

17 *–1598/7.38* SECTION 1929. 139.34 (1) (c) 2m. of the statutes is created to read:

18 139.34 (1) (c) 2m. Subject to ss. 111.321, 111.322, and 111.335, the person has
19 been convicted of a felony, or as a repeat or habitual offender, unless pardoned.

20 *–1598/7.39* SECTION 1930. 139.34 (1) (c) 3m. of the statutes is created to read:

21 139.34 (1) (c) 3m. The person has not submitted proof as provided under s.
22 77.61 (11).

23 *–1598/7.40* SECTION 1931. 139.34 (1) (cm) of the statutes is created to read:

24 139.34 (1) (cm) The requirements under par. (c) apply to all partners of a
25 partnership, all members of a limited liability company, all agents, director, and

1 shareholders, of a limited liability company or corporation, and all officers of a
2 corporation. Subject to ss. 111.321, 111.322, and 111.335, if a business entity has
3 been convicted of a crime, the entity may not be issued a permit under this subsection
4 unless the entity has terminated its relationship with the individuals whose actions
5 directly contributed to the conviction.

6 ***-1598/7.41* SECTION 1932.** 139.34 (3) of the statutes is amended to read:

7 139.34 (3) No distributor or bonded direct marketer may affix stamps to
8 cigarette packages, as provided in s. 139.32, unless the distributor or bonded direct
9 marketer certifies to the department, in a manner prescribed by the department,
10 that the distributor or bonded direct marketer purchases cigarettes directly from a
11 manufacturer.

12 ***-1598/7.42* SECTION 1933.** 139.34 (4) of the statutes is amended to read:

13 139.34 (4) A separate permit shall be required of and issued to each class of
14 permittee and the holder of any permit shall perform only the operations thereby
15 authorized. Such permit shall not be transferable from one person to another or from
16 one premises to another. A separate permit shall be required for each place where
17 cigarettes are stamped or where cigarettes are stored for sale at wholesale or,
18 through vending machines or multiple retail outlets, or by direct marketing.

19 ***-1598/7.43* SECTION 1934.** 139.34 (6) of the statutes is amended to read:

20 139.34 (6) A vending machine operator or a multiple retailer may acquire
21 unstamped cigarettes from the manufacturers thereof and affix the stamps to
22 packages or other containers only if the vending machine operator or multiple
23 retailer also holds a permit as a distributor or bonded direct marketer.

24 ***-1598/7.44* SECTION 1935.** 139.34 (8) of the statutes is amended to read:

1 139.34 (8) The holder of a warehouse permit is entitled to store cigarettes on
2 the premises described in the permit. The warehouse permit shall not authorize the
3 holder to sell cigarettes. Unstamped cigarettes stored in a warehouse for a
4 manufacturer, bonded direct marketer, or distributor may be delivered only to a
5 person holding a permit as a manufacturer ~~or~~ distributor, or bonded direct marketer
6 who is authorized by the department to purchase and affix tax stamps.

7 *-1598/7.45* SECTION 1936. 139.345 of the statutes is created to read:

8 **139.345 Direct marketing.** (1) (a) (intro.) No person may sell cigarettes to
9 consumers in this state as a direct marketer or solicit sales of cigarettes to consumers
10 in this state by direct marketing unless the person has obtained a permit from the
11 department to make such sales or solicitations. The person shall file an application
12 for a permit under this subsection with the department, in the manner prescribed
13 by the department, and shall submit the following fee with the application:

14 1. If the person sells less than 600,000 cigarettes annually to consumers in this
15 state by direct marketing, \$500.

16 2. If the person sells 600,000 or more cigarettes annually to consumers in this
17 state by direct marketing, \$1,000.

18 (b) A permit issued under par. (a) expires on December 31 of each year.

19 (c) The department may not issue a permit to a person under par. (a) unless the
20 person certifies to the department, in the manner prescribed by the department, that
21 the person shall acquire stamped cigarettes from a licensed distributor or
22 unstamped cigarettes from the manufacturer thereof, pay the tax imposed under this
23 subchapter on all unstamped cigarettes and affix stamps to the cigarette packages
24 or containers as provided under s. 139.32 (1), store such packages or containers, and
25 sell only such packages or containers to consumers in this state by direct marketing;

SECTION 1936

1 or acquire cigarettes from a distributor, to the packages or containers of which
2 stamps have been affixed as provided under s. 139.32 (1), and sell only such packages
3 or containers to consumers in this state by direct marketing.

4 (d) No person may be issued a permit under this subsection unless the person
5 certifies to the department, in the manner prescribed by the department, that all
6 cigarette sales to consumers in this state shall be credit card transactions; that the
7 invoices and all means of solicitation for all shipments of cigarette sales from the
8 person shall bear the person's name and address and permit ultimately issued under
9 this subsection; and that the person shall provide the department any information
10 the department considers necessary to administer this section.

11 (2) (a) No person may purchase tax stamps in excess of the number of cigarette
12 sales specified in his or her permit under sub. (1) (a) unless the person pays the
13 permit fee under sub. (1) (a) that is applicable to the excess amount.

14 (b) No person may sell cigarettes in excess of the number of cigarette sales
15 specified in his or her permit under sub. (1) (a) unless the person pays the permit fee
16 under sub. (1) (a) that is applicable to the excess sales. Any person who sells
17 cigarettes in excess of the number of cigarette sales specified in his or her permit
18 shall pay a penalty to the department of \$1,000 or an amount that is equal to \$50 for
19 every 200 cigarettes, or fraction of 200 cigarettes, whichever is greater.

20 (3) (a) No person may sell cigarettes to consumers in this state by direct
21 marketing unless the tax imposed under s. 139.31 (1) is paid on such cigarettes and
22 stamps are affixed to the cigarette packages or containers as provided under s.
23 139.32.

24 (b) No person may sell cigarettes to consumers in this state by direct marketing
25 unless the tax imposed under s. 77.52 or 77.53 is paid on the sale of such cigarettes.

1 (c) No person may sell cigarettes to consumers in this state by direct marketing
2 unless the cigarette brands are approved by the department and listed in the
3 directory of certified tobacco product manufacturers and brands as provided under
4 s. 895.12 (2) (b).

5 (4) No person may sell cigarettes to a consumer in this state by direct
6 marketing unless the person verifies the consumer's identity and that the consumer
7 is at least 18 years of age by any of the following methods:

8 (a) The person uses a database, approved by the department, that includes
9 information based on public records to verify the consumer's age and identity.

10 (b) The person receives from the consumer, at the time of purchase, a notarized
11 copy of an identification card, the name specified on the identification matches the
12 name of the consumer, and the birth date on the identification verifies that the
13 purchaser is at least 18 years of age.

14 (c) The person uses a mechanism, other than a mechanism under par. (a) or (b),
15 for verifying the age and identity of a consumer that is approved by the department.

16 (5) Any person who, without having a valid permit under sub. (1), sells or
17 solicits sales of cigarettes to consumers in this state by direct marketing shall pay
18 a penalty to the department of \$5,000 or an amount that is equal to \$50 for every 200
19 cigarettes, or fraction of 200 cigarettes, sold to consumers in this state by direct
20 marketing, whichever is greater.

21 (6) (a) No sale of cigarettes to a consumer in this state by direct marketing may
22 exceed 10 cartons for each invoice or 20 cartons in a 30-day period for each purchaser
23 or address.

24 (b) Any person who sells cigarettes that exceed the maximum amounts under
25 par. (a) shall pay a penalty to the department of \$5,000 or an amount that is equal

1 to \$50 for every 200 cigarettes, or major fraction of 200 cigarettes, sold above the
2 maximum amounts, whichever is greater.

3 (c) Any person who purchases cigarettes that exceed the maximum amounts
4 under par. (a) shall apply for a permit under s. 139.34 and shall pay a penalty to the
5 department of \$25 for every 200 cigarettes, or fraction of 200 cigarettes, purchased
6 above the maximum amounts.

7 (7) No cigarettes may be shipped to a person who is under 18 years of age and
8 no cigarettes may be shipped to a post-office box. Every package used to ship
9 cigarettes that are sold as provided under this section and delivered to a person in
10 this state shall be clearly labeled to indicate that the package contains cigarettes and
11 may not be delivered to a person who is under 18 years of age.

12 *~~1598/7.46~~* SECTION 1937. 139.35 (1) of the statutes is amended to read:

13 139.35 (1) TRANSFERS. No person may give, sell or lend any stamps to another
14 and no person may accept, purchase or borrow any stamps from another. All sales
15 and transfers of stamps may be made only by the secretary to permit holding
16 manufacturers and, distributors, and bonded direct marketers who are authorized
17 by the department to purchase and affix tax stamps.

18 *~~1598/7.47~~* SECTION 1938. 139.37 (1) (a) of the statutes is amended to read:

19 139.37 (1) (a) No person shall sell cigarettes or ~~take orders for cigarettes for~~
20 ~~resale~~ solicit cigarette sales in this state ~~for any manufacturer or permittee without~~
21 ~~first obtaining a~~ unless the person has filed an application for and obtained a valid
22 certificate under s. 73.03 (50) and a salesperson's permit from the department of
23 ~~revenue. No manufacturer or permittee shall authorize any person to sell~~ cigarettes
24 ~~or take orders for cigarettes~~ solicit cigarette sales in this state ~~without first having~~
25 ~~such person secure~~ unless the person has filed an application for and obtained a valid

1 certificate under s. 73.03 (50) and a salesperson's permit. No person shall authorize
2 the sale or solicitation of cigarettes in this state unless the person has filed an
3 application for and obtained a valid certificate under s. 73.03 (50) and a valid permit
4 under s. 139.34. The department shall issue the required number of permits to
5 manufacturers and permittees who hold a valid certificate issued under s. 73.03 (50).
6 Each application for a permit shall disclose the name and address of the employer
7 or the person for whom the sales person is soliciting and such permit shall remain
8 effective only while the salesperson represents such named employer or person. If
9 such salesperson is thereafter employed by another ~~manufacturer or permittee~~
10 person, the salesperson shall obtain a new salesperson's permit. Each ~~manufacturer~~
11 and permittee shall notify the department within 10 days after the resignation or
12 dismissal of any such salesperson holding a permit.

13 *~~1598/7.48~~* SECTION 1939. 139.38 (1) of the statutes is amended to read:

14 139.38 (1) Every manufacturer located out of the state shall keep records of all
15 sales of cigarettes shipped into this state. Every manufacturer located in the state
16 shall keep records of production, sales and withdrawals of cigarettes. Every
17 distributor and direct marketer shall keep records of purchases and sales of
18 cigarettes. Every manufacturer, bonded direct marketer, and distributor ~~holding a~~
19 ~~permit from the secretary with the right~~ who is authorized by the department to
20 purchase and apply stamps shall also keep records of purchases and disposition of
21 stamps. Every jobber, multiple retailer, and vending machine operator shall keep
22 records of all purchases and disposition of cigarettes. Every warehouse operator
23 shall keep records of receipts and withdrawals of cigarettes. All such records shall
24 be accurate and complete and be kept in a manner prescribed by the secretary. These
25 records shall be preserved on the premises described in the permit or license in such

1 a manner as to ensure permanency and accessibility for inspection at reasonable
2 hours by authorized personnel of the department.

3 *-1598/7.49* SECTION 1940. 139.38 (1m) of the statutes is created to read:

4 139.38 (1m) Records of purchases and sales of cigarettes under sub. (1) that
5 are kept by direct marketers shall indicate, for each shipment of cigarettes into this
6 state in the month preceding the report under sub. (2), the invoice date and number;
7 the quantity of cigarettes shipped; the brand name of the cigarettes shipped; the
8 manufacturer of the cigarettes shipped and the point of origin; the purchaser's name,
9 address, and birth date; the name of the person to whom the cigarettes were shipped;
10 the address to which the cigarettes were shipped; and any other information the
11 department requires.

12 *-1598/7.50* SECTION 1941. 139.38 (2) of the statutes is amended to read:

13 139.38 (2) (a) Except as provided in par. (b), every permittee manufacturer,
14 distributor, jobber, and direct marketer shall render a true and correct invoice of
15 every sale of cigarettes at ~~wholesale~~ and every permittee shall on or before the 15th
16 day of each calendar month file a verified report of all cigarettes purchased, sold,
17 received, warehoused or withdrawn during the preceding calendar month.

18 (b) The department may allow any jobber, multiple retailer, nonbonded direct
19 marketer, or vending machine operator permittee who does not sell cigarettes, except
20 for those on which the tax under this chapter is paid, to file a quarterly report. The
21 quarterly report shall be filed on or before the 15th day of the next month following
22 the close of each calendar quarter. The report shall specify the number of cigarettes
23 purchased and sold during the preceding calendar quarter.

24 *-1598/7.51* SECTION 1942. 139.39 (6) of the statutes is amended to read:

1 139.39 (6) Sections 71.74 (1), (2), (10), (11) and (14), 71.77, 71.80 (12), 71.91 (1)
2 (a) and (c) and (2) to (7), 71.92 and 73.0301 as they apply to the taxes under ch. 71
3 apply to the taxes under this subchapter. Section 71.74 (13) as it applies to the
4 collection of the taxes under ch. 71 applies to the collection of the taxes under this
5 subchapter, except that the period during which notice of an additional assessment
6 shall be given begins on the due date of the report under this subchapter. Section
7 78.70 (6) as it applies to personal liability for paying taxes, interest, penalties, and
8 other charges under ch. 78 applies to personal liability for paying taxes, interest,
9 penalties, and other charges under this subchapter.

10 *–1598/7.52* SECTION 1943. 139.395 of the statutes is amended to read:

11 **139.395 Theft of tax moneys.** All cigarette tax moneys received by a
12 distributor, bonded direct marketer, or manufacturer for the sale of cigarettes on
13 which the tax under this subchapter has become due and has not been paid are trust
14 funds in the hands of the distributor, bonded direct marketer, or manufacturer and
15 are the property of this state. Any distributor, bonded direct marketer, or
16 manufacturer who fraudulently withholds, appropriates or otherwise uses cigarette
17 tax moneys that are the property of this state is guilty of theft under s. 943.20 (1),
18 whether or not the distributor, bonded direct marketer, or manufacturer has or
19 claims to have an interest in those moneys.

20 *–1598/7.53* SECTION 1944. 139.40 (2) of the statutes is amended to read:

21 139.40 (2) ~~If cigarettes which do not bear the proper tax stamps or on which~~
22 ~~the tax has not been paid~~ Cigarettes that are so seized they as provided under sub.
23 (1) may be given to law enforcement officers to use in criminal investigations or sold
24 to qualified buyers by the secretary, without notice. If the cigarettes are sold, after
25 deducting the costs of the sale and the keeping of storing the property, the proceeds

SECTION 1944

1 of the sale shall be paid into the state treasury. If the secretary finds that such
2 cigarettes may deteriorate or become unfit for use in criminal investigations or for
3 sale or that those uses would otherwise be impractical, the secretary may order them
4 destroyed or give them to a charitable or penal institution for free distribution to
5 patients or inmates.

6 *~~1598/7.54~~* SECTION 1945. 139.44 (3) of the statutes is amended to read:

7 139.44 (3) Any permittee who fails to keep the records required by ss. 139.30
8 to 139.42 or 139.77 to 139.82 shall be fined not less than ~~\$100~~ \$500 nor more than
9 ~~\$500~~ \$1,000 for the first offense and shall be fined not less than \$1,000 nor more than
10 \$5,000 or imprisoned not more than ~~6 months~~ 180 days or both for the 2nd or
11 subsequent offense.

12 *~~1598/7.55~~* SECTION 1946. 139.44 (4) of the statutes is amended to read:

13 139.44 (4) Any person who refuses to permit the examination or inspection
14 authorized in s. 139.39 (2) or 139.83 may be fined not ~~more~~ less than \$500 nor more
15 than \$1,000 or imprisoned not more than ~~90~~ 180 days or both. Such refusal shall be
16 cause for immediate suspension or revocation of permit by the secretary.

17 *~~1598/7.56~~* SECTION 1947. 139.44 (6m) of the statutes is created to read:

18 139.44 (6m) Any person who manufactures or sells cigarettes in this state
19 without holding the proper permit issued under this subchapter is guilty of a Class
20 I felony.

21 *~~1598/7.57~~* SECTION 1948. 139.44 (7) of the statutes is amended to read:

22 139.44 (7) In addition to the penalties imposed for violation of ss. 139.30 to
23 139.41 or 139.75 to 139.83 or any of the rules of the department, the permit of any
24 person convicted of a 2nd or subsequent offense shall be automatically revoked and
25 ~~he or she, the person~~ shall not be granted another permit for a period of ~~2~~ 5 years

1 following such revocation, and, for the 5 year period following revocation, the person
2 shall not act as the employee or agent of a permittee under this subchapter to perform
3 acts authorized by any permit issued to the permittee under this subchapter.

4 *–1598/7.58* SECTION 1949. 139.45 of the statutes is amended to read:

5 **139.45 Prosecutions by attorney general.** Upon request by the secretary
6 of revenue, the attorney general may represent this state or assist a district attorney
7 in prosecuting any case arising under this subchapter or under ss. 134.65 and 134.66.

8 *–1598/7.59* SECTION 1950. 139.75 (2) of the statutes is amended to read:

9 139.75 (2) “Consumer” means any individual who receives tobacco products for
10 his or her personal use or consumption or any person individual who has title to or
11 possession of tobacco products in storage for use or other consumption in this state
12 any purpose other than for sale or resale.

13 *–1598/7.60* SECTION 1951. 139.75 (3g) of the statutes is created to read:

14 139.75 (3g) “Direct marketer” means any person who solicits or sells tobacco
15 products to consumers in this state by direct marketing.

16 *–1598/7.61* SECTION 1952. 139.75 (3r) of the statutes is created to read:

17 139.75 (3r) “Direct marketing” means publishing or making accessible an offer
18 for the sale of tobacco products to consumers in this state, or selling tobacco products
19 to consumers in this state, using any means by which the consumer is not physically
20 present on a premise that sells tobacco products.

21 *–1598/7.62* SECTION 1953. 139.75 (4) (a) of the statutes is amended to read:

22 139.75 (4) (a) Any person in this state engaged in the business of selling tobacco
23 products ~~in this state~~ who brings, or causes to be brought, into this state from outside
24 the state any tobacco products for sale;

25 *–1598/7.63* SECTION 1954. 139.75 (4) (c) of the statutes is amended to read:

1 139.75 (4) (c) Any person outside this state engaged in the business of selling
2 tobacco products ~~outside this state~~ who ships or transports tobacco products to
3 retailers in this state to be sold by those retailers.

4 *~~1598/7.64~~* SECTION 1955. 139.75 (4) (cm) of the statutes is created to read:

5 139.75 (4) (cm) Any person outside this state engaged in the business of selling
6 tobacco products who ships or transports tobacco products to consumers in this state.

7 *~~1598/7.65~~* SECTION 1956. 139.75 (4n) of the statutes is created to read:

8 139.75 (4n) “Identification card” has the meaning given in s. 134.66 (1) (c).

9 *~~1598/7.66~~* SECTION 1957. 139.75 (5s) of the statutes is created to read:

10 139.75 (5s) “Person” means any individual, sole proprietorship, partnership,
11 limited liability company, corporation, or association, or any owner of a single-owner
12 entity that is disregarded as a separate entity under ch. 71.

13 *~~1598/7.67~~* SECTION 1958. 139.75 (7) of the statutes is amended to read:

14 139.75 (7) “Retail outlet” means each place of business from which tobacco
15 products are sold to consumers by a retailer.

16 *~~1598/7.68~~* SECTION 1959. 139.75 (8) of the statutes is amended to read:

17 139.75 (8) “Retailer” ~~means any person engaged in the business of selling~~
18 tobacco products to ultimate consumers has the meaning given in s. 134.66 (1) (g).

19 *~~1598/7.69~~* SECTION 1960. 139.75 (12) of the statutes is amended to read:

20 139.75 (12) “Tobacco products” means cigars; cheroots; stogies; periques;
21 granulated, plug cut, crimp cut, ready-rubbed and other smoking tobacco; snuff;
22 snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos;
23 shorts; refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds
24 and forms of tobacco prepared in such manner as to be suitable for chewing or

1 smoking in a pipe or otherwise, or both for chewing and smoking; but “tobacco
2 products” does not include cigarettes, as defined under s. 139.30 ~~(1)~~ (1m).

3 ***-1598/7.70* SECTION 1961.** 139.76 (3) of the statutes is created to read:

4 139.76 (3) Except as provided in sub. (2), no person may possess tobacco
5 products in this state unless the tax imposed under sub. (1) is paid on such tobacco
6 products.

7 ***-1598/7.71* SECTION 1962.** 139.78 (1m) of the statutes is created to read:

8 139.78 (1m) Except as provided in s. 139.76 (2), no person other than a
9 distributor with a valid permit under s. 139.79 may import into this state tobacco
10 products for which the tax imposed under s. 139.76 (1) has not been paid.

11 ***-1598/7.72* SECTION 1963.** 139.79 (title) of the statutes is amended to read:

12 **139.79 (title) Permits; distributor; direct marketer; subjobber.**

13 ***-1598/7.73* SECTION 1964.** 139.79 (1) of the statutes is amended to read:

14 139.79 (1) No person may engage in the business of a distributor, direct
15 marketer, or subjobber of tobacco products at any place of business unless that
16 person has filed an application for and obtained a permit from the department to
17 engage in that business at such place.

18 ***-1598/7.74* SECTION 1965.** 139.79 (2) of the statutes is amended to read:

19 139.79 (2) Section 139.34 (1) ~~(b)~~ (c) to (f), (4) and (9) applies to the permits under
20 this section.

21 ***-1598/7.75* SECTION 1966.** 139.795 of the statutes is created to read:

22 **139.795 Direct marketing.** (1) (a) No person may sell tobacco products by
23 direct marketing to consumers in this state as a direct marketer or solicit sales of
24 tobacco products to consumers in this state by direct marketing unless the person has
25 obtained a permit from the department to make such sales or solicitations. The

SECTION 1966

1 person shall file an application for a permit under this subsection with the
2 department, in the manner prescribed by the department, and shall submit a \$500
3 fee with the application.

4 (b) No person may be issued a permit under this subsection unless the person
5 holds a valid distributor's permit under s. 139.79. Section 139.34 (1) (c) to (f), (7), and
6 (9), as it applies to permits issued under s. 139.34, applies to permits issued under
7 this subsection.

8 (c) A permit issued under this subsection expires on December 31 of each year.

9 (d) No person may be issued a permit under this subsection unless the person
10 certifies to the department, in the manner prescribed by the department, that all
11 tobacco product sales to consumers in this state shall be credit card transactions; that
12 the invoices and all means of solicitation for all shipments of tobacco product sales
13 from the person shall bear the person's name and address and permit ultimately
14 issued under this subsection; and that the person shall provide the department any
15 information the department considers necessary to administer this section.

16 (2) No person may sell tobacco products to consumers in this state by direct
17 marketing unless the tax imposed under s. 139.76, and under s. 77.52 or 77.53, has
18 been paid with regard to such products.

19 (3) No person may sell tobacco products to a consumer in this state by direct
20 marketing unless the person does all of the following:

21 (a) The person uses a mechanism, approved by the department, to verify the
22 consumer's age.

23 (b) The person receives from the consumer, at the time of purchase, a copy or
24 facsimile of an identification card, the name specified on the identification matches
25 the name of the consumer.

1 (c) The person uses a mechanism, other than a mechanism under par. (a) or (b),
2 for verifying the age and identity of a consumer that is approved by the department.

3 (4) Any person who, without having a valid permit under sub. (1), sells or
4 solicits sales of tobacco products to consumers in this state by direct marketing shall
5 pay a penalty to the department of \$5,000 or an amount that is equal to 50 percent
6 of the tax due on the tobacco products the person sold, without having a valid permit
7 under sub. (1), to consumers in this state by direct marketing, whichever is greater.

8 (5) No tobacco products may be shipped or delivered to a person who is under
9 18 years of age and no tobacco products may be shipped to a post-office box. Every
10 package used to ship tobacco products that are sold as provided under this section
11 and delivered to a person in this state shall be clearly labeled to indicate that the
12 package contains tobacco products and may not be delivered to a person who is under
13 18 years of age.

14 *~~1598/7.76~~* SECTION 1967. 139.81 (1) of the statutes is amended to read:

15 139.81 (1) No person may sell ~~or take orders for~~ tobacco products for resale or
16 solicit sales of tobacco products in this state ~~for any manufacturer or permittee~~
17 unless the person has filed an application for and obtained a valid certificate under
18 s. 73.03 (50) and a salesperson's permit from the department. No ~~manufacturer or~~
19 ~~permittee~~ shall authorize any person to sell ~~or take orders for~~ tobacco products or
20 solicit sales of tobacco products in this state unless the person has filed an application
21 for and obtained a valid certificate under s. 73.03 (50) and a salesperson's permit.
22 No person may authorize the sale or solicitation of tobacco products in this state
23 unless the person has filed an application for and obtained a valid certificate under
24 s. 73.03 (50) and a valid permit under s. 139.79. Each application for a permit shall
25 disclose the name and address of the employer or the person for whom the

SECTION 1967

1 salesperson is soliciting and shall remain effective only while the salesperson
2 represents the named employer or person. If the salesperson is thereafter employed
3 by another ~~manufacturer or permittee~~ person the salesperson shall obtain a new
4 salesperson's permit. Each ~~manufacturer and permittee~~ shall notify the department
5 within 10 days after the resignation or dismissal of any salesperson holding a permit.

6 *~~1598/7.77~~* SECTION 1968. 139.81 (2) of the statutes is amended to read:

7 139.81 (2) Section 139.34 (1) ~~(b)~~ (c) to (e) applies to the permits under this
8 section.

9 *~~0375/2.5~~* SECTION 1969. 139.91 (1) of the statutes is amended to read:

10 139.91 (1) The Except as provided in sub. (4), the department may not reveal
11 facts obtained in administering this subchapter, except that the department may
12 publish statistics that do not reveal the identities of dealers.

13 *~~0375/2.6~~* SECTION 1970. 139.91 (4) of the statutes is created to read:

14 139.91 (4) The secretary of revenue and employees of that department may
15 reveal facts obtained in administering this subchapter for the purposes of preparing
16 and maintaining the list of persons with unpaid tax obligations as described in s.
17 71.91 (8) so that the list of such persons is available for public inspection.

18 *~~0502/1.1~~* SECTION 1971. 145.08 (1) (b) of the statutes is amended to read:

19 145.08 (1) (b) For master plumber's license, ~~\$250~~ \$500, and ~~\$250~~ \$500 for each
20 renewal of the ~~2-year~~ 4-year license if application is made prior to the date of
21 expiration; after that date an additional fee of \$20.

22 *~~0502/1.2~~* SECTION 1972. 145.08 (1) (d) of the statutes is amended to read:

23 145.08 (1) (d) For journeyman plumber's license, ~~\$90~~ \$180, and ~~\$90~~ \$180 for
24 each renewal of the ~~2-year~~ 4-year license if application is made prior to the date of
25 expiration; after that date an additional fee of \$10.

1 ***-0502/1.3* SECTION 1973.** 145.08 (1) (e) of the statutes is amended to read:
2 145.08 (1) (e) For temporary permit pending examination and issuance of
3 license for master plumber, \$400; for journeyman \$150 and which shall also cover the
4 examination fee prescribed and the license fee for the ~~2-year~~ 4-year period in which
5 issued.

6 ***-0502/1.4* SECTION 1974.** 145.08 (1) (g) of the statutes is amended to read:
7 145.08 (1) (g) For master plumber's license (restricted), ~~\$250~~ \$500, and ~~\$250~~
8 \$500 for each renewal of the ~~2-year~~ 4-year license if application is made prior to the
9 date of expiration; after that date an additional fee of \$20.

10 ***-0502/1.5* SECTION 1975.** 145.08 (1) (i) of the statutes is amended to read:
11 145.08 (1) (i) For journeyman plumber's license (restricted), ~~\$90~~ \$180, and ~~\$90~~
12 \$180 for each renewal of the ~~2-year~~ 4-year license if application is made prior to the
13 date of expiration; after that date an additional fee of \$10.

14 ***-0502/1.6* SECTION 1976.** 145.08 (1) (L) of the statutes is amended to read:
15 145.08 (1) (L) For an automatic fire sprinkler contractor's license, ~~\$1,000~~
16 \$2,000, and ~~\$1,000~~ \$2,000 for each renewal of the ~~2-year~~ 4-year license if application
17 is made prior to the date of expiration; after that date an additional fee of \$25.

18 ***-0502/1.7* SECTION 1977.** 145.08 (1) (Lm) of the statutes is amended to read:
19 145.08 (1) (Lm) For an automatic fire sprinkler - maintenance only
20 registration, ~~\$200~~ \$400, and ~~\$200~~ \$400 for each renewal of the ~~2-year~~ 4-year
21 registration if application is made prior to the date of expiration; after that date an
22 additional fee of \$25.

23 ***-0502/1.8* SECTION 1978.** 145.08 (1) (n) of the statutes is amended to read:

1 145.08 (1) (n) For a journeyman automatic fire sprinkler fitter's license, ~~\$90~~
2 \$180, and ~~\$90~~ \$180 for each renewal of the ~~2-year~~ 4-year license if application is
3 made prior to the date of expiration; after that date an additional fee of \$10.

4 *~~0502/1.9~~* SECTION 1979. 145.08 (1) (nm) of the statutes is amended to read:

5 145.08 (1) (nm) For an automatic fire sprinkler fitter – maintenance only
6 registration certificate, ~~\$30~~ \$60, and ~~\$30~~ \$60 for each renewal of the ~~2-year~~ 4-year
7 registration if application is made prior to the date of expiration; after that date an
8 additional fee of \$10.

9 *~~0502/1.10~~* SECTION 1980. 145.08 (1) (o) of the statutes is amended to read:

10 145.08 (1) (o) For utility contractor's license, ~~\$250~~, \$500 and ~~\$250~~ \$500 for each
11 renewal of the ~~2-year~~ 4-year license if application is made prior to the date of
12 expiration; after that date an additional fee of \$10.

13 *~~0502/1.11~~* SECTION 1981. 145.08 (1) (p) of the statutes is amended to read:

14 145.08 (1) (p) For a plumbing supervisor employed by the department in accord
15 with s. 145.02 (3) (a), no cost for the appropriate ~~2-year~~ 4-year license for which the
16 plumbing supervisor has previously qualified.

17 *~~0502/1.12~~* SECTION 1982. 145.08 (1) (q) of the statutes is amended to read:

18 145.08 (1) (q) For a pipelayer's registration, ~~\$90~~ \$180 at the time of registration
19 and ~~\$90~~ \$180 for each subsequent ~~2-year~~ 4-year period of registration.

20 *~~0502/1.13~~* SECTION 1983. 145.08 (2) of the statutes is amended to read:

21 145.08 (2) No license or registration may be issued for longer than ~~2~~ 4 years.
22 Any license or registration may be renewed upon application made prior to the date
23 of expiration. The department may renew licenses or registrations upon application
24 made after the date of expiration if it is satisfied that the applicant has good cause

1 for not applying for renewal prior to the date of expiration and upon payment of the
2 renewal and additional fees prescribed.

3 *–1560/3.23* SECTION 1984. 146.55 (4) (a) of the statutes is amended to read:

4 146.55 (4) (a) From the appropriation under s. 20.435 (5) ~~(eh)~~ (rb), the
5 department shall annually distribute funds for ambulance service vehicles or vehicle
6 equipment, emergency medical services supplies or equipment or emergency
7 medical training for personnel to an ambulance service provider that is a public
8 agency, a volunteer fire department or a nonprofit corporation, under a funding
9 formula consisting of an identical base amount for each ambulance service provider
10 plus a supplemental amount based on the population of the ambulance service
11 provider's primary service or contract area, as established under s. 146.50 (5).

12 *–0113/2.3* SECTION 1985. 146.55 (5) of the statutes is renumbered 146.55 (5)
13 (a) and amended to read:

14 146.55 (5) (a) From the appropriation under s. 20.435 (5) ~~(eh)~~ (rb), the
15 department shall annually distribute funds to ~~entities, including technical college~~
16 ~~districts, whose courses or instructional programs are approved by the department~~
17 ~~under s. 146.50 (9), to assist the entities in providing ambulance service providers~~
18 ~~to purchase the training required for licensure and renewal of licensure as an~~
19 ~~emergency medical technician – basic under s. 146.50 (6), and to fund each~~
20 ~~examination administered by the entity pay for administration of the examination~~
21 ~~required for licensure or renewal of licensure as an emergency medical technician –~~
22 basic under s. 146.50 (6) (a) 3. and (b) 1.

****NOTE: This is reconciled s. 146.55 (5). This SECTION has been affected by drafts
with the following LRB numbers: 0113/1 and 1560/2.

23 *–0113/2.4* SECTION 1986. 146.55 (5) (b) of the statutes is created to read:

1 146.55 (5) (b) The department shall require as a condition of relicensure that
2 an ambulance service provider submit to the department a financial report on the
3 expenditure of funds received under par. (a).

4 *~~0113/2.5~~* SECTION 1987. 146.58 (7) of the statutes is amended to read:

5 146.58 (7) Advise, make recommendations to, and consult with the department
6 concerning the funding under s. 146.55 (4) and (5), including recommending a
7 formula for allocating funds among ambulance service providers under s. 146.55 (5).

8 *~~1560/3.24~~* SECTION 1988. 146.58 (8) of the statutes is amended to read:

9 146.58 (8) Review the annual budget prepared by the department for the
10 expenditures under s. 20.435 (5) (~~eh~~) (rb).

11 *~~0984/4.20~~* SECTION 1989. 146.70 (3m) (d) 1g. of the statutes is repealed and
12 recreated to read:

13 146.70 (3m) (d) 1g. If an application under par. (c) includes an estimate of costs
14 identified in par. (c) 1. d. incurred during the reimbursement period or between
15 January 1, 1999, and September 3, 2003, the commission may approve the
16 application only if the commission determines that the local government's collection
17 of land information, as defined in s. 16.967 (1) (b), and development of a land
18 information system, as defined in s. 16.967 (1) (c), that is related to that purpose are
19 consistent with the applicable county land records modernization plans developed
20 under s. 59.72 (3) (b), conform to the standards on which such plans are based, and
21 do not duplicate land information collection and other efforts funded through the
22 land information program under s. 16.967 (7). The commission shall obtain the
23 advice of the department of administration in making determinations under this
24 subdivision.

1 ***-0270/1.2*** SECTION 1990. 149.12 (2) (f) of the statutes is renumbered 149.12
2 (2) (f) 1. and amended to read:

3 149.12 (2) (f) 1. No Except as provided in subd. 2., no person who is eligible for
4 medical assistance is eligible for coverage under the plan.

5 ***-0270/1.3*** SECTION 1991. 149.12 (2) (f) 2. of the statutes is created to read:

6 149.12 (2) (f) 2. Subdivision 1. does not apply to a person who is eligible for only
7 any of the following types of medical assistance:

8 a. Family planning services under s. 49.45 (24r).

9 b. Care and services for the treatment of an emergency medical condition under
10 42 USC 1396b (v), as provided in s. 49.45 (27).

11 c. Medical assistance under s. 49.46 (1) (a) 15.

12 d. Ambulatory prenatal care under s. 49.465.

13 e. Medicare premium, coinsurance, and deductible payments under s. 49.46 (2)
14 (c) 2. or 3., 49.468 (1) (b) or (c), or 49.47 (6) (a) 6. b. or c.

15 f. Medicare premium payments under s. 49.46 (2) (cm), 49.468 (1m) or (2), or
16 49.47 (6) (a) 6m.

17 ***-0270/1.4*** SECTION 1992. 149.12 (2) (g) of the statutes is created to read:

18 149.12 (2) (g) A person is not eligible for coverage under the plan if the person
19 is eligible for any of the following:

20 1. Services under s. 46.27 (11), 46.275, 46.277, or 46.278.

21 2. Medical assistance provided as part of a family care benefit, as defined in s.
22 46.2805 (4).

23 3. Services provided under a waiver requested under 2001 Wisconsin Act 16,
24 section 9123 (16rs), or 2003 Wisconsin Act 33, section 9124 (8c).

SECTION 1992

1 4. Services provided under the program of all-inclusive care for persons aged
2 55 or older authorized under 42 USC 1396u-4.

3 5. Services provided under the demonstration program under a federal waiver
4 authorized under 42 USC 1315.

5 6. Health care coverage under the Badger Care health care program under s.
6 49.665.

7 ***-0269/1.1* SECTION 1993.** 149.14 (5) (b) of the statutes is amended to read:

8 149.14 (5) (b) Except as provided in pars. (c) and (e), if the covered costs
9 incurred in a calendar year by the an eligible person who is not eligible for Medicare
10 exceed the deductible for major medical expense coverage in a calendar year, the plan
11 shall pay at least 80% of any additional covered costs incurred by the person during
12 the calendar year, and if the covered costs incurred in a calendar year by an eligible
13 person who is eligible for Medicare exceed the deductible for major medical expense
14 coverage or \$2,000, whichever is less, the plan shall pay 100% of any additional
15 covered costs incurred by the person during the calendar year.

16 ***-0269/1.2* SECTION 1994.** 149.14 (5) (c) of the statutes is amended to read:

17 149.14 (5) (c) Except as provided in par. (e), if the aggregate of the covered costs
18 not paid by the plan under par. (b) and the deductible exceeds ~~\$500 for an eligible~~
19 ~~person receiving medicare, \$2,000 for any other~~ in a calendar year for an eligible
20 person during a calendar year who is not eligible for Medicare, or \$4,000 in a calendar
21 year for all eligible persons in a family, the plan shall pay 100% of all covered costs
22 incurred by the eligible person or the eligible persons in the family during the
23 calendar year after the payment ceilings under this paragraph are exceeded.

24 ***-0578/P5.1* SECTION 1995.** 149.14 (5) (e) of the statutes is amended to read:

1 149.14 (5) (e) ^{plan} (Subject to sub. (8) (b), the department may, by rule under s. 149.17
2 (4), establish for prescription drug coverage under sub. (3) (d) copayment amounts,
3 ~~coinsurance rates, and~~ (The department may) establish a 3-tiered copayment
4 structure for prescription drugs. The copayment and coinsurance out-of-pocket
5 limits limit for prescription drug coverage under sub. (3) (d) over which the plan will
6 pay 100% of covered costs under sub. (3) (d) may be \$300. The department may
7 establish that only certain copayment amounts count toward the out-of-pocket
8 limit. The department may provide subsidies for prescription drug copayment
9 amounts paid by eligible persons under s. 149.165 (2) (a) 1. to 5. ~~Any copayment~~
10 ~~amount, coinsurance rate, or out-of-pocket limit established under this paragraph~~
11 ~~is subject to the approval of the board~~ Subject to sub. (8) (b), the department may
12 change, by rule under s. 149.17 (4), the out-of-pocket limit. Using the procedure
13 under s. 227.24, the department may promulgate rules under this paragraph for the
14 period before the effective date of any permanent rules promulgated under this
15 paragraph, but not to exceed the period authorized under s. 227.24 (1) (c) and (2).
16 Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), the department is not required to
17 provide evidence that promulgating a rule under this paragraph as an emergency
18 rule is necessary for the preservation of the public peace, health, safety, or welfare
19 and is not required to make a finding of emergency for promulgating a rule under this
20 paragraph as an emergency rule. Copayments and coinsurance paid by an eligible
21 person under this paragraph are separate from and do not count toward the
22 deductible and covered costs not paid by the plan under pars. (a) to (c).

23 *-0578/P5.2* SECTION 1996. 149.142 (1) (b) of the statutes is amended to read:

24 149.142 (1) (b) The payment rate for a prescription drug shall be ~~the allowable~~
25 ~~charge paid under s. 49.46 (2) (b) 6. h. for the prescription drug. Notwithstanding~~

1 ~~s. 149.17 (4), the department may not reduce the payment rate for prescription drugs~~
2 ~~below the rate specified in this paragraph, and the rate may not be adjusted under~~
3 ~~s. 149.143 or 149.144 set by the department, subject to the approval of the board.~~

4 ***-0578/P5.3* SECTION 1997.** 149.142 (2) of the statutes is amended to read:

5 149.142 (2) ~~Except as provided in sub. (1) (b), the~~ The rates established under
6 this section are subject to adjustment under ss. 149.143 and 149.144.

7 ***-0267/1.1* SECTION 1998.** 149.143 (1) (intro.) of the statutes is amended to
8 read:

9 149.143 (1) (intro.) The department shall pay or recover the operating costs of
10 the plan from the appropriation under s. 20.435 (4) (v) and administrative costs of
11 the plan from the appropriation under s. 20.435 (4) (u). For purposes of determining
12 premiums, insurer assessments and provider payment rate adjustments, the
13 department shall apportion and prioritize responsibility for payment or recovery of
14 plan costs, excluding deductible reductions under s. 149.14 (5) (a) and prescription
15 drug copayment reductions under s. 149.14 (5) (e), from among the moneys
16 constituting the fund as follows:

17 ~~STOP HERE~~
***-0267/1.2* SECTION 1999.** 149.143 (1) (am) 1. of the statutes is amended to
18 read:

19 149.143 (1) (am) 1. First, from premiums from eligible persons with coverage
20 under s. 149.14 (2) (a) set at a rate that is 140% to 150% of the rate that a standard
21 risk would be charged under an individual policy providing substantially the same
22 coverage and deductibles as are provided under the plan and from eligible persons
23 with coverage under s. 149.14 (2) (b) set in accordance with s. 149.14 (5m), including
24 amounts received for premium, ~~deductible, and prescription drug copayment~~

1 subsidies under s. 149.144, and from premiums collected from eligible persons with
2 coverage under s. 149.146 set in accordance with s. 149.146 (2) (b).

3 ***-0267/1.3* SECTION 2000.** 149.143 (1) (am) 3. of the statutes is amended to
4 read:

5 149.143 (1) (am) 3. Third, by increasing premiums from eligible persons with
6 coverage under s. 149.14 (2) (a) to more than the rate at which premiums were set
7 under subd. 1. but not more than 200% of the rate that a standard risk would be
8 charged under an individual policy providing substantially the same coverage and
9 deductibles as are provided under the plan and from eligible persons with coverage
10 under s. 149.14 (2) (b) by a comparable amount in accordance with s. 149.14 (5m),
11 including amounts received for premium, ~~deductible, and prescription drug~~
12 ~~copayment~~ subsidies under s. 149.144, and by increasing premiums from eligible
13 persons with coverage under s. 149.146 in accordance with s. 149.146 (2) (b), to the
14 extent that the amounts under subds. 1. and 2. are insufficient to pay 60% of plan
15 costs.

16 ***-0578/P5.4* SECTION 2001.** 149.143 (1) (am) 4. of the statutes is amended to
17 read:

18 149.143 (1) (am) 4. Fourth, notwithstanding par. (bm), by increasing insurer
19 assessments, excluding assessments under s. 149.144, and adjusting provider
20 payment rates, ~~subject to s. 149.142 (1) (b) and excluding adjustments to those rates~~
21 under s. 149.144, in equal proportions and to the extent that the amounts under
22 subds. 1. to 3. are insufficient to pay 60% of plan costs.

23 ***-0578/P5.5* SECTION 2002.** 149.143 (1) (bm) 2. of the statutes is amended to
24 read:

1 149.143 (1) (bm) 2. Fifty percent from adjustments to provider payment rates,
2 subject to s. ~~149.142 (1) (b)~~ and excluding adjustments to those rates under s.
3 149.144.

4 ***-0267/1.4* SECTION 2003.** 149.143 (2) (a) (intro.) of the statutes is amended
5 to read:

6 149.143 (2) (a) (intro.) Prior to each plan year, the department shall estimate
7 the operating and administrative costs of the plan and the costs of the premium
8 reductions under s. 149.165, ~~the deductible reductions under s. 149.14 (5) (a), and~~
9 ~~any prescription drug copayment reductions under s. 149.14 (5) (e)~~ for the new plan
10 year and do all of the following:

11 ***-0267/1.5* SECTION 2004.** 149.143 (2) (a) 1. a. of the statutes is amended to
12 read:

13 149.143 (2) (a) 1. a. Estimate the amount of enrollee premiums that would be
14 received in the new plan year if the enrollee premiums were set at a level sufficient,
15 when including amounts received for premium, ~~deductible, and prescription drug~~
16 ~~copayment~~ subsidies under s. 149.144 and from premiums collected from eligible
17 persons with coverage under s. 149.146 set in accordance with s. 149.146 (2) (b), to
18 cover 60% of the estimated plan costs for the new plan year.

19 ***-0578/P5.6* SECTION 2005.** 149.143 (2) (a) 2. of the statutes is amended to
20 read:

21 149.143 (2) (a) 2. After making the determinations under subd. 1., ~~by rule~~ set
22 premium rates for the new plan year, including the rates under s. 149.146 (2) (b), in
23 the manner specified in sub. (1) (am) 1. and 3. and such that a rate for coverage under
24 s. 149.14 (2) (a) is approved by the board and is not less than 140% nor more than
25 200% of the rate that a standard risk would be charged under an individual policy

1 providing substantially the same coverage and deductibles as are provided under the
2 plan.

3 ***-0578/P5.7* SECTION 2006.** 149.143 (2) (a) 3. of the statutes is amended to
4 read:

5 149.143 (2) (a) 3. ~~By rule set~~ Set the total insurer assessments under s. 149.13
6 for the new plan year by estimating and setting the assessments at the amount
7 necessary to equal the amounts specified in sub. (1) (am) 4. and (bm) 1. and notify
8 the commissioner of the amount.

9 ***-0578/P5.8* SECTION 2007.** 149.143 (2) (a) 4. of the statutes is amended to
10 read:

11 149.143 (2) (a) 4. ~~By the same rule as under subd. 3. adjust~~ Adjust the provider
12 payment rate for the new plan year, subject to s. 149.142 (1) (b), by estimating and
13 setting the rate at the level necessary to equal the amounts specified in sub. (1) (am)
14 4. and (bm) 2. and as provided in s. 149.145.

15 ***-0578/P5.9* SECTION 2008.** 149.143 (2) (a) 4. of the statutes, as affected by
16 2005 Wisconsin Act (this act), is amended to read:

17 149.143 (2) (a) 4. Adjust the provider payment rate for the new plan year,
18 ~~subject to s. 149.142 (1) (b),~~ by estimating and setting the rate at the level necessary
19 to equal the amounts specified in sub. (1) (am) 4. and (bm) 2. and as provided in s.
20 149.145.

****NOTE: This is reconciled s. 149.143 (2) (a) 4. This SECTION has been affected by
drafts with the following LRB numbers: -0268 and -0578.

21 ***-0267/1.6* SECTION 2009.** 149.143 (2m) (a) 1. of the statutes is amended to
22 read:

1 149.143 (2m) (a) 1. The amount of premiums received in a plan year from all
2 eligible persons, including amounts received for premium, deductible, and
3 prescription drug copayment subsidies.

4 *~~-0267/1.7~~* SECTION 2010. 149.143 (2m) (a) 2. of the statutes is amended to
5 read:

6 149.143 (2m) (a) 2. The amount of premiums, including amounts received for
7 premium, deductible, and prescription drug copayment subsidies, necessary to cover
8 60% of the plan costs for the plan year.

9 *~~-0578/P5.10~~* SECTION 2011. 149.143 (3) (a) of the statutes is amended to
10 read:

11 149.143 (3) (a) If, during a plan year, the department determines that the
12 amounts estimated to be received as a result of the rates and amount set under sub.
13 (2) (a) 2. to 4. and any adjustments in insurer assessments and the provider payment
14 rate under s. 149.144 will not be sufficient to cover plan costs, the department may
15 by rule increase the premium rates set under sub. (2) (a) 2. for the remainder of the
16 plan year, subject to s. 149.146 (2) (b) and the maximum specified in sub. (2) (a) 2.,
17 by rule increase the assessments set under sub. (2) (a) 3. for the remainder of the plan
18 year, subject to sub. (1) (bm) 1., and ~~by the same rule under which assessments are~~
19 ~~increased~~ adjust the provider payment rate set under sub. (2) (a) 4. for the remainder
20 of the plan year, subject to sub. (1) (bm) 2. and s. 149.142 (1) (b).

21 *~~-0578/P5.11~~* SECTION 2012. 149.143 (3) (a) of the statutes, as affected by
22 2005 Wisconsin Act (this act), is amended to read:

23 149.143 (3) (a) If, during a plan year, the department determines that the
24 amounts estimated to be received as a result of the rates and amount set under sub.
25 (2) (a) 2. to 4. and any adjustments in insurer assessments and the provider payment

1 rate under s. 149.144 will not be sufficient to cover plan costs, the department may
2 increase the premium rates set under sub. (2) (a) 2. for the remainder of the plan year,
3 subject to s. 149.146 (2) (b) and the maximum specified in sub. (2) (a) 2., increase the
4 assessments set under sub. (2) (a) 3. for the remainder of the plan year, subject to sub.
5 (1) (bm) 1., and adjust the provider payment rate set under sub. (2) (a) 4. for the
6 remainder of the plan year, subject to sub. (1) (bm) 2. and ~~s. 149.142 (1) (b).~~

****NOTE: This is reconciled s. 149.143 (3) (a). This SECTION has been affected by
drafts with the following LRB numbers: -0268 and -0578.

7 ***-0578/P5.12* SECTION 2013.** 149.143 (3) (b) of the statutes is amended to
8 read:

9 149.143 (3) (b) If the department increases premium rates and insurer
10 assessments and adjusts the provider payment rate under par. (a) and determines
11 that there will still be a deficit and that premium rates have been increased to the
12 maximum extent allowable under par. (a), the department may further adjust, in
13 equal proportions, assessments set under sub. (2) (a) 3. and the provider payment
14 rate set under sub. (2) (a) 4., without regard to sub. (1) (bm) ~~but subject to s. 149.142~~
15 ~~(1) (b).~~

16 ***-0578/P5.13* SECTION 2014.** 149.143 (4) of the statutes is repealed.

17 ***-0578/P5.14* SECTION 2015.** 149.143 (5) (a) of the statutes is amended to
18 read:

19 149.143 (5) (a) Annually, no later than April 30, the department shall perform
20 a reconciliation with respect to plan costs, premiums, insurer assessments, and
21 provider payment rate adjustments based on data from the previous calendar year.
22 On the basis of the reconciliation, the department shall make any necessary
23 adjustments in premiums, insurer assessments, or provider payment rates, ~~subject~~

1 to ~~s. 149.142 (1) (b)~~, for the fiscal year beginning on the first July 1 after the
2 reconciliation, as provided in sub. (2) (b).

3 ***-0578/P5.15* SECTION 2016.** 149.143 (5) (b) of the statutes is amended to
4 read:

5 149.143 (5) (b) Except as provided in sub. (3) and s. 149.144, the department
6 shall adjust the provider payment rates to meet the providers' specified portion of the
7 plan costs no more than once annually, ~~subject to s. 149.142 (1) (b)~~. The department
8 may not determine the adjustment on an individual provider basis or on the basis
9 of provider type, but shall determine the adjustment for all providers in the
10 aggregate, ~~subject to s. 149.142 (1) (b)~~.

11 ***-0578/P5.16* SECTION 2017.** 149.144 of the statutes is amended to read:

12 **149.144 Adjustments to insurer assessments and provider payment**
13 **rates for premium, deductible, and prescription drug copayment**
14 **reductions.** The department shall, ~~by rule~~, adjust in equal proportions the amount
15 of the assessment set under s. 149.143 (2) (a) 3. and the provider payment rate set
16 under s. 149.143 (2) (a) 4., subject to ss. 149.142 (1) (b) and 149.143 (1) (am), sufficient
17 to reimburse the plan for premium reductions under s. 149.165, deductible
18 reductions under s. 149.14 (5) (a), and any prescription drug copayment reductions
19 under s. 149.14 (5) (e). The department shall notify the commissioner so that the
20 commissioner may levy any increase in insurer assessments.

21 ***-0578/P5.17* SECTION 2018.** 149.144 of the statutes, as affected by 2005
22 Wisconsin Act (this act), is amended to read:

23 **149.144 Adjustments to insurer assessments and provider payment**
24 **rates for premium, deductible, and prescription drug copayment**
25 **reductions.** The department shall adjust in equal proportions the amount of the

1 assessment set under s. 149.143 (2) (a) 3. and the provider payment rate set under
2 s. 149.143 (2) (a) 4., subject to ~~ss. 149.142 (1) (b) and s. 149.143 (1) (am)~~, sufficient
3 to reimburse the plan for premium reductions under s. 149.165, deductible
4 reductions under s. 149.14 (5) (a), and any prescription drug copayment reductions
5 under s. 149.14 (5) (e). The department shall notify the commissioner so that the
6 commissioner may levy any increase in insurer assessments.

****NOTE: This is reconciled s. 149.144. This SECTION has been affected by drafts
with the following LRB numbers: -0268 and -0578.

7 ***-0578/P5.18* SECTION 2019.** 149.145 of the statutes is amended to read:

8 **149.145 Program budget.** The department, in consultation with the board,
9 shall establish a program budget for each plan year. The program budget shall be
10 based on the provider payment rates specified in s. 149.142 and in the most recent
11 provider contracts that are in effect and on the funding sources specified in ss.
12 149.143 (1) and 149.144, including the methodologies specified in ss. 149.143,
13 149.144, and 149.146 for determining premium rates, insurer assessments, and
14 provider payment rates. Except as otherwise provided in s. 149.143 (3) (a) and (b)
15 ~~and subject to s. 149.142 (1) (b)~~, from the program budget the department shall derive
16 the actual provider payment rate for a plan year that reflects the providers'
17 proportional share of the plan costs, consistent with ss. 149.143 and 149.144. The
18 department may not implement a program budget established under this section
19 unless it is approved by the board.

20 ***-0578/P5.19* SECTION 2020.** 149.146 (2) (am) 5. of the statutes is amended
21 to read:

22 149.146 (2) (am) 5. *plain* (Subject to s. 149.14 (8) (b), the department may, by rule
23 ~~under s. 149.17 (4), establish for prescription drug coverage under this section~~

SECTION 2020

1 *ch 11* ~~copayment amounts, coinsurance rates, and The department may establish a~~
2 3-tiered copayment structure for prescription drugs. The copayment and
3 coinsurance out-of-pocket limits limit for prescription drug coverage under this
4 section over which the plan will pay 100% of covered costs for prescription drugs. Any
5 copayment amount, coinsurance rate, or out-of-pocket limit established under this
6 subdivision is subject to the approval of the board under this section may be \$400.
7 The department may establish that only certain copayment amounts count toward
8 the out-of-pocket limit. Subject to s. 149.14 (8) (b), the department may change, by
9 rule under s. 149.17 (4), the out-of-pocket limit. Using the procedure under s.
10 227.24, the department may promulgate rules under this subdivision for the period
11 before the effective date of any permanent rules promulgated under this subdivision,
12 but not to exceed the period authorized under s. 227.24 (1) (c) and (2).
13 Notwithstanding s. 227.24 (1) (a), (2) (b), and (3), the department is not required to
14 provide evidence that promulgating a rule under this subdivision as an emergency
15 rule is necessary for the preservation of the public peace, health, safety, or welfare
16 and is not required to make a finding of emergency for promulgating a rule under this
17 subdivision as an emergency rule. Copayments and coinsurance paid by an eligible
18 person under this subdivision are separate from and do not count toward the
19 deductible and covered costs not paid by the plan under subs. 1. to 3.

20 ***-0578/P5.20*** SECTION 2021. 149.146 (2) (b) (intro.) of the statutes is amended
21 to read:

22 149.146 (2) (b) (intro.) The schedule of premiums for coverage under this
23 section shall be ~~promulgated by rule~~ set by the department, as provided in s. 149.143.
24 The rates for coverage under this section shall be set such that they differ from the

1 rates for coverage under s. 149.14 (2) (a) by the same percentage as the percentage
2 difference between the following:

3 ***-0319/P1.1* SECTION 2022.** 149.25 of the statutes is repealed.

4 ***-1649/6.47* SECTION 2023.** 153.01 (2) of the statutes is amended to read:

5 153.01 (2) “Board” means the health care quality and patient safety board on
6 health care information.

7 ***-1649/6.48* SECTION 2024.** 153.05 (2m) (d) of the statutes is created to read:

8 153.05 (2m) (d) By April 1, annually, the entity under contract under par. (a)
9 shall report to the board concerning the fulfillment of the entity’s obligations under
10 the contract.

11 ***-0316/3.5* SECTION 2025.** 153.05 (6m) of the statutes is amended to read:

12 153.05 (6m) The department may contract with the group insurance board for
13 the provision of data collection and analysis services related to health maintenance
14 organizations and insurance companies that provide health insurance for state
15 employees. The department shall establish contract fees for the provision of the
16 services. All moneys collected under this subsection shall be credited to the
17 appropriation under s. 20.435 (4) (1) (hg).

18 ***-1649/6.49* SECTION 2026.** 153.07 (5) of the statutes is created to read:

19 153.07 (5) By January 1, 2006, and at least annually thereafter, the board shall
20 report to the governor on the plans, activities, accomplishments, and
21 recommendations of the board.

22 ***-1649/6.50* SECTION 2027.** 153.07 (6) of the statutes is created to read:

23 153.07 (6) The board shall annually assess the extent to which automated
24 information and decision support systems are used by health care providers in this
25 state.

1 ***-1649/6.51*** SECTION 2028. 153.07 (7) of the statutes is created to read:

2 153.07 (7) The board shall annually assess options and develop a plan and
3 specific strategies to achieve automation of all health care systems in the state by
4 2010 or as soon as practicable.

5 ***-1649/6.52*** SECTION 2029. 153.07 (8) of the statutes is created to read:

6 153.07 (8) The board shall administer the health care quality improvement
7 fund.

8 ***-1649/6.53*** SECTION 2030. 153.07 (9) of the statutes is created to read:

9 153.07 (9) The board may accept gifts, grants, bequests, and devises to be used
10 in the execution of its functions.

11 ***-1649/6.54*** SECTION 2031. 153.076 of the statutes is created to read:

12 **153.076 Grants and loans. (1)** In this section:

13 (a) “Clinic” means a place, other than a residence, that is used primarily for the
14 provision of nursing, medical, podiatric, dental, chiropractic, or optometric care and
15 treatment.

16 (b) “Health maintenance organization” has the meaning given in s. 609.01 (2).

17 (c) “Hospital” has the meaning given in s. 50.33 (2).

18 (d) “Physician” has the meaning given in s. 448.01 (5).

19 **(2)** (a) From the appropriation under s. 20.505 (4) (qb), the board may make
20 grants or loans, under procedures and criteria determined by the board, to clinics,
21 health maintenance organizations, or other health care systems, hospitals, or
22 physicians for any of the following projects:

23 1. Installation of computer-assisted physician order entry, electronic medical
24 records, or other information system infrastructure, including clinical decision
25 support systems, to improve the quality, safety, and efficiency of patient care.

1 2. Development of health information exchanges, integrated health care data
2 repositories, and interoperable systems to facilitate the reporting of quality, safety,
3 and efficiency information for purposes of health care system improvement or
4 related purposes by informing consumers and health care purchasers.

5 3. Demonstration, through pilot projects, of rapid cycle improvement in quality,
6 safety, and efficiency of care.

7 4. Facilitation of group purchases of medical technology systems by assisting
8 health care providers in forming collaborative agreements for technology.

9 (b) Repayment of any loans made under par. (a) shall be deposited into the
10 health care quality improvement fund.

11 *~~0316/3.6~~* SECTION 2032. 153.60 (1) of the statutes is amended to read:

12 153.60 (1) The department shall, by the first October 1 after the
13 commencement of each fiscal year, estimate the total amount of expenditures under
14 this chapter for the department and the board for that fiscal year for data collection,
15 database development and maintenance, generation of data files and standard
16 reports, orientation and training provided under s. 153.05 (9) (a) and maintaining
17 the board. The department shall assess the estimated total amount for that fiscal
18 year, less the estimated total amount to be received for purposes of administration
19 of this chapter under s. 20.435 (4) (1) (hi) during the fiscal year, and the
20 unencumbered balance of the amount received for purposes of administration of this
21 chapter under s. 20.435 (4) (1) (hi) from the prior fiscal year ~~and the amount in the~~
22 ~~appropriation account under s. 20.435 (1) (dg), 1997 stats., for the fiscal year, to~~
23 health care providers, other than hospitals and ambulatory surgery centers, who are
24 in a class of health care providers from whom the department collects data under this
25 chapter in a manner specified by the department by rule. The department shall

1 obtain approval from the board for the amounts of assessments for health care
2 providers other than hospitals and ambulatory surgery centers. The department
3 shall work together with the department of regulation and licensing to develop a
4 mechanism for collecting assessments from health care providers other than
5 hospitals and ambulatory surgery centers. No health care provider that is not a
6 facility may be assessed under this subsection an amount that exceeds \$75 per fiscal
7 year. All payments of assessments shall be credited to the appropriation under s.
8 20.435 (4) (1) (hg).

9 ***-0316/3.7* SECTION 2033.** 153.60 (3) of the statutes is amended to read:

10 153.60 (3) The department shall, by the first October 1 after the
11 commencement of each fiscal year, estimate the total amount of expenditures
12 required for the collection, database development and maintenance and generation
13 of public data files and standard reports for health care plans that voluntarily agree
14 to supply health care data under s. 153.05 (6r). The department shall assess the
15 estimated total amount for that fiscal year to health care plans in a manner specified
16 by the department by rule and may enter into an agreement with the office of the
17 commissioner of insurance for collection of the assessments. Each health plan that
18 voluntarily agrees to supply this information shall pay the assessments on or before
19 December 1. All payments of assessments shall be deposited in the appropriation
20 under s. 20.435 (4) (1) (hg) and may be used solely for the purposes of s. 153.05 (6r).

21 ***-0316/3.8* SECTION 2034.** 153.65 (1) of the statutes is amended to read:

22 153.65 (1) The department may, but is not required to, provide, upon request
23 from a person, a data compilation or a special report based on the information
24 collected by the department. The department shall establish user fees for the
25 provision of these compilations or reports, payable by the requester, which shall be

1 sufficient to fund the actual necessary and direct cost of the compilation or report.
2 All moneys collected under this subsection shall be credited to the appropriation
3 under s. 20.435 (4) (1) (hi).

4 ***-1649/6.55* SECTION 2035.** 153.75 (title) of the statutes is amended to read:
5 **153.75 (title) Rule making and enforcement.**

6 ***-1649/6.56* SECTION 2036.** 153.75 (3) of the statutes is created to read:

7 153.75 (3) Notwithstanding sub. (1) (a), (b), (f), (m), (n), (o), (s), (t), and (u) and
8 ss. 153.05 (1), (5), and (8) and 153.45, after June 30, 2007, the department may not
9 enforce rules promulgated under this chapter before July 1, 2007, relating to claims
10 data to be submitted by physicians, to procedures for verification, review, and
11 comment on the claims data, to adjustment of the data, and to waiver of the data
12 submission requirement.

13 ***-1649/6.57* SECTION 2037.** 153.75 (4) of the statutes is created to read:

14 153.75 (4) Notwithstanding sub. (1) (a), (b), (f), (m), (n), (o), (q), (t), and (u), and
15 ss. 153.05 (1), (5) and (8), 153.21, and 153.45, after the effective date of this
16 subsection [revisor inserts date], the department may not enforce rules
17 promulgated under this chapter before the effective date of this subsection
18 [revisor inserts date], relating to any of the following:

19 (a) The collection, from physicians, of health care plan affiliations and updating
20 information, hospital privileges updating information, and workforce and practice
21 information.

22 (b) The collection, from dentists, chiropractors, and podiatrists, of workforce
23 and practice information.

1 (c) Procedures for verification, review, and comment on the information
2 specified under pars. (a) and (b), to adjustment of the information, and to waiver of
3 the information collection requirement.

4 *~~1649/6.58~~* SECTION 2038. 153.75 (5) of the statutes is created to read:

5 153.75 (5) After the effective date of this subsection ... [revisor inserts date],
6 notwithstanding ss. 227.10 (1) and 227.11 (2) (a) and (d), the department may
7 promulgate under this chapter only rules that are first approved by the health care
8 quality and patient safety board.

9 *~~1649/6.59~~* SECTION 2039. 153.76 of the statutes is amended to read:

10 **153.76 Rule-making by the independent review board.**
11 Notwithstanding s. 15.01 (1r), the independent review board may promulgate only
12 those rules that are first reviewed and approved by the health care quality and
13 patient safety board on health care information.

14 *~~1243/P3.94~~* SECTION 2040. 165.065 (2) of the statutes is amended to read:

15 165.065 (2) The assistant attorney general in charge of antitrust investigations
16 and prosecutions ~~is to~~ shall cooperate actively with the antitrust division of the U.S.
17 department of justice in everything that concerns monopolistic practices in
18 Wisconsin, and also to cooperate actively with the department of agriculture, trade,
19 and ~~consumer protection~~ rural resources in the work which this agency is carrying
20 on ~~under s. 100.20 of the marketing law~~ with regard to monopolistic practices in the
21 field of agriculture and with the federal trade commission on matters arising in or
22 affecting Wisconsin which pertain to its jurisdiction.

23 *~~0546/1.1~~* SECTION 2041. 165.10 of the statutes is created to read:

24 **165.10 Civil rights enforcement.** If any person, whether or not acting under
25 color of law, interferes with the exercise or enjoyment by any individual of a right

1 secured by the constitution or laws of the United States, or of a right secured by the
2 constitution or laws of this state, the attorney general may bring an action for
3 injunction or other appropriate equitable relief to protect the peaceable exercise or
4 enjoyment of the right secured.

5 ***-1243/P3.95* SECTION 2042.** 165.25 (4) (ar) of the statutes is amended to
6 read:

7 165.25 (4) (ar) The department of justice shall ~~furnish all legal services~~
8 ~~required by~~ represent the department of agriculture, trade, and ~~consumer protection~~
9 rural resources in any court action relating to the enforcement of ~~ss. 100.171,~~
10 ~~100.173, 100.174, 100.175, 100.177, 100.18, 100.182, 100.20, 100.205, 100.207,~~
11 ~~100.209, 100.21, 100.28, 100.37, 100.42, 100.50 and 100.51 and chs. 126, 136, 344,~~
12 ~~704, 707, and 779~~ ch. 126 and ss. 100.01 to 100.025, 100.05, 100.07, 100.14, 100.183
13 to 100.19, 100.201, 100.22, 100.235, 100.27, 100.285 to 100.297, 100.33 to 100.36,
14 100.45, 100.47, and 100.48, together with any other services as are necessarily
15 connected to the legal services.

16 ***-1243/P3.96* SECTION 2043.** 165.252 of the statutes is created to read:

17 **165.252 Consumer protection matters.** The department of justice shall
18 administer ss. 100.15 to 100.182, 100.20, 100.205, 100.207 to 100.2095, 100.28,
19 100.31, 100.37 to 100.44, 100.46, 100.50, and 100.52 and may promulgate rules to aid
20 in the administration and enforcement of these sections. The department of justice
21 may appear for the state in any court action relating to these sections.

22 ***-1059/P2.3* SECTION 2044.** 165.755 (1) (a) of the statutes is amended to read:

23 165.755 (1) (a) Except as provided in par. (b), a court shall impose under ch. 814
24 a crime laboratories and drug law enforcement surcharge of \$7 ~~\$8~~ if the court

1 imposes a sentence, places a person on probation, or imposes a forfeiture for a
2 violation of state law or for a violation of a municipal or county ordinance.

3 ***-1377/3.9* SECTION 2045.** 165.90 (title) of the statutes is repealed.

4 ***-1377/3.10* SECTION 2046.** 165.90 (1) to (5) of the statutes are renumbered
5 16.964 (7m) (a) to (e), and 16.964 (7m) (a), (b) 2. and 9., (c), (cm) (intro.), (d) (intro.),
6 1. and 2. and (e) (intro.), as renumbered, are amended to read:

7 16.964 (7m) (a) Any county that has ~~one or more~~ a reservation of a federally
8 recognized Indian reservations tribe within or partially within its boundaries or that
9 borders a reservation of a federally recognized Indian tribe may enter into an
10 agreement in accordance with s. 59.54 (12) with ~~an Indian~~ the tribe located in the
11 county to establish a cooperative county-tribal law enforcement program. To be
12 eligible to receive aid under this ~~section~~ subsection, a county and tribe shall develop
13 and annually submit a joint program plan, by December 1 of the year prior to the year
14 for which funding is sought, to the ~~department of justice~~ office for approval. If
15 funding is sought for the 2nd or any subsequent year of the program, the county and
16 tribe shall submit the report required under ~~sub. (4) (b)~~ par. (d) 2. together with the
17 plan.

18 (b) 2. The program's need for funding under this ~~section~~ subsection and the
19 amount of funding requested.

20 9. Any other information required by the ~~department~~ office or deemed relevant
21 by the county and tribe submitting the plan.

22 (c) Upon request, the ~~department~~ office shall provide technical assistance to a
23 county and tribe in formulating a joint program plan.