

SECTION 2330c. 101.09 (1) (cm) of the statutes is created to read:

101.09 (1) (cm) "Secondary containment" means a barrier, approved by the department, that is installed around a storage tank system and that is designed to prevent a leak from a primary tank or piping from contacting the surrounding earth or waters of the state.

SECTION 2330g. 101.09 (3m) of the statutes is created to read:

101.09 (3m) **SECONDARY CONTAINMENT REQUIREMENTS.** (a) In this subsection, "hazardous substance" means a combustible liquid, a flammable liquid, or a federally regulated hazardous substance.

(b) The department may not impose any requirement that specifies that pipe connections at the top of a storage tank and beneath all freestanding pumps and dispensers that routinely contain a hazardous substance be placed within secondary containment sumps, if the pipe connections were installed or in place on or before February 1, 2009. This subsection does not apply after December 31, 2020.

SECTION 2331. 101.1206 (title) of the statutes is created to read:

101.1206 (title) Erosion control; construction of public buildings and buildings that are places of employment.

SECTION 2333. 101.136 of the statutes is repealed.

SECTION 2338. 101.143 (2) (d) of the statutes is amended to read:

101.143 (2) (d) The department shall reserve a portion, not to exceed 20%, of the amount annually appropriated under s. ~~20.143 (3)~~ 20.165 (2) (v) for awards under this section to be used to fund emergency remedial action and claims that exceed the amount initially anticipated.

SECTION 2339. 101.143 (2) (h) (intro.) of the statutes is amended to read:

101.143 (2) (h) (intro.) The department of ~~commerce~~ safety and professional services and the department of natural resources, jointly, shall promulgate rules designed to facilitate effective and cost-efficient administration of the program under this section that specify all of the following:

SECTION 2340. 101.143 (2) (i) (intro.) of the statutes is amended to read:

101.143 (2) (i) (intro.) The department of ~~commerce~~ safety and professional services and the department of natural resources, jointly, shall promulgate rules specifying procedures for evaluating remedial action plans and procedures to be used by employees of the department of ~~commerce~~ safety and professional services and the department of natural resources while remedial actions are being conducted. The departments shall specify procedures that include all of the following:

SECTION 2341. 101.143 (2) (j) (intro.) of the statutes is amended to read:

101.143 (2) (j) (intro.) The department of ~~commerce~~ safety and professional services and the department of natural resources, jointly, shall promulgate rules specifying all of the following:

SECTION 2342. 101.143 (2) (k) of the statutes is amended to read:

101.143 (2) (k) In promulgating rules under pars. (h) to (j), the department of ~~commerce~~ safety and professional services and the department of natural resources shall attempt to reach an agreement that is consistent with those provisions. If the department of ~~commerce~~ safety and professional services and the department of natural resources are unable to reach an agreement, they shall refer the matters on which they are unable to agree to the secretary of administration for resolution. The secretary of administration shall resolve any matters on which the departments disagree in a manner that is consistent with pars. (h) to (j). The department of ~~commerce~~ safety and professional services and the department of natural resources, jointly, shall promulgate rules incorporating any agreement between the department of ~~commerce~~ safety and professional services and the department of natural resources under this paragraph and any resolution of disagreements between the departments by the secretary of administration under this paragraph.

SECTION 2343. 101.143 (2) (L) of the statutes is amended to read:

101.143 (2) (L) The department may promulgate rules for the assessment and collection of fees to recover its costs for providing approval under sub. (3) (c) 4. and for providing other assistance requested by applicants under this section. Any moneys collected under this paragraph shall be credited to the appropriation account under s. ~~20.143 (3)~~ 20.165 (2) (Lm).

SECTION 2344. 101.143 (2e) (a) of the statutes is amended to read:

101.143 (2e) (a) The department of ~~commerce~~ safety and professional services and the department of natural resources shall attempt to agree on a method, which shall include individualized consideration of the routes for migration of petroleum product contamination at each site, for determining the risk to public health, safety and welfare and to the environment posed by discharges for which the department of ~~commerce~~ safety and professional services receives notification under sub. (3) (a) 3.

SECTION 2345. 101.143 (2e) (b) of the statutes is amended to read:

101.143 (2e) (b) If the department of ~~commerce~~ safety and professional services and the department of natural resources are unable to reach an agreement under par. (a), they shall refer the matters on which they are unable to agree to the secretary of administration for resolution. The secretary of administration shall resolve any matters on which the departments disagree in a manner that is consistent with par. (a). The department of ~~commerce~~ safety and professional services and the depart-

ment of natural resources, jointly, shall promulgate rules incorporating any agreement between the department of ~~commerce~~ safety and professional services and the department of natural resources under par. (a) and any resolution of disagreements between the departments by the secretary of administration under this paragraph.

SECTION 2346. 101.143 (2e) (c) of the statutes is amended to read:

101.143 (2e) (c) The department of natural resources or, if the discharge is covered under s. 101.144 (2) (b), the department of ~~commerce~~ safety and professional services shall apply the method in the rules promulgated under par. (b) to determine the risk posed by a discharge for which the department of ~~commerce~~ safety and professional services receives notification under sub. (3) (a) 3.

SECTION 2347. 101.143 (2m) of the statutes is amended to read:

101.143 (2m) INTERDEPARTMENTAL COORDINATION. Whenever the department of ~~commerce~~ safety and professional services receives a notification under sub. (3) (a) 3. or the department of natural resources receives a notification of a petroleum product discharge under s. 292.11, the department receiving the notification shall contact the other department and shall schedule a meeting of the owner or operator or person owning a home oil tank system and representatives of both departments.

SECTION 2348. 101.143 (3) (c) 4. of the statutes is amended to read:

101.143 (3) (c) 4. Receive written approval from the department of natural resources or, if the discharge is covered under s. 101.144 (2) (b), from the department of ~~commerce~~ safety and professional services that the remedial action activities performed under subd. 3. meet the requirements of s. 292.11.

SECTION 2349. 101.143 (3) (cm) of the statutes is amended to read:

101.143 (3) (cm) *Monitoring as remedial action.* An owner or operator or person owning a home oil tank system may, with the approval of the department of natural resources or, if the discharge is covered under s. 101.144 (2) (b), the department of ~~commerce~~ safety and professional services, satisfy the requirements of par. (c) 2. and 3. by proposing and implementing monitoring to ensure the effectiveness of natural attenuation of petroleum product contamination.

SECTION 2350. 101.143 (3) (cp) 1. of the statutes is amended to read:

101.143 (3) (cp) 1. Except as provided in subds. 2. to 5., if the department of natural resources or, if the site is covered under s. 101.144 (2) (b), the department of ~~commerce~~ safety and professional services estimates that the cost to complete a site investigation, remedial action plan and remedial action for an occurrence exceeds \$60,000, the department of ~~commerce~~ safety and professional services shall implement a competitive public bidding pro-

cess to obtain information to assist in making the determination under par. (cs).

SECTION 2351. 101.143 (3) (cp) 2. of the statutes is amended to read:

101.143 (3) (cp) 2. The department of ~~commerce~~ safety and professional services or the department of natural resources may waive the requirement under subd. 1. if an enforcement standard is exceeded in groundwater within 1,000 feet of a well operated by a public utility, as defined in s. 196.01 (5), or within 100 feet of any other well used to provide water for human consumption.

SECTION 2352. 101.143 (3) (cp) 5. of the statutes is amended to read:

101.143 (3) (cp) 5. The department of ~~commerce~~ safety and professional services or the department of natural resources may waive the requirement under subd. 1. after providing notice to the other department.

SECTION 2353. 101.143 (3) (cp) 6. of the statutes is amended to read:

101.143 (3) (cp) 6. The department of ~~commerce~~ safety and professional services may disqualify a bid received under subd. 1. if, based on information available to the department and experience with remedial action at other sites, the bid is unlikely to establish an amount to sufficiently fund remedial action that will comply with par. (c) 3. and with enforcement standards.

SECTION 2354. 101.143 (3) (cp) 7. of the statutes is amended to read:

101.143 (3) (cp) 7. The department of ~~commerce~~ safety and professional services may disqualify a person from submitting bids under subd. 1. if, based on past performance of the bidder, the department determines that the person has demonstrated an inability to complete remedial action within established cost limits.

SECTION 2355. 101.143 (3) (cs) 1. of the statutes is amended to read:

101.143 (3) (cs) 1. The department of ~~commerce~~ safety and professional services shall review the remedial action plan for a site that is classified as low or medium risk under s. 101.144 and shall determine the least costly method of complying with par. (c) 3. and with enforcement standards. The department shall notify the owner or operator of its determination of the least costly method and shall notify the owner or operator that reimbursement for remedial action under this section is limited to the amount necessary to implement that method.

SECTION 2356. 101.143 (3) (cs) 2. of the statutes is amended to read:

101.143 (3) (cs) 2. The department of natural resources and the department of ~~commerce~~ safety and professional services shall review the remedial action plan for a site that is classified as high risk under s. 101.144 and shall jointly determine the least costly method of complying with par. (c) 3. and with enforcement standards. The departments shall notify the owner

or operator of their determination of the least costly method and shall notify the owner or operator that reimbursement for remedial action under this section is limited to the amount necessary to implement that method.

SECTION 2357. 101.143 (3) (cs) 3. of the statutes is amended to read:

101.143 (3) (cs) 3. In making determinations under subs. 1. and 2., the department of natural resources and the department of ~~commerce~~ safety and professional services shall determine whether natural attenuation will achieve compliance with par. (c) 3. and with enforcement standards.

SECTION 2358. 101.143 (3) (cs) 4. of the statutes is amended to read:

101.143 (3) (cs) 4. The department of ~~commerce~~ safety and professional services may review and modify an amount established under subd. 1. if the department determines that new circumstances, including newly discovered contamination at a site, warrant those actions. The department of ~~commerce~~ safety and professional services and the department of natural resources may review and modify an amount established under subd. 2. if the departments determine that new circumstances, including newly discovered contamination at a site, warrant those actions.

SECTION 2359. 101.143 (3) (cw) 1. of the statutes is amended to read:

101.143 (3) (cw) 1. The department of ~~commerce~~ safety and professional services shall conduct the annual review required under sub. (2) (i) 1. for a site that is classified as low or medium risk under s. 101.144 and shall determine the least costly method of completing remedial action at the site in order to comply with par. (c) 3. and with enforcement standards. The department shall notify the owner or operator of its determination of the least costly method and shall notify the owner or operator that reimbursement under this section for any remedial action conducted after the date of the notice is limited to the amount necessary to implement that method.

SECTION 2360. 101.143 (3) (cw) 2. of the statutes is amended to read:

101.143 (3) (cw) 2. The department of natural resources and the department of ~~commerce~~ safety and professional services shall conduct the annual review required under sub. (2) (i) 1. for a site that is classified as high risk under s. 101.144 and shall jointly determine the least costly method of completing remedial action at the site in order to comply with par. (c) 3. and with enforcement standards. The departments shall notify the owner or operator of their determination of the least costly method and shall notify the owner or operator that reimbursement under this section for remedial action conducted after the date of the notice is limited to the amount necessary to implement that method.

SECTION 2361. 101.143 (3) (cw) 3. of the statutes is amended to read:

101.143 (3) (cw) 3. In making determinations under subs. 1. and 2., the department of natural resources and the department of ~~commerce~~ safety and professional services shall determine whether natural attenuation will achieve compliance with par. (c) 3. and with enforcement standards.

SECTION 2362. 101.143 (3) (cw) 4. of the statutes is amended to read:

101.143 (3) (cw) 4. The department of ~~commerce~~ safety and professional services may review and modify an amount established under subd. 1. if the department determines that new circumstances, including newly discovered contamination at a site, warrant those actions. The department of ~~commerce~~ safety and professional services and the department of natural resources may review and modify an amount established under subd. 2. if the departments determine that new circumstances, including newly discovered contamination at a site, warrant those actions.

SECTION 2363. 101.143 (3) (d) of the statutes is amended to read:

101.143 (3) (d) *Final review of remedial action activities.* The department of natural resources or, if the discharge is covered under s. 101.144 (2) (b), the department of ~~commerce~~ safety and professional services shall complete a final review of the remedial action activities within 60 days after the claimant notifies the appropriate department that the remedial action activities are completed.

SECTION 2364. 101.143 (3) (f) 5. of the statutes is amended to read:

101.143 (3) (f) 5. The written approval of the department of natural resources or the department of ~~commerce~~ safety and professional services under par. (c) 4.

SECTION 2365. 101.143 (3) (g) of the statutes is amended to read:

101.143 (3) (g) *Emergency situations.* Notwithstanding pars. (a) 3. and (c) 1. and 2., an owner or operator or the person may submit a claim for an award under sub. (4) after notifying the department under par. (a) 3., without completing an investigation under par. (c) 1. and without preparing a remedial action plan under par. (c) 2. if an emergency existed which made the investigation under par. (c) 1. and the remedial action plan under par. (c) 2. inappropriate and, before conducting remedial action, the owner or operator or person notified the department of ~~commerce~~ safety and professional services and the department of natural resources of the emergency and the department of ~~commerce~~ safety and professional services and the department of natural resources authorized emergency action.

SECTION 2366. 101.143 (4) (a) 6. of the statutes is amended to read:

101.143 (4) (a) 6. In any fiscal year, the department may not award more than 5% of the amount appropriated

under s. ~~20.143 (3)~~ 20.165 (2) (v) as awards for petroleum product storage systems described in par. (ei).

SECTION 2367. 101.143 (4) (a) 7. of the statutes is amended to read:

101.143 (4) (a) 7. In any fiscal year, the department may not award more than 5% of the amount appropriated under s. ~~20.143 (3)~~ 20.165 (2) (v) as awards for petroleum product storage systems that are owned by school districts and that are used for storing heating oil for consumptive use on the premises where stored.

SECTION 2368. 101.143 (4) (cc) 2. b. of the statutes is amended to read:

101.143 (4) (cc) 2. b. An applicant that is engaged in the expansion or redevelopment of brownfields, as defined in s. ~~560.13~~ 238.13 (1) (a), if federal or state financial assistance other than under this section, has been provided for that expansion or redevelopment.

SECTION 2369. 101.143 (4) (ei) 2m. of the statutes is amended to read:

101.143 (4) (ei) 2m. The owner or operator of the farm tank has received a letter or notice from the department of ~~commerce~~ safety and professional services or department of natural resources indicating that the owner or operator must conduct a site investigation or remedial action because of a discharge from the farm tank or an order to conduct such an investigation or remedial action.

SECTION 2370. 101.143 (4) (es) 1. of the statutes is amended to read:

101.143 (4) (es) 1. The department shall issue an award for a claim filed after August 9, 1989, for eligible costs, under par. (b), incurred on or after August 1, 1987, by an owner or operator or a person owning a home oil tank system in investigating the existence of a discharge or investigating the presence of petroleum products in soil or groundwater if the investigation is undertaken at the written direction of the department of ~~commerce~~ safety and professional services or the department of natural resources and no discharge or contamination is found.

SECTION 2371. 101.144 (3) (b) of the statutes is amended to read:

101.144 (3) (b) The department of ~~commerce~~ safety and professional services requests the department of natural resources to take the action or issue the order.

SECTION 2372. 101.144 (3) (c) of the statutes is amended to read:

101.144 (3) (c) The secretary of natural resources approves the action or order in advance after notice to the secretary of ~~commerce~~ safety and professional services.

SECTION 2373. 101.144 (3g) (a) of the statutes is amended to read:

101.144 (3g) (a) If, on December 1, 1999, more than 35% of sites classified under this section, excluding sites that are contaminated by a hazardous substance other than a petroleum product or an additive to a petroleum product, are classified as high-risk sites, the department

of ~~commerce~~ safety and professional services and the department of natural resources shall attempt to reach an agreement that specifies standards for determining whether the site of a discharge of a petroleum product from a petroleum storage tank is classified as high risk. The standards shall be designed to classify no more than 35% of those sites as high-risk sites and may not classify all sites at which an enforcement standard is exceeded as high-risk sites. If the department of ~~commerce~~ safety and professional services and the department of natural resources are unable to reach an agreement, they shall refer the matters on which they are unable to agree to the secretary of administration for resolution. The secretary of administration shall resolve any matters on which the departments disagree in a manner that is consistent with this paragraph. The department of ~~commerce~~ safety and professional services shall promulgate rules incorporating any agreement between the department of ~~commerce~~ safety and professional services and the department of natural resources under this paragraph and any resolution of disagreements between the departments by the secretary of administration under this paragraph.

SECTION 2374. 101.144 (3g) (b) of the statutes is amended to read:

101.144 (3g) (b) If, 6 months after rules under par. (a) are in effect, more than 35% of the sites classified under this section, excluding sites that are contaminated by a hazardous substance other than a petroleum product or an additive to a petroleum product, are classified as high-risk sites, the department of ~~commerce~~ safety and professional services shall revise the rules using the procedure for promulgating the rules in par. (a).

SECTION 2375. 101.144 (3m) (a) (intro.) of the statutes is amended to read:

101.144 (3m) (a) (intro.) The department of ~~commerce~~ safety and professional services and the department of natural resources shall enter into a memorandum of understanding that does all of the following:

SECTION 2376. 101.144 (3m) (b) of the statutes is amended to read:

101.144 (3m) (b) The department of ~~commerce~~ safety and professional services and the department of natural resources shall submit a memorandum of understanding under this subsection to the secretary of administration for review. A memorandum of understanding under this subsection does not take effect until it is approved by the secretary of administration.

SECTION 2377. 101.149 (6) (b) of the statutes is amended to read:

101.149 (6) (b) The department shall promulgate rules, in consultation with the department of health services, under which the department of ~~commerce~~ safety and professional services shall authorize certified heating, ventilating, and air conditioning inspectors to conduct regular inspections of sealed combustion units, as required under sub. (5) (c), for carbon monoxide emis-

sions in residential buildings other than hotels, tourist rooming houses, and bed and breakfast establishments. The rules shall specify conditions under which it may issue orders as specified under sub. (8) (a). The rules may not require the department of ~~commerce~~ safety and professional services to authorize inspection of sealed combustion units during the period in which the sealed combustion units are covered by a manufacturer's warranty against defects.

SECTION 2378. 101.149 (8) (a) of the statutes is amended to read:

101.149 (8) (a) If the department of ~~commerce~~ safety and professional services or the department of health services determines after an inspection of a building under this section or s. 254.74 (1g) that the owner of the building has violated sub. (2) or (3), the respective department shall issue an order requiring the person to correct the violation within 5 days or within such shorter period as the respective department determines is necessary to protect public health and safety. If the person does not correct the violation within the time required, he or she shall forfeit \$50 for each day of violation occurring after the date on which the respective department finds that the violation was not corrected.

SECTION 2378m. 101.19 (1) (k) of the statutes is amended to read:

101.19 (1) (k) Administering subch. VII, except that the department may not charge a fee for an emergency elevator mechanic's license under s. 101.985 (2) (c) ~~or a conveyance operation permit under s. 101.983 (2) for a platform lift, stairway chair lift, or any other lift in a private residence.~~

SECTION 2379. 101.563 (2) (b) 1. of the statutes is amended to read:

101.563 (2) (b) 1. 'Payments from calendar year 2001 dues.' Notwithstanding s. 101.573 (3) (a), by the 30th day following July 30, 2002, the department shall compile the fire department dues paid by all insurers under s. 601.93 and the dues paid by the state fire fund under s. 101.573 (1) and funds remaining under s. 101.573 (3) (b), subtract the total amount due to be paid under par. (a), withhold 0.5%, and certify to the secretary of administration the proper amount to be paid from the appropriation under s. ~~20.143 (3)~~ 20.165 (2) (L) to each city, village, and town entitled to a proportionate share of fire department dues as provided under sub. (1) (b) and s. 101.575. If the department has previously certified an amount to the secretary of administration under s. 101.573 (3) (a) during calendar year 2002, the department shall recertify the amount in the manner provided under this subdivision. On or before August 1, 2002, the secretary of administration shall pay the amounts certified or recertified by the department under this subdivision to each city, village, and town entitled to a proportionate share of fire department dues as provided under sub. (1) and s. 101.575. The secretary of administration

may combine any payment due under this subdivision with any amount due to be paid on or before August 1, 2002, to the same city, village, or town under par. (a).

SECTION 2380. 101.563 (2) (b) 2. of the statutes is amended to read:

101.563 (2) (b) 2. 'Payments from dues for calendar years 2002 to 2004.' Notwithstanding s. 101.573 (3) (a) and except as otherwise provided in this subdivision, on or before May 1 in each year, the department shall compile the fire department dues paid by all insurers under s. 601.93 and the dues paid by the state fire fund under s. 101.573 (1) and funds remaining under s. 101.573 (3) (b), withhold 0.5% and certify to the secretary of administration the proper amount to be paid from the appropriation under s. ~~20.143 (3)~~ 20.165 (2) (L) to each city, village, and town entitled to a proportionate share of fire department dues as provided under sub. (1) (b) and s. 101.575. Annually, on or before August 1, the secretary of administration shall pay the amounts certified by the department to each such city, village, and town. This paragraph applies only to payment of a proportionate share of fire department dues collected for calendar years 2002 to 2004.

SECTION 2381. 101.573 (3) (a) of the statutes is amended to read:

101.573 (3) (a) On or before May 1 in each year, the department shall compile the fire department dues paid by all insurers under s. 601.93 and the dues paid by the state fire fund under sub. (1) and funds remaining under par. (b), withhold .5% and certify to the secretary of administration the proper amount to be paid from the appropriation under s. ~~20.143 (3)~~ 20.165 (2) (L) to each city, village, or town entitled to fire department dues under s. 101.575. Annually, on or before August 1, the secretary of administration shall pay the amounts certified by the department to the cities, villages and towns eligible under s. 101.575.

SECTION 2382. 101.573 (5) of the statutes is amended to read:

101.573 (5) The department shall promulgate a rule defining "administrative expenses" for purposes of s. ~~20.143 (3)~~ 20.165 (2) (La).

SECTION 2383. 101.657 (5) of the statutes is amended to read:

101.657 (5) From the appropriation under s. ~~20.143 (3)~~ 20.165 (2) (j), beginning with fiscal year 2005-06, the department shall allocate \$100,000 annually for the contract required under sub. (2) and at least \$600,000 annually for the contract required under sub. (3).

SECTION 2384. 101.935 (2) (e) of the statutes is amended to read:

101.935 (2) (e) Section 254.69 (2), as it applies to an agent for the department of health services in the administration of s. 254.47, applies to an agent for the department of ~~commerce~~ safety and professional services in the administration of this section.

SECTION 2385. 101.951 (7) (a) of the statutes is amended to read:

101.951 (7) (a) The department of ~~commerce~~ safety and professional services may, without notice, deny the application for a license within 60 days after receipt thereof by written notice to the applicant, stating the grounds for the denial. Within 30 days after such notice, the applicant may petition the department of administration to conduct a hearing to review the denial, and a hearing shall be scheduled with reasonable promptness. The division of hearings and appeals shall conduct the hearing. This paragraph does not apply to denials of applications for licenses under s. 101.02 (21).

SECTION 2386. 101.951 (7) (b) of the statutes is amended to read:

101.951 (7) (b) No license may be suspended or revoked except after a hearing thereon. The department of ~~commerce~~ safety and professional services shall give the licensee at least 5 days' notice of the time and place of the hearing. The order suspending or revoking such license shall not be effective until after 10 days' written notice thereof to the licensee, after such hearing has been had; except that the department of ~~commerce~~ safety and professional services, when in its opinion the best interest of the public or the trade demands it, may suspend a license upon not less than 24 hours' notice of hearing and with not less than 24 hours' notice of the suspension of the license. Matters involving suspensions and revocations brought before the department of ~~commerce~~ safety and professional services shall be heard and decided upon by the department of administration. The division of hearings and appeals shall conduct the hearing. This paragraph does not apply to licenses that are suspended or revoked under s. 101.02 (21).

SECTION 2387. 101.951 (7) (c) of the statutes is amended to read:

101.951 (7) (c) The department of ~~commerce~~ safety and professional services may inspect the pertinent books, records, letters and contracts of a licensee. The actual cost of each such examination shall be paid by such licensee so examined within 30 days after demand therefor by the department, and the department may maintain an action for the recovery of such costs in any court of competent jurisdiction.

SECTION 2388. 101.953 (1) (a) of the statutes is amended to read:

101.953 (1) (a) A statement that the manufactured home meets those standards prescribed by law or administrative rule of the department of administration or of the department of ~~commerce~~ safety and professional services that are in effect at the time of the manufacture of the manufactured home.

SECTION 2389. 101.973 (8) of the statutes is amended to read:

101.973 (8) Deposit the moneys received from the fees under sub. (7) in the appropriation under s. ~~20.143~~ 20.165 (2) (j).

SECTION 2389g. 101.981 (1) (c) of the statutes is amended to read:

101.981 (1) (c) "Conveyance" means an elevator, an escalator, a dumbwaiter, a belt manlift, a moving walkway, a platform lift, ~~a personnel hoist, a material hoist~~ and a stairway chair lift, and any other similar device, such as an automated people mover, used to elevate or move people or things, as provided in the rules of the department. "Conveyance" does not include a personnel hoist; a material hoist; a grain elevator; a ski lift or towing device; or an amusement or thrill ride; or a vertical platform lift, inclined platform lift, or a stairway chair lift that serves an individual residential dwelling unit.

SECTION 2389m. 101.983 (2) (c) of the statutes is amended to read:

101.983 (2) (c) *Inspections.* The department may not issue or renew a permit under this subsection unless the department has received an inspection report for the conveyance issued by an elevator inspector licensed under s. 101.985 (3) indicating that the conveyance complies with this subchapter and any applicable rules promulgated under this subchapter. ~~Upon request of the owner of a private residence containing a newly installed platform lift, stairway chair lift, or residential lift or of the new owner of a private residence containing a previously installed platform lift, stairway chair lift, or residential lift, the department shall inspect the lift or equipment for compliance with this subchapter and any applicable rules promulgated under this subchapter.~~ This inspection by the department does not exempt the owner from the requirement to ensure that the department receives an inspection report from a licensed elevator inspector. Upon performing this inspection, the department shall give the owner notice of relevant conveyance safety requirements and shall instruct the owner as to the procedure for obtaining periodic inspections and renewing the permit under which the lift or equipment is operated.

SECTION 2389r. 101.983 (2) (d) of the statutes is amended to read:

101.983 (2) (d) *Term and posting requirements.* A permit issued under this subsection has a term of one year, ~~except that a permit applicable to a platform lift, stairway chair lift, or residential lift in a private residence is valid until ownership of the private residence is transferred, at which time the new owner shall apply for renewal of the permit under par. (b).~~ The owner of the building or residence in which a conveyance is located shall display the permit under par. (a) applicable to the conveyance on or in the conveyance or, if applicable, in the machinery room.

SECTION 2390b. 103.24 of the statutes is amended to read:

103.24 Hours of work. The department shall determine and fix reasonable hours of employment for minors under 16 years of age in street trades. Except as provided in this section, the department may not fix hours of employment for minors under 16 years of age in street trades that exceed the maximum hours per day and per week specified in s. 103.68 (2) (a) and (b), that exceed the maximum days per week specified in s. 103.68 (2) (c), or that begin earlier or end later than the hours specified in s. 103.68 (2) (d) and (e). The department may not limit the hours of employment for minors 16 years of age or over in street trades or the hours of employment for minors of any age who are engaged in the delivery of newspapers to the consumer.

SECTION 2390c. 103.49 (1) (br) of the statutes is created to read:

103.49 (1) (br) "Multiple-trade project of public works" means a project of public works in which no single trade accounts for 85 percent or more of the total labor cost of the project.

SECTION 2390d. 103.49 (1) (em) of the statutes is created to read:

103.49 (1) (em) "Single-trade project of public works" means a project of public works in which a single trade accounts for 85 percent or more of the total labor cost of the project.

SECTION 2390e. 103.49 (1m) (intro.) of the statutes is amended to read:

103.49 (1m) APPLICABILITY. (intro.) Subject to sub. (3g), this section applies to any project of public works erected, constructed, repaired, remodeled, or demolished for the state or a state agency, other than a highway, street, or bridge construction or maintenance project, including all of the following:

SECTION 2390ed. 103.49 (1m) (a) of the statutes is amended to read:

103.49 (1m) (a) A project erected, constructed, repaired, remodeled, or demolished by one state agency for another state agency under any contract or under any statute specifically authorizing cooperation between state agencies.

SECTION 2390f. 103.49 (1m) (b) of the statutes is amended to read:

103.49 (1m) (b) A project in which the completed facility is leased, purchased, lease purchased, or otherwise acquired by, or dedicated to, the state in lieu of the state or a state agency contracting for the erection, construction, repair, remodeling, or demolition of the facility.

SECTION 2390h. 103.49 (2m) (b) (intro.) of the statutes is amended to read:

103.49 (2m) (b) (intro.) ~~Notwithstanding par. (a) 1.,~~ A laborer, worker, mechanic, or truck driver who is regularly employed to process, manufacture, pick up, or

deliver materials or products from a commercial establishment that has a fixed place of business from which the establishment ~~regularly~~ supplies processed or manufactured materials or products or from a facility that is not dedicated exclusively, or nearly so, to a project of public works that is subject to this section is not entitled to receive the prevailing wage rate determined under sub. (3) or to receive at least 1.5 times his or her hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor unless any of the following applies:

SECTION 2390i. 103.49 (2m) (b) 1. of the statutes is amended to read:

103.49 (2m) (b) 1. The laborer, worker, mechanic, or truck driver is employed to go to the source of mineral aggregate such as sand, gravel, or stone ~~that is to be immediately incorporated into the work, and not stock-piled or further transported by truck, pick up that mineral aggregate, and deliver that mineral aggregate to the site of a project of public works that is subject to this section by depositing the material substantially in place, directly in final place, from the transporting vehicle or through spreaders from the transporting vehicle.~~

SECTION 2390L. 103.49 (3) (ar) of the statutes is amended to read:

103.49 (3) (ar) In determining prevailing wage rates under par. (a) or (am), the department may not use data from projects that are subject to this section, s. 66.0903, ~~66.0904,~~ 103.50, or 229.8275, or 40 USC 3142 unless the department determines that there is insufficient wage data in the area to determine those prevailing wage rates, in which case the department may use data from projects that are subject to this section, s. 66.0903, ~~66.0904,~~ 103.50, or 229.8275, or 40 USC 3142. In determining prevailing wage rates under par. (a) or (am), the department may not use data from any construction work performed by a state agency or a local governmental unit, as defined in s. 66.0903 (1) (d).

SECTION 2390m. 103.49 (3g) (a) of the statutes is amended to read:

103.49 (3g) (a) A single-trade project of public works for which the estimated project cost of completion is less than ~~\$25,000~~ \$48,000 or a multiple-trade project of public works for which the estimated project cost of completion is less than \$100,000.

SECTION 2390n. 103.49 (3g) (b) of the statutes is amended to read:

103.49 (3g) (b) ~~-A- Work performed on a project of public works in which the labor for the project is provided by unpaid volunteers for which the state or the state agency contracting for the project is not required to compensate any contractor, subcontractor, contractor's or subcontractor's agent, or individual for performing the work.~~

SECTION 2390p. 103.49 (3g) (f) of the statutes is created to read:

103.49 (3g) (f) A public highway, street, or bridge project.

SECTION 2390q. 103.49 (3g) (g) of the statutes is created to read:

103.49 (3g) (g) A project of public works involving the erection, construction, repair, remodeling, or demolition of a residential property containing 2 dwelling units or less.

SECTION 2390r. 103.49 (3g) (h) of the statutes is created to read:

103.49 (3g) (h) A road, street, bridge, sanitary sewer, or water main project that is a part of a development in which not less than 90 percent of the lots contain or will contain 2 dwelling units or less, as determined by the local governmental unit at the time of approval of the development, and that, on completion, is acquired by, or dedicated to, the state for ownership or maintenance by the state.

SECTION 2390s. 103.49 (5) (am) of the statutes is repealed.

SECTION 2390t. 103.49 (5) (c) of the statutes is amended to read:

103.49 (5) (c) If requested by any person, the department shall inspect the payroll records of any contractor, subcontractor, or agent performing work on a project of public works that is subject to this section as provided in this paragraph to ensure compliance with this section. ~~In the case of a request made by a person performing the work specified in sub. (2m), if the department finds that the contractor, subcontractor, or agent subject to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request the actual cost of the inspection. In the case of a request made by a person not performing the work specified in sub. (2m), if the department finds that the contractor, subcontractor, or agent subject to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request \$250 or the actual cost of the inspection, whichever is greater. In order to find that a request is frivolous, the department must find that the person making the request made the request in bad faith, solely for the purpose of harassing or maliciously injuring the contractor, subcontractor, or agent subject to the inspection, or that the person making the request knew, or should have known, that there was no reasonable basis for believing that a violation of this section had been committed. On receipt of such a request, the department shall request the contractor, subcontractor, or agent to submit to the department a certified record of the information specified in par. (a), other than personally identifiable information relating to an employee of the contractor, subcontractor, or agent, for no longer than a 4-week period. The department may request a contractor, subcontractor, or agent to submit those records no more than once per calendar quarter for each project of public works on which the contractor,~~

subcontractor, or agent is performing work. The department may not charge a requester a fee for obtaining that information. The department shall make available for public inspection certified records submitted to the department under this paragraph.

SECTION 2390v. 103.50 (2g) of the statutes is created to read:

103.50 (2g) **NONAPPLICABILITY.** This section does not apply to a single-trade project of public works, as defined in s. 103.49 (1) (em), for which the estimated project cost of completion is less than \$48,000 or a multiple-trade project of public works, as defined in s. 103.49 (1) (br), for which the estimated project cost of completion is less than \$100,000.

SECTION 2390w. 103.50 (2m) (b) (intro.) of the statutes is amended to read:

103.50 (2m) (b) (intro.) ~~Notwithstanding par. (a) 1., a~~ A laborer, worker, mechanic, or truck driver who is regularly employed to process, manufacture, pick up, or deliver materials or products from a commercial establishment that has a fixed place of business from which the establishment regularly supplies processed or manufactured materials or products or from a facility that is not dedicated exclusively, or nearly so, to a project that is subject to this section is not entitled to receive the prevailing wage rate determined under sub. (3) or to receive at least 1.5 times his or her hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor unless any of the following applies:

SECTION 2390x. 103.50 (2m) (b) 1. of the statutes is amended to read:

103.50 (2m) (b) 1. The laborer, worker, mechanic or truck driver is employed to go to the source of mineral aggregate such as sand, gravel or stone ~~that is to be immediately incorporated into the work, and not stockpiled or further transported by truck, pick up that mineral aggregate and deliver that mineral aggregate to the site of a project that is subject to this section by depositing the material substantially in place, directly in final place, from transporting the vehicle or through spreaders from the transporting vehicle.~~

SECTION 2390z. 103.50 (4) of the statutes is amended to read:

103.50 (4) **CERTIFICATION OF PREVAILING WAGE RATES.** The department of workforce development shall, by May 1 of each year, certify to the department of transportation the prevailing wage rates in each area for all trades or occupations commonly employed in the highway construction industry. The certification shall, in addition to the current prevailing wage rates, include future prevailing wage rates when such prevailing wage rates can be determined for any such trade or occupation in any area and shall specify the effective date of those future prevailing wage rates. The certification shall also include wage rates for work performed on Sundays or the holidays specified in s. 103.49 (1) (c) and shift differen-

tials based on the time of day or night when work is performed. If a construction project extends into more than one area there shall be but one standard of prevailing wage rates for the entire project.

SECTION 2390zb. 103.50 (4m) of the statutes is amended to read:

103.50 (4m) **WAGE RATE DATA.** In determining prevailing wage rates for projects that are subject to this section, the department shall use data from projects that are subject to this section, s. 66.0903, ~~66.0904~~, or 103.49, or 40 USC 3142. In determining prevailing wage rates for those projects, the department may not use data from any construction work that is performed by a state agency or a local governmental unit, as defined in s. 66.0903 (1) (d).

SECTION 2390zc. 103.503 (title) of the statutes is amended to read:

103.503 (title) Substance abuse prevention on public works and publicly funded projects.

SECTION 2390zd. 103.503 (1) (a) of the statutes is amended to read:

103.503 (1) (a) "Accident" means an incident caused, contributed to, or otherwise involving an employee that resulted or could have resulted in death, personal injury, or property damage and that occurred while the employee was performing the work described in s. 66.0903 (4), ~~66.0904 (3)~~, or 103.49 (2m) on a project.

SECTION 2390ze. 103.503 (1) (c) of the statutes is amended to read:

103.503 (1) (c) "Contracting agency" means a local governmental unit, as defined in s. 66.0903 (1) (d), or a state agency, as defined in s. 103.49 (1) (f), ~~or an owner or developer under s. 66.0904~~ that has contracted for the performance of work on a project.

SECTION 2390zf. 103.503 (1) (e) of the statutes is amended to read:

103.503 (1) (e) "Employee" means a laborer, worker, mechanic, or truck driver who performs the work described in s. 66.0903 (4), ~~66.0904 (3)~~, or 103.49 (2m) on a project.

SECTION 2390zg. 103.503 (1) (g) of the statutes is amended to read:

103.503 (1) (g) "Project" ~~mean~~ means a project of public works that is subject to s. 66.0903 or 103.49 ~~or a publicly funded private construction project that is subject to s. 66.0904.~~

SECTION 2390zh. 103.503 (2) of the statutes is amended to read:

103.503 (2) **SUBSTANCE ABUSE PROHIBITED.** No employee may use, possess, attempt to possess, distribute, deliver, or be under the influence of a drug, or use or be under the influence of alcohol, while performing the work described in s. 66.0903 (4), ~~66.0904 (3)~~, or 103.49 (2m) on a project. An employee is considered to be under the influence of alcohol for purposes of this subsection if

he or she has an alcohol concentration that is equal to or greater than the amount specified in s. 885.235 (1g) (d).

SECTION 2390zhi. 103.503 (3) (a) 2. of the statutes is amended to read:

103.503 (3) (a) 2. A requirement that employees performing the work described in s. 66.0903 (4), ~~66.0904 (3)~~, or 103.49 (2m) on a project submit to random, reasonable suspicion, and post-accident drug and alcohol testing and to drug and alcohol testing before commencing work on a project, except that testing of an employee before commencing work on a project is not required if the employee has been participating in a random testing program during the 90 days preceding the date on which the employee commenced work on the project.

SECTION 2390zk. 103.65 (2) of the statutes is amended to read:

103.65 (2) No minor ~~shall under 16 years of age~~ may be employed or permitted to work at any employment for such hours of the day or week, ~~or for~~ such days of the week, or at such periods of the day as ~~shall~~ may be dangerous or prejudicial to the life, health, safety, or welfare of ~~such~~ the minor.

SECTION 2390zL. 103.66 (2) of the statutes is amended to read:

103.66 (2) The department may investigate and fix reasonable classifications of employments and hours of employment for minors under 16 years of age and may issue general or special orders fixing for those minors maximum hours of employment ~~for minors~~ per day and per week, maximum days of employment per week, hours at which employment ~~shall~~ may begin and end, and the duration of lunch and other rest periods as are necessary to protect the life, health, safety, and welfare of those minors. For minors under 16 years of age, the department may not fix hours of employment that exceed the maximum hours per day and per week specified in s. 103.68 (2) (a) and (b), that exceed the maximum days per week specified in s. 103.68 (2) (c), or that begin earlier or end later than the hours specified in s. 103.68 (2) (d) and (e). For minors 16 years of age or over, the department may fix the duration of lunch and other rest periods, but may not limit hours of employment or issue general or special orders fixing maximum hours of employment per day or per week, maximum days of employment per week, or hours at which employment may begin and end.

SECTION 2390zm. 103.68 (1) of the statutes is amended to read:

103.68 (1) No minor ~~shall~~ may be employed or permitted to work at any gainful occupation ~~other than domestic service, farm labor, or service as an election inspector under s. 7.30 (2) (am)~~ for more than 8 hours in ~~any one day nor more than 40 hours nor more than 6 days in any one week, nor~~ during such hours as the minor is required under s. 118.15 to attend school.

SECTION 2390zn. 103.68 (2) of the statutes is renumbered 103.68 (2) (intro.) and amended to read:

103.68 (2) (intro.) No minor under 16 ~~shall years of age may~~ be employed or permitted to work in any gainful occupation, other than ~~domestic service or farm labor more than 24 hours in any one week, nor, except~~ in domestic service, farm labor, or in public exhibitions, as ~~defined provided~~ in s. 103.78, ~~or in street trades as defined in s. 103.21, before 7 a.m. nor after 6 p.m. as follows:~~

SECTION 2390zp. 103.68 (2) (a) to (e) of the statutes are created to read:

103.68 (2) (a) For more than 3 hours on a school day or 8 hours on a nonschool day.

(b) For more than 18 hours in a school week or 40 hours in a nonschool week.

(c) For more than 6 days in a week.

(d) Before 7:00 a.m. or after 7:00 p.m. from the day after Labor Day to May 31.

(e) Before 7:00 a.m. or after 9:00 p.m. from June 1 to Labor Day.

SECTION 2390zf. 104.001 (3) (am) of the statutes is repealed.

SECTION 2391. 106.14 (2) of the statutes is amended to read:

106.14 (2) The department shall publicize and maintain on its job center Web site information related to the job ~~programs under ss. 49.147 (3) and 49.162~~ so that employers and individuals seeking employment may obtain information about the ~~programs program~~, including how to participate in ~~them it~~.

SECTION 2392. 106.15 (3) (intro.) of the statutes is amended to read:

106.15 (3) GRANTS. (intro.) From the ~~appropriations appropriation~~ under s. 20.445 (1) ~~(bc), (jm), and (m)~~, the department shall make grants to persons providing employment and training activities to dislocated workers including all of the following:

SECTION 2393. 106.16 (3) of the statutes is amended to read:

106.16 (3) A state agency or an authority under ch. 231 or 234 shall notify the ~~department of commerce~~ Wisconsin Economic Development Corporation if it makes a loan or grant to a company.

SECTION 2394. 106.20 (1) (e) of the statutes is amended to read:

106.20 (1) (e) "Minority business" has the meaning given in s. ~~560.036~~ 16.287 (1) (e).

SECTION 2395. 106.30 (2) of the statutes is amended to read:

106.30 (2) SURVEY FORM. Each odd-numbered year, the department of workforce development shall develop and submit to the department of ~~regulation and licensing~~ safety and professional services a survey form to gather data under s. 441.01 (7) (a) 1. to assist the department of workforce development in evaluating the supply of,

demand for, and turnover among nurses in this state and in determining whether there are any regional shortages of nurses, shortages of nurses in any speciality areas, or impediments to entering the nursing profession in this state.

SECTION 2396. 106.30 (5) (a) of the statutes is amended to read:

106.30 (5) (a) From the appropriation account under s. 20.445 (1) (km), the department of workforce development shall award grants equal to the amount appropriated under s. 20.445 (1) (km) minus the amount expended under sub. (4) to a nonprofit statewide nursing center that is comprised of and led by nurses and that has demonstrated coordination with constituent groups within the nursing community, including professional nursing organizations; organizations representing nurse educators, staff nurses, and nurse managers or executives; labor organizations representing nurses; the department of ~~regulation and licensing~~ safety and professional services; the department of health services; and legislators who are concerned with issues affecting the nursing profession.

SECTION 2397. 106.30 (5) (b) of the statutes is amended to read:

106.30 (5) (b) A statewide nursing center that receives a grant under par. (a) shall use the grant moneys to develop strategies to ensure that there is a nursing workforce that is adequate to meet the current and future health care needs of this state. The statewide nursing center may use those moneys to fund activities that are aimed at ensuring such a nursing workforce, including monitoring trends in the applicant pool for nursing education programs; evaluating the effectiveness of nursing education programs in increasing access to those programs and in enhancing career mobility for nurses, especially for populations that are underrepresented in the nursing profession; and facilitating partnerships between the nursing community and other health care providers, the department of ~~regulation and licensing~~ safety and professional services, the business community, the legislature, and educators to promote diversity within the nursing profession, enhance career mobility and leadership development for nurses, and achieve consensus regarding policies aimed at ensuring an adequate nursing workforce in this state.

SECTION 2398. 106.50 (6) (a) 3. of the statutes is amended to read:

106.50 (6) (a) 3. The complaint may be filed by an aggrieved person, by an interested person, by the department of workforce development under par. (b) or, if the complaint charges a violation of sub. (2r) (c), by the department of ~~commerce~~ safety and professional services. The department of workforce development shall, upon request, provide appropriate assistance in completing and filing complaints.

SECTION 2399. 106.50 (6) (b) of the statutes is amended to read:

106.50 (6) (b) *Powers and duties of department.* The department of workforce development and its duly authorized agents may hold hearings, subpoena witnesses, take testimony and make investigations as provided in this subsection. The department of workforce development may test and investigate for the purpose of establishing violations of sub. (2), (2m) or (2r) and may make, sign and file complaints alleging violations of sub. (2), (2m) or (2r). In addition, the department of ~~commerce~~ safety and professional services may make, sign and file complaints alleging violations of sub. (2r) (c). The department of workforce development shall employ examiners to hear and decide complaints of discrimination under this section, and to assist in the administration of this section. The examiners may make findings and issue orders under this subsection. The department of workforce development shall develop and implement an investigation manual for use in conducting investigations under par. (c).

SECTION 2400. 107.30 (4) of the statutes is amended to read:

107.30 (4) "Department" means the department of ~~commerce~~ safety and professional services.

SECTION 2401. 107.30 (10) of the statutes is amended to read:

107.30 (10) "Mining damage appropriation" means the appropriation under s. ~~20.143(3)~~ 20.165(2) (a).

SECTION 2402. 107.31 (5) (a) (intro.) of the statutes is amended to read:

107.31 (5) (a) *Calculation.* (intro.) The mining damage reserve accumulation is calculated by subtracting the total amount of all mining damages awards paid from the appropriation under s. 20.445 (4) (a), 2001 stats., beginning on May 22, 1980 or paid from the appropriation under s. ~~20.143(3)~~ 20.165(2) (a) from the sum of:

SECTION 2403. 108.02 (21e) (intro.) of the statutes is amended to read:

108.02 (21e) PROFESSIONAL EMPLOYER ORGANIZATION. (intro.) "Professional employer organization" means any person who is currently registered as a professional employer organization with the department of ~~regulation and licensing~~ safety and professional services in accordance with ch. 461, who contracts to provide the nontemporary, ongoing employee workforce of more than one client under a written leasing contract, the majority of whose clients are not under the same ownership, management, or control as the person other than through the terms of the contract, and who under contract and in fact:

SECTION 2403e. 108.02 (26m) of the statutes is created to read:

108.02 (26m) WAITING PERIOD. "Waiting period" means any period of time under s. 108.04 (3) for which no benefits are payable to a claimant as a condition precedent to receipt of benefits.

SECTION 2403s. 108.04 (3) of the statutes is created to read:

108.04 (3) WAITING PERIOD. The first week of a claimant's benefit year for which the claimant has timely applied and is otherwise eligible for regular benefits under this chapter is the claimant's waiting period for that benefit year.

SECTION 2403t. 108.04 (8) (b) of the statutes is created to read:

108.04 (8) (b) 1. An employee's failure to accept an offer of work under par. (a) includes:

a. The employee's refusal without good cause to take a test for illegal drugs given on behalf of the employer as a condition of employment; or

b. The employer's withdrawal of or failure to extend an offer of work due to a positive test result.

2. For purposes of this paragraph, a drug test shall not be found to be positive for illegal drugs unless the test was conducted and certified in a manner approved by the department.

3. This paragraph applies only to the extent permitted by federal law.

SECTION 2403u. 108.04 (13) (cm) of the statutes is created to read:

108.04 (13) (cm) An employer shall report to the department an employee's positive drug test or refusal to take such a test under sub. (8) (b), as the department requires or approves.

SECTION 2403x. 108.09 (4r) of the statutes is created to read:

108.09 (4r) DEPARTMENTAL RECORDS RELATING TO DRUG TEST INFORMATION. The department shall retain drug test information obtained under s. 108.04 (13) (cm) for the purpose of determining eligibility for benefits.

SECTION 2404. 109.07 (1m) (b) of the statutes is amended to read:

109.07 (1m) (b) The department shall promptly provide a copy of the notice required under par. (a) ~~to the department of commerce and~~ to the office of the commissioner of insurance and shall cooperate ~~with the department of commerce in the performance of its responsibilities under s. 560.15 and~~ with the office of the commissioner of insurance in the performance of its responsibilities under s. 601.41 (7).

SECTION 2404c. 109.09 (1) of the statutes is amended to read:

109.09 (1) The department shall investigate and attempt equitably to adjust controversies between employers and employees as to alleged wage claims. The department may receive and investigate any wage claim which is filed with the department, or received by the department under s. 109.10 (4), no later than 2 years after the date the wages are due. The department may, after receiving a wage claim, investigate any wages due from the employer against whom the claim is filed to any

employee during the period commencing 2 years before the date the claim is filed. The department shall enforce this chapter and ss. 66.0903, ~~66.0904~~, 103.02, 103.49, 103.82, 104.12, and 229.8275. In pursuance of this duty, the department may sue the employer on behalf of the employee to collect any wage claim or wage deficiency and ss. 109.03 (6) and 109.11 (2) and (3) shall apply to such actions. Except for actions under s. 109.10, the department may refer such an action to the district attorney of the county in which the violation occurs for prosecution and collection and the district attorney shall commence an action in the circuit court having appropriate jurisdiction. Any number of wage claims or wage deficiencies against the same employer may be joined in a single proceeding, but the court may order separate trials or hearings. In actions that are referred to a district attorney under this subsection, any taxable costs recovered by the district attorney shall be paid into the general fund of the county in which the violation occurs and used by that county to meet its financial responsibility under s. 978.13 (2) (b) for the operation of the office of the district attorney who prosecuted the action.

SECTION 2404g. 110.08 (2) of the statutes is amended to read:

110.08 (2) Except as provided under sub. (5) (b) and s. 343.16 (1) (b) to (c), all examinations for operator's licenses and permits shall be given by state examiners.

SECTION 2404k. 110.08 (5) of the statutes is created to read:

110.08 (5) (a) The department shall provide in each county, directly or by contract as described in par. (b), at least 20 hours per week of services relating to operator's licenses and identification cards.

(b) The department shall provide the services required under par. (a) by the most cost-effective means possible, which may include contracting with counties or other local governments to provide these services. Notwithstanding any provision of ss. 343.14 and 343.16, a contract between the department and a county or other local government under this paragraph may authorize an employee of the county or local government to conduct any examination for an operator's license except a driving skills test. The department may require any employee of a county or local government who provides services under a contract entered into under this paragraph to satisfy any requirement under s. 110.09 that would be required of an employee of the department.

SECTION 2404q. 111.322 (2m) (c) of the statutes is amended to read:

111.322 (2m) (c) The individual files a complaint or attempts to enforce a right under s. 66.0903, ~~66.0904~~, 103.49, or 229.8275 or testifies or assists in any action or proceeding under s. 66.0903, ~~66.0904~~, 103.49, or 229.8275.

SECTION 2404t. 111.335 (1) (cv) of the statutes is amended to read:

111.335 (1) (cv) Notwithstanding s. 111.322, it is not employment discrimination because of conviction record to refuse to employ in a position in the classified service ~~or in a position described in s. 230.08 (2) (k)~~ a person who has been convicted under 50 USC, Appendix, section 462 for refusing to register with the selective service system and who has not been pardoned.

SECTION 2405p. 111.70 (1) (a) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (1) (a) "Collective bargaining" means the performance of the mutual obligation of a municipal employer, through its officers and agents, and the representative of its municipal employees in a collective bargaining unit, to meet and confer at reasonable times, in good faith, with the intention of reaching an agreement, or to resolve questions arising under such an agreement, with respect to wages, hours, and conditions of employment for public safety employees or transit employees and with respect to wages for general municipal employees, and with respect to a requirement of the municipal employer for a municipal employee to perform law enforcement and fire fighting services under s. 60.553, 61.66, or 62.13 (2e), except as provided in sub. (4) (mb) and (mc) and s. 40.81 (3) and except that a municipal employer shall not meet and confer with respect to any proposal to diminish or abridge the rights guaranteed to any public safety employees under ch. 164. Collective bargaining includes the reduction of any agreement reached to a written and signed document.

SECTION 2406cg. 111.70 (1) (f) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (1) (f) "Fair-share agreement" means an agreement between a municipal employer and a labor organization that represents public safety employees or transit employees under which all or any of the public safety employees or transit employees in the collective bargaining unit are required to pay their proportionate share of the cost of the collective bargaining process and contract administration measured by the amount of dues uniformly required of all members.

SECTION 2406cr. 111.70 (1) (fm) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (1) (fm) "General municipal employee" means a municipal employee who is not a public safety employee or a transit employee.

SECTION 2406d. 111.70 (1) (mm) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (1) (mm) "Public safety employee" means any municipal employee who is employed in a position that, on the effective date of this paragraph [LRB inserts date], is one of the following:

1. Classified as a protective occupation participant under any of the following:

a. Section 40.02 (48) (am) 9., 10., 13., 15., or 22.

b. A provision that is comparable to a provision under subd. 1. a. that is in a county or city retirement system.

2. An emergency medical service provider for the emergency medical services departments in Door and Waushara counties.

SECTION 2406fg. 111.70 (1) (n) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (1) (n) "Referendum" means a proceeding conducted by the commission in which public safety employees or transit employees in a collective bargaining unit may cast a secret ballot on the question of authorizing a labor organization and the employer to continue a fair-share agreement.

SECTION 2406gh. 111.70 (1) (p) of the statutes is created to read:

111.70 (1) (p) "Transit employee" means a municipal employee who is determined to be a transit employee under sub. (4) (bm).

SECTION 2406hg. 111.70 (2) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (2) RIGHTS OF MUNICIPAL EMPLOYEES. Municipal employees have the right of self-organization, and the right to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in lawful, concerted activities for the purpose of collective bargaining or other mutual aid or protection. Municipal employees have the right to refrain from any and all such activities. A general municipal employee has the right to refrain from paying dues while remaining a member of a collective bargaining unit. A public safety employee or a transit employee, however, may be required to pay dues in the manner provided in a fair-share agreement; a fair-share agreement covering a public safety employee or a transit employee must contain a provision requiring the municipal employer to deduct the amount of dues as certified by the labor organization from the earnings of the employee affected by the fair-share agreement and to pay the amount deducted to the labor organization. A fair-share agreement covering a public safety employee or transit employee is subject to the right of the municipal employer or a labor organization to petition the commission to conduct a referendum. Such petition must be supported by proof that at least 30% of the employees in the collective bargaining unit desire that the fair-share agreement be terminated. Upon so finding, the commission shall conduct a referendum. If the continuation of the agreement is not supported by at least the majority of the eligible employees, it shall terminate. The commission shall declare any fair-share agreement suspended upon such conditions and for such time as the commis-

sion decides whenever it finds that the labor organization involved has refused on the basis of race, color, sexual orientation, creed, or sex to receive as a member any public safety employee or transit employee of the municipal employer in the bargaining unit involved, and such agreement is subject to this duty of the commission. Any of the parties to such agreement or any public safety employee or transit employee covered by the agreement may come before the commission, as provided in s. 111.07, and ask the performance of this duty.

SECTION 2406hr. 111.70 (3) (a) 3. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (3) (a) 3. To encourage or discourage a membership in any labor organization by discrimination in regard to hiring, tenure, or other terms or conditions of employment; but the prohibition shall not apply to a fair-share agreement that covers public safety employees or transit employees.

SECTION 2406ir. 111.70 (3) (a) 5. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (3) (a) 5. To violate any collective bargaining agreement previously agreed upon by the parties with respect to wages, hours and conditions of employment affecting public safety employees or transit employees, including an agreement to arbitrate questions arising as to the meaning or application of the terms of a collective bargaining agreement or to accept the terms of such arbitration award, where previously the parties have agreed to accept such award as final and binding upon them or to violate any collective bargaining agreement affecting general municipal employees, that was previously agreed upon by the parties with respect to wages.

SECTION 2406pg. 111.70 (3) (a) 6. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (3) (a) 6. To deduct labor organization dues from the earnings of a public safety employee or a transit employee, unless the municipal employer has been presented with an individual order therefor, signed by the employee personally, and terminable by at least the end of any year of its life or earlier by the public safety employee or transit employee giving at least 30 days' written notice of such termination to the municipal employer and to the representative organization, except when a fair-share agreement is in effect.

SECTION 2406prm. 111.70 (3) (a) 7m. of the statutes is created to read:

111.70 (3) (a) 7m. To refuse or otherwise fail to implement an arbitration decision lawfully made under sub. (4) (cg).

SECTION 2406rg. 111.70 (3) (a) 9. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (3) (a) 9. If the collective bargaining unit contains a public safety employee or transit employee, after a collective bargaining agreement expires and before another collective bargaining agreement takes effect, to fail to follow any fair-share agreement in the expired collective bargaining agreement.

SECTION 2406rm. 111.70 (3) (b) 6m. of the statutes is created to read:

111.70 (3) (b) 6m. To refuse or otherwise fail to implement an arbitration decision lawfully made under sub. (4) (cg).

SECTION 2407bt. 111.70 (4) (bm) of the statutes is created to read:

111.70 (4) (bm) *Transit employee determination.* The commission shall determine that any municipal employee is a transit employee if the commission determines that the municipal employer who employs the municipal employee would lose federal funding under 49 USC 5333 (b) if the municipal employee is not a transit employee.

SECTION 2407dg. 111.70 (4) (c) 2. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (4) (c) 2. 'Arbitration.' Parties to a dispute pertaining to the meaning or application of the terms of a written collective bargaining agreement involving a collective bargaining unit containing a public safety employee may agree in writing to have the commission or any other appropriate agency serve as arbitrator or may designate any other competent, impartial and disinterested person to so serve.

SECTION 2407ep. 111.70 (4) (cg) of the statutes is created to read:

111.70 (4) (cg) *Methods for peaceful settlement of disputes; transit employees.* 1. 'Notice of commencement of contract negotiations.' To advise the commission of the commencement of contract negotiations involving a collective bargaining unit containing transit employees, whenever either party requests the other to reopen negotiations under a binding collective bargaining agreement, or the parties otherwise commence negotiations if no collective bargaining agreement exists, the party requesting negotiations shall immediately notify the commission in writing. Upon failure of the requesting party to provide notice, the other party may provide notice to the commission. The notice shall specify the expiration date of the existing collective bargaining agreement, if any, and shall provide any additional information the commission may require on a form provided by the commission.

2. 'Presentation of initial proposals; open meetings.' The meetings between parties to a collective bargaining agreement or proposed collective bargaining agreement under this subchapter that involve a collective bargaining unit containing a transit employee and that are held to present initial bargaining proposals, along with support-

ing rationale, are open to the public. Each party shall submit its initial bargaining proposals to the other party in writing. Failure to comply with this subdivision does not invalidate a collective bargaining agreement under this subchapter.

3. 'Mediation.' The commission or its designee shall function as mediator in labor disputes involving transit employees upon request of one or both of the parties, or upon initiation of the commission. The function of the mediator is to encourage voluntary settlement by the parties. No mediator has the power of compulsion.

4. 'Grievance arbitration.' Parties to a dispute pertaining to the meaning or application of the terms of a written collective bargaining agreement involving a collective bargaining unit containing a transit employee may agree in writing to have the commission or any other appropriate agency serve as arbitrator or may designate any other competent, impartial, and disinterested person to serve as an arbitrator.

5. 'Voluntary impasse resolution procedures.' In addition to the other impasse resolution procedures provided in this paragraph, a municipal employer that employs a transit employee and labor organization may at any time, as a permissive subject of bargaining, agree in writing to a dispute settlement procedure, including binding interest arbitration, which is acceptable to the parties for resolving an impasse over terms of any collective bargaining agreement under this subchapter. The parties shall file a copy of the agreement with the commission. If the parties agree to any form of binding interest arbitration, the arbitrator shall give weight to the factors enumerated under subsd. 7. and 7g.

6. 'Interest arbitration.' a. If in any collective bargaining unit containing transit employees a dispute has not been settled after a reasonable period of negotiation and after mediation by the commission under subd. 3. and other settlement procedures, if any, established by the parties have been exhausted, and the parties are deadlocked with respect to any dispute between them over wages, hours, or conditions of employment to be included in a new collective bargaining agreement, either party, or the parties jointly, may petition the commission, in writing, to initiate compulsory, final, and binding arbitration, as provided in this paragraph. At the time the petition is filed, the petitioning party shall submit in writing to the other party and the commission its preliminary final offer containing its latest proposals on all issues in dispute. Within 14 calendar days after the date of that submission, the other party shall submit in writing its preliminary final offer on all disputed issues to the petitioning party and the commission. If a petition is filed jointly, both parties shall exchange their preliminary final offers in writing and submit copies to the commission when the petition is filed.

am. Upon receipt of a petition under subd. 6. a. to initiate arbitration, the commission shall determine, with or

without a formal hearing, whether arbitration should be commenced. If in determining whether an impasse exists the commission finds that the procedures under this paragraph have not been complied with and compliance would tend to result in a settlement, it may order compliance before ordering arbitration. The validity of any arbitration award or collective bargaining agreement is not affected by failure to comply with the procedures. Prior to the close of the investigation each party shall submit in writing to the commission its single final offer containing its final proposals on all issues in dispute that are subject to interest arbitration under this subdivision. If a party fails to submit a single, ultimate final offer, the commission shall use the last written position of the party. Such final offers may include only mandatory subjects of bargaining, except that a permissive subject of bargaining may be included by a party if the other party does not object and is then treated as a mandatory subject. At that time, the parties shall submit to the commission a stipulation, in writing, with respect to all matters that they agree to include in the new or amended collective bargaining agreement. The commission, after determining that arbitration should be commenced, shall issue an order requiring arbitration and immediately submit to the parties a list of 7 arbitrators. The parties shall alternately strike names from the list until one name is left that person shall be appointed arbitrator. The petitioning party shall notify the commission in writing of the identity of the arbitrator. The commission shall then formally appoint the arbitrator and submit to him or her the final offers of the parties. The final offers are public documents and the commission shall make them available. In lieu of a single arbitrator and upon request of both parties, the commission shall appoint a tripartite arbitration panel consisting of one member selected by each of the parties and a neutral person designated by the commission who shall serve as a chairperson. An arbitration panel has the same powers and duties provided in this section as any other appointed arbitrator, and all arbitration decisions by a panel shall be determined by majority vote. In lieu of selection of the arbitrator by the parties and upon request of both parties, the commission shall establish a procedure for randomly selecting names of arbitrators. Under the procedure, the commission shall submit a list of 7 arbitrators to the parties. Each party shall strike one name from the list. From the remaining 5 names, the commission shall randomly appoint an arbitrator. Unless both parties to an arbitration proceeding otherwise agree in writing, every individual whose name is submitted by the commission for appointment as an arbitrator must be a resident of this state at the time of submission and every individual who is designated as an arbitration panel chairperson must be a resident of this state at the time of designation.

b. The arbitrator shall, within 10 days of his or her appointment under subd. 6. am., establish a date and

place for the arbitration hearing. Upon petition of at least 5 citizens of the jurisdiction served by the municipal employer, filed within 10 days after the date on which the arbitrator is appointed, the arbitrator shall hold a public hearing in the jurisdiction to provide both parties the opportunity to present supporting arguments for their positions and to provide to members of the public the opportunity to offer their comments. The final offers of the parties, as transmitted by the commission to the arbitrator, are the basis for continued negotiations, if any, between the parties with respect to the issues in dispute. At any time prior to the arbitration hearing, either party, with the consent of the other party, may modify its final offer in writing.

c. Before issuing his or her arbitration decision, the arbitrator shall, on his or her own motion or at the request of either party, conduct a meeting open to the public to provide the opportunity to both parties to present supporting arguments for their complete offer on all matters to be covered by the proposed agreement. The arbitrator shall adopt without further modification the final offer of one of the parties on all disputed issues submitted under subd. 6. am., except those items that the commission determines not to be mandatory subjects of bargaining and those items that have not been treated as mandatory subjects by the parties, and including any prior modifications of the offer mutually agreed upon by the parties under subd. 6. b. The decision shall be final and binding on both parties and shall be incorporated into a written collective bargaining agreement. The arbitrator shall serve a copy of his or her decision on both parties and the commission.

e. Arbitration proceedings may not be interrupted or terminated by reason of any prohibited practice complaint filed by either party at any time.

f. The parties shall divide the costs of arbitration equally. The arbitrator shall submit a statement of his or her costs to both parties and to the commission.

g. If a question arises as to whether any proposal made in negotiations by either party is a mandatory, permissive, or prohibited subject of bargaining, the commission shall determine the issue under par. (b). If either party to the dispute petitions the commission for a declaratory ruling under par. (b), the proceedings under subd. 6. c. shall be delayed until the commission renders a decision in the matter, but not during any appeal of the commission order. The arbitrator's award shall be made in accordance with the commission's ruling, subject to automatic amendment by any subsequent court reversal.

7. 'Factor given greatest weight.' In making any decision under the arbitration procedures under this paragraph, the arbitrator or arbitration panel shall consider and shall give the greatest weight to the economic conditions in the jurisdiction of the municipal employer. The arbitrator or arbitration panel shall give an accounting of

the consideration of this factor in the arbitrator's or panel's decision.

7g. 'Factor given greater weight.' In making any decision under the arbitration procedures under this paragraph, the arbitrator or arbitration panel shall consider and shall give greater weight to any state law or directive lawfully issued by a state legislative or administrative officer, body, or agency that places limitations on expenditures that may be made or revenues that may be collected by a municipal employer than to any of the factors specified in subd. 7r.

7r. 'Other factors considered.' In making any decision under the arbitration procedures under by this paragraph, the arbitrator or arbitration panel shall give weight to the following factors:

- a. The lawful authority of the municipal employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.
- d. Comparison of wages, hours and conditions of employment of the transit employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing similar services.
- e. Comparison of the wages, hours and conditions of employment of the transit employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees generally in public employment in the same community and in comparable communities.
- f. Comparison of the wages, hours and conditions of employment of the transit employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees in private employment in the same community and in comparable communities.
- g. The average consumer prices for goods and services, commonly known as the cost of living.
- h. The overall compensation presently received by the transit employees, including direct wage compensation, vacation, holidays, and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- i. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- j. Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

8. 'Rule making.' The commission shall adopt rules for the conduct of all arbitration proceedings under subd. 6., including, but not limited to, rules for:

- a. The appointment of tripartite arbitration panels when requested by the parties.
- b. The expeditious rendering of arbitration decisions, such as waivers of briefs and transcripts.
- c. The removal of individuals who have repeatedly failed to issue timely decisions from the commission's list of qualified arbitrators.
- d. Proceedings for the enforcement of arbitration decisions.

8m. 'Term of agreement; reopening of negotiations.' Except for the initial collective bargaining agreement between the parties and except as the parties otherwise agree, every collective bargaining agreement covering transit employees shall be for a term of 2 years, but in no case may a collective bargaining agreement for any collective bargaining unit consisting of transit employees subject to this paragraph be for a term exceeding 3 years. No arbitration award involving transit employees may contain a provision for reopening of negotiations during the term of a collective bargaining agreement, unless both parties agree to such a provision. The requirement for agreement by both parties does not apply to a provision for reopening of negotiations with respect to any portion of an agreement that is declared invalid by a court or administrative agency or rendered invalid by the enactment of a law or promulgation of a federal regulation.

9. 'Application.' Chapter 788 does not apply to arbitration proceedings under this paragraph.

SECTION 2408b. 111.70 (4) (d) 2. a. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (4) (d) 2. a. The commission shall determine the appropriate collective bargaining unit for the purpose of collective bargaining and shall whenever possible avoid fragmentation by maintaining as few collective bargaining units as practicable in keeping with the size of the total municipal workforce. The commission may decide whether, in a particular case, the municipal employees in the same or several departments, divisions, institutions, crafts, professions, or other occupational groupings constitute a collective bargaining unit. Before making its determination, the commission may provide an opportunity for the municipal employees concerned to determine, by secret ballot, whether they desire to be established as a separate collective bargaining unit. The commission may not decide, however, that any group of municipal employees constitutes an appropriate collective bargaining unit if the group includes both professional employees and nonprofessional employees, unless a majority of the professional employees vote for inclu-

sion in the unit. The commission may not decide that any group of municipal employees constitutes an appropriate collective bargaining unit if the group includes both school district employees and general municipal employees who are not school district employees. The commission may not decide that any group of municipal employees constitutes an appropriate collective bargaining unit if the group includes both public safety employees and general municipal employees, if the group include includes both transit employees and general municipal employees, or if the group includes both transit employees and public safety employees. The commission may not decide that any group of municipal employees constitutes an appropriate collective bargaining unit if the group includes both craft employees and noncraft employees unless a majority of the craft employees vote for inclusion in the unit. The commission shall place the professional employees who are assigned to perform any services at a charter school, as defined in s. 115.001 (1), in a separate collective bargaining unit from a unit that includes any other professional employees whenever at least 30% of those professional employees request an election to be held to determine that issue and a majority of the professional employees at the charter school who cast votes in the election decide to be represented in a separate collective bargaining unit.

SECTION 2408ch. 111.70 (4) (d) 3. b. of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (4) (d) 3. b. Annually, the commission shall conduct an election to certify the representative of the collective bargaining unit that contains a general municipal employee. The election shall occur no later than December 1 for a collective bargaining unit containing school district employees and no later than May 1 for a collective bargaining unit containing general municipal employees who are not school district employees. The commission shall certify any representative that receives at least 51 percent of the votes of all of the general municipal employees in the collective bargaining unit. If no representative receives at least 51 percent of the votes of all of the general municipal employees in the collective bargaining unit, at the expiration of the collective bargaining agreement, the commission shall decertify the current representative and the general municipal employees shall be nonrepresented. Notwithstanding sub. (2), if a representative is decertified under this subd. 3. b., the affected general municipal employees may not be included in a substantially similar collective bargaining unit for 12 months from the date of decertification. The commission shall assess and collect a certification fee for each election conducted under this subd. 3. b. Fees collected under this subd. 3. b. shall be credited to the appropriation account under s. 20.425 (1) (i).

SECTION 2408cv. 111.70 (4) (jm) 4w. of the statutes is created to read:

111.70 (4) (jm) 4w. In determining the proper compensation to be received by members of the police department under subd. 4., the arbitrator shall give greater weight to the economic conditions in the 1st class city than the arbitrator gives to the factors under subd. 5. The arbitrator shall give an accounting of the consideration of this factor in the arbitrator's decision.

SECTION 2408cx. 111.70 (4) (jm) 5. (intro.) of the statutes is amended to read:

111.70 (4) (jm) 5. (intro.) In determining the proper compensation to be received by members of the police department under subd. 4., in addition to the factor under subd. 4w., the arbitrator shall utilize:

SECTION 2409bg. 111.70 (4) (mb) 2. b. of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (4) (mb) 2. b. If there is a decrease or no change in the consumer price index change, provides for any change in total base wages for authorized positions in the proposed collective bargaining agreement from the total base wages for authorized positions 180 days before the expiration of the previous collective bargaining agreement.

SECTION 2409br. 111.70 (4) (mbb) of the statutes is created to read:

111.70 (4) (mbb) For purposes of determining compliance with par. (mb), the commission shall provide, upon request, to a municipal employer or to any representative of a collective bargaining unit containing a general municipal employee, the consumer price index change during any 12-month period. The commission may get the information from the department of revenue.

SECTION 2409cp. 111.70 (4) (mc) 1., 2. and 3. of the statutes are repealed.

SECTION 2409cy. 111.70 (4) (mc) 5. and 6. of the statutes are created to read:

111.70 (4) (mc) 5. If the collective bargaining unit contains a public safety employee who is initially employed on or after the effective date of this subdivision ... [LRB inserts date], the requirement under ss. 40.05 (1) (b), 59.875, and 62.623 that the municipal employer may not pay, on behalf of that public safety employee any employee required contributions or the employee share of required contributions, and the impact of this requirement on the wages, hours, and conditions of employment of that public safety employee. If a public safety employee is initially employed by a municipal employer before the effective date of this subdivision ... [LRB inserts date], this subdivision does not apply to that public safety employee if he or she is employed as a public safety employee by a successor municipal employer in the event of a combined department that is created on or after that date.

6. The design and selection of health care coverage plans by the municipal employer for public safety employees, and the impact of the design and selection of

the health care coverage plans on the wages, hours, and conditions of employment of the public safety employee.

SECTION 2409db. 111.70 (4) (p) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (4) (p) *Permissive subjects of collective bargaining; public safety and transit employees.* A municipal employer is not required to bargain with public safety employees or transit employees on subjects reserved to management and direction of the governmental unit except insofar as the manner of exercise of such functions affects the wages, hours, and conditions of employment of the public safety employees or of the transit employees in a collective bargaining unit.

SECTION 2409fg. 111.70 (7m) (c) 1. a. of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (7m) (c) 1. a. Any labor organization that represents public safety employees or transit employees which violates sub. (4) (L) may not collect any dues under a collective bargaining agreement or under a fair-share agreement from any employee covered by either agreement for a period of one year. At the end of the period of suspension, any such agreement shall be reinstated unless the labor organization is no longer authorized to represent the public safety employees or transit employees covered by the collective bargaining agreement or fair-share agreement or the agreement is no longer in effect.

SECTION 2409gr. 111.70 (8) (a) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.70 (8) (a) This section, except sub. (4) (cg) and (cm), applies to law enforcement supervisors employed by a 1st class city. This section, except sub. (4) (cm) and (jm), applies to law enforcement supervisors employed by a county having a population of 500,000 or more. For purposes of such application, the terms "municipal employee" and "public safety employee" include such a supervisor.

SECTION 2409hg. 111.71 (2) of the statutes, as affected by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.71 (2) The commission shall assess and collect a filing fee for filing a complaint alleging that a prohibited practice has been committed under s. 111.70 (3). The commission shall assess and collect a filing fee for filing a request that the commission act as an arbitrator to resolve a dispute involving the interpretation or application of a collective bargaining agreement under s. 111.70 (4) (c) 2., (cg) 4., or (cm) 4. The commission shall assess and collect a filing fee for filing a request that the commission initiate fact-finding under s. 111.70 (4) (c) 3. The commission shall assess and collect a filing fee for filing a request that the commission act as a mediator under s. 111.70 (4) (c) 1., (cg) 3., or (cm) 3. The commis-

sion shall assess and collect a filing fee for filing a request that the commission initiate compulsory, final and binding arbitration under s. 111.70 (4) (cg) 6. or (jm) or 111.77 (3). For the performance of commission actions under ss. 111.70 (4) (c) 1., 2. and 3., (cg) 3., 4., and 6., (cm) 3. and 4., and (jm) and 111.77 (3), the commission shall require that the parties to the dispute equally share in the payment of the fee and, for the performance of commission actions involving a complaint alleging that a prohibited practice has been committed under s. 111.70 (3), the commission shall require that the party filing the complaint pay the entire fee. If any party has paid a filing fee requesting the commission to act as a mediator for a labor dispute and the parties do not enter into a voluntary settlement of the dispute, the commission may not subsequently assess or collect a filing fee to initiate fact-finding or arbitration to resolve the same labor dispute. If any request for the performance of commission actions concerns issues arising as a result of more than one unrelated event or occurrence, each such separate event or occurrence shall be treated as a separate request. The commission shall promulgate rules establishing a schedule of filing fees to be paid under this subsection. Fees required to be paid under this subsection shall be paid at the time of filing the complaint or the request for fact-finding, mediation or arbitration. A complaint or request for fact-finding, mediation or arbitration is not filed until the date such fee or fees are paid, except that the failure of the respondent party to pay the filing fee for having the commission initiate compulsory, final and binding arbitration under s. 111.70 (4) (cg) 6. or (jm) or 111.77 (3) may not prohibit the commission from initiating such arbitration. The commission may initiate collection proceedings against the respondent party for the payment of the filing fee. Fees collected under this subsection shall be credited to the appropriation account under s. 20.425 (1) (i).

SECTION 2409hrm. 111.71 (4m) of the statutes is created to read:

111.71 (4m) The commission shall collect on a systematic basis information on the operation of the arbitration law under s. 111.70 (4) (cg). The commission shall report on the operation of the law to the legislature on an annual basis. The report shall be submitted to the chief clerk of each house of the legislature for distribution to the legislature under s. 13.172 (2).

SECTION 2409igm. 111.71 (5m) of the statutes is created to read:

111.71 (5m) The commission shall, on a regular basis, provide training programs to prepare individuals for service as arbitrators or arbitration panel members under s. 111.70 (4) (cg). The commission shall engage in appropriate promotional and recruitment efforts to encourage participation in the training programs by individuals throughout the state, including at least 10 residents of each congressional district. The commission may also provide training programs to individuals and

organizations on other aspects of collective bargaining, including on areas of management and labor cooperation directly or indirectly affecting collective bargaining. The commission may charge a reasonable fee for participation in the programs.

SECTION 2409it. 111.77 (6) of the statutes is renumbered 111.77 (6) (bm), and 111.77 (6) (bm) (intro.), as renumbered, is amended to read:

111.77 (6) (bm) (intro.) In reaching a decision, in addition to the factors under par. (am), the arbitrator shall give weight to the following factors:

SECTION 2409iv. 111.77 (6) (am) of the statutes is created to read:

111.77 (6) (am) In reaching a decision, the arbitrator shall give greater weight to the economic conditions in the jurisdiction of the municipal employer than the arbitrator gives to the factors under par. (bm). The arbitrator shall give an accounting of the consideration of this factor in the arbitrator's decision.

SECTION 2409jn. 111.77 (9) of the statutes is amended to read:

111.77 (9) Section 111.70 (4) (c) 3., (cg), and (cm) shall does not apply to employments covered by this section.

SECTION 2410a. 111.81 (7) (ar) of the statutes is created to read:

111.81 (7) (ar) Any employee who is employed by the University of Wisconsin System, except an employee who is assigned to the University of Wisconsin-Madison, and except academic faculty under s. 36.13 and academic staff under s. 36.15.

SECTION 2410b. 111.81 (7) (at) of the statutes is created to read:

111.81 (7) (at) Any employee who is employed by the University of Wisconsin System and assigned to the University of Wisconsin-Madison except academic faculty under s. 36.13 and academic staff under s. 36.15.

SECTION 2410c. 111.815 (1) of the statutes is amended to read:

111.815 (1) In the furtherance of this subchapter, the state shall be considered as a single employer and employment relations policies and practices throughout the state service shall be as consistent as practicable. The office shall negotiate and administer collective bargaining agreements except that the department of health services, subject to the approval of the federal centers for medicare and medicaid services to use collective bargaining as the method of setting rates for reimbursement of home care providers, shall negotiate and administer collective bargaining agreements entered into with the collective bargaining unit specified in s. 111.825 (2g). To coordinate the employer position in the negotiation of agreements, the office, or the department of health services with regard to collective bargaining agreements entered into with the collective bargaining unit specified in s. 111.825 (2g), shall maintain close liaison with the

legislature relative to the negotiation of agreements and the fiscal ramifications of those agreements. Except with respect to the collective bargaining units specified in s. 111.825 (1m), ~~(2)(f), (1r), (1t), and (2g)~~, the office is responsible for the employer functions of the executive branch under this subchapter, and shall coordinate its collective bargaining activities with operating state agencies on matters of agency concern. The legislative branch shall act upon those portions of tentative agreements negotiated by the office that require legislative action. With respect to the collective bargaining units specified in s. 111.825 (1m), the University of Wisconsin Hospitals and Clinics Board is responsible for the employer functions under this subchapter. With respect to the collective bargaining units specified in s. 111.825 (1r), the Board of Regents of the University of Wisconsin System is responsible for the employer functions under this subchapter. With respect to the collective bargaining units specified in s. 111.825 (1t), the chancellor of the University of Wisconsin-Madison is responsible for the employer functions under this subchapter. With respect to the collective bargaining unit specified in s. 111.825 ~~(2)(f) (1r) (ef)~~, the governing board of the charter school established by contract under s. 118.40 (2r) (cm) is responsible for the employer functions under this subchapter. With respect to the collective bargaining unit specified in s. 111.825 (2g), the department of health services is responsible for the employer functions of the executive branch under this subchapter.

SECTION 2410d. 111.815 (2) of the statutes is amended to read:

111.815 (2) In the furtherance of the policy under s. 111.80 (4), the director of the office shall, together with the appointing authorities or their representatives, represent the state in its responsibility as an employer under this subchapter except with respect to negotiations in the collective bargaining units specified in s. 111.825 (1m), ~~(2)(f), (1r), (1t), and (2g)~~. The director of the office shall establish and maintain, wherever practicable, consistent employment relations policies and practices throughout the state service.

SECTION 2410e. 111.825 (1r) of the statutes is created to read:

111.825 (1r) Except as provided in sub. (2), collective bargaining units for employees who are employed by the University of Wisconsin System, other than employees who are assigned to the University of Wisconsin-Madison, are structured with one collective bargaining unit for each of the following occupational groups:

- (a) Administrative support.
- (b) Blue collar and nonbuilding trades.
- (c) Building trades crafts.
- (cm) Law enforcement.
- (d) Security and public safety.
- (e) Technical.
- (f) Professional:

1. Fiscal and staff services.
2. Research, statistics, and analysis.
3. Legal.
4. Patient treatment.
5. Patient care.
6. Social services.
7. Education.
8. Engineering.
9. Science.

SECTION 2410f. 111.825 (1t) of the statutes is created to read:

111.825 (1t) Except as provided in sub. (2), collective bargaining units for employees employed by the University of Wisconsin System and assigned to the University of Wisconsin–Madison are structured with one collective bargaining unit for each of the following occupational groups:

- (a) Administrative support.
- (b) Blue collar and nonbuilding trades.
- (c) Building trades crafts.
- (cm) Law enforcement.
- (d) Security and public safety.
- (e) Technical.
- (f) Professional:
 1. Fiscal and staff services.
 2. Research, statistics, and analysis.
 3. Legal.
 4. Patient treatment.
 5. Patient care.
 6. Social services.
 7. Education.
 8. Engineering.
 9. Science.

SECTION 2410g. 111.825 (2) (a) of the statutes is renumbered 111.825 (1t) (em) and amended to read:

111.825 (1t) (em) The program, project, and teaching assistants of the University of Wisconsin–Madison ~~and~~ (1r) (em) The program, project, and teaching assistants of the University of Wisconsin–Extension.

SECTION 2410h. 111.825 (2) (b), (c) and (f) of the statutes are renumbered 111.825 (1r) (eb), (ec) and (ef).

SECTION 2410i. 111.825 (2) (g) of the statutes is renumbered 111.825 (1t) (er) and amended to read:

111.825 (1t) (er) Research assistants of the University of Wisconsin–Madison ~~and~~ (1r) (er) Research assistants of the University of Wisconsin–Extension.

SECTION 2410j. 111.825 (2) (h) and (i) of the statutes are renumbered 111.825 (1r) (eh) and (ei).

SECTION 2410k. 111.825 (3) of the statutes is amended to read:

111.825 (3) The commission shall assign employees to the appropriate collective bargaining units set forth in subs. (1), (1m), (1r), (1t), (2), and (2g).

SECTION 2410L. 111.825 (3m) of the statutes is created to read:

111.825 (3m) If, on or after the effective date of this subsection [LRB inserts date], the University of Wisconsin–Madison or the Board of Regents of the University of Wisconsin System creates a new position title or classification for a position, the commission shall, within 30 days of being notified of the creation, determine if the title or classification would make the person who holds the position an employee under s. 111.81 (7) (ar) or (at) and assign any new position title or classification that would make the position holder an employee to the appropriate collective bargaining unit under s. 111.825 (1r) or (1t).

SECTION 2410m. 111.825 (4) of the statutes is amended to read:

111.825 (4) Any labor organization may petition for recognition as the exclusive representative of a collective bargaining unit specified in sub. (1), (1m), (1r), (1t), (2), or (2g) in accordance with the election procedures set forth in s. 111.83, provided the petition is accompanied by a 30% showing of interest in the form of signed authorization cards. Each additional labor organization seeking to appear on the ballot shall file petitions within 60 days of the date of filing of the original petition and prove, through signed authorization cards, that at least 10% of the employees in the collective bargaining unit want it to be their representative.

SECTION 2410n. 111.825 (6) of the statutes is amended to read:

111.825 (6) The commission shall ~~only~~ assign only an employee of the department of administration, department of transportation, University of Wisconsin–Madison, or board of regents of the University of Wisconsin System who engages in the detection and prevention of crime, who enforces the laws and who is authorized to make arrests for violations of the laws; an employee of the department of administration, department of transportation, University of Wisconsin–Madison, or board of regents of the University of Wisconsin System who provides technical law enforcement support to such employees; and an employee of the department of transportation who engages in motor vehicle inspection or operator's license examination to ~~the~~ a collective bargaining unit under sub. (1) (cm), (1r) (cm), or (1t) (cm), whichever is appropriate.

SECTION 2410o. 111.825 (7) of the statutes is created to read:

111.825 (7) Notwithstanding sub. (3), if on the effective date of this subsection [LRB inserts date], an employee of the University of Wisconsin System is assigned to a collective bargaining unit under sub. (1) or (2) (a), (b), (c), (g), (h), or (i) the commission shall assign the person to the corresponding collective bargaining unit under sub. (1r) or (1t), whichever is appropriate. Except as otherwise provided in this subchapter, the commission may not assign any other persons to the collective bargaining units under sub. (1r) or (1t).

SECTION 2410oe. 111.83 (3) (b) of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.83 (3) (b) Annually, no later than December 1, the commission shall conduct an election to certify the representative of a collective bargaining unit that contains a general employee. There shall be included on the ballot the names of all labor organizations having an interest in representing the general employees participating in the election. The commission may exclude from the ballot one who, at the time of the election, stands deprived of his or her rights under this subchapter by reason of a prior adjudication of his or her having engaged in an unfair labor practice. The commission shall certify any representative that receives at least 51 percent of the votes of all of the general employees in the collective bargaining unit. If no representative receives at least 51 percent of the votes of all of the general employees in the collective bargaining unit, at the expiration of the collective bargaining agreement, the commission shall decertify the current representative and the general employees shall be nonrepresented. Notwithstanding s. 111.82, if a representative is decertified under this paragraph, the affected general employees may not be included in a substantially similar collective bargaining unit for 12 months from the date of decertification. The commission's certification of the results of any election is conclusive unless reviewed as provided by s. 111.07 (8). The commission shall assess and collect a certification fee for each election conducted under this paragraph. Fees collected under this paragraph shall be credited to the appropriation account under s. 20.425 (1) (i).

SECTION 2410pm. 111.83 (5) (a) of the statutes is amended to read:

111.83 (5) (a) This subsection applies only to the collective bargaining unit specified in s. 111.825 ~~(2)-(e)~~ (1r) ~~(ec)~~.

SECTION 2410q. 111.83 (5) (b) of the statutes is amended to read:

111.83 (5) (b) Upon filing of a petition with the commission indicating a showing of interest of at least 30% of the employees at an institution who are included within a collective bargaining unit to be represented by a labor organization, the commission shall hold an election in which the employees in that unit at that institution may vote on the question of representation. The labor organization named in any such petition shall be included on the ballot. Within 60 days of the time that an original petition is filed, another petition may be filed with the commission indicating a showing of interest of at least 10% of the employees at the same institution who are included in the same collective bargaining unit to be represented by another labor organization, in which case the name of that labor organization shall be included on the ballot. If more than one original petition is filed within a 30-day period concerning employees in the collective

bargaining unit specified in s. 111.825 ~~(2)-(e)~~ (1r) ~~(ec)~~, the results of all elections held pursuant to the petitions shall be announced by the commission at the same time. The ballot shall be prepared in accordance with sub. (3), except as otherwise provided in this subsection.

SECTION 2410r. 111.83 (5) (c) of the statutes is amended to read:

111.83 (5) (c) Notwithstanding s. 111.825 ~~(2)-(e)~~ (1r) ~~(ec)~~, the employees at any institution included within the collective bargaining unit at which no petition is filed and no election is held or at which the employees indicate, by a majority of those voting in an election, a desire not to participate in collective bargaining are not considered to be a part of that collective bargaining unit.

SECTION 2410s. 111.83 (7) of the statutes is renumbered 111.83 (7) (a).

SECTION 2410t. 111.83 (7) (b) of the statutes is created to read:

111.83 (7) (b) Notwithstanding subs. (1), (3) and (6) and s. 111.825 (4), if on the effective date of this paragraph ... [LRB inserts date], there is a representative recognized or certified to represent the employees in any of the collective bargaining units specified in s. 111.825 (1) (a) to (f), that representative shall become the representative of the employees in the corresponding collective bargaining units specified in s. 111.825 (1r) (a) to (f) or (1t) (a) to (f), whichever is appropriate, without the necessity of filing a petition or conducting an election, subject to the right of any person to file a petition under this section during October 2014 or at any subsequent time when sub. (6) applies.

SECTION 2410u. 111.84 (2) (c) of the statutes is amended to read:

111.84 (2) (c) To refuse to bargain collectively on matters set forth in s. 111.91 (1) with the duly authorized officer or agent of the employer which is the recognized or certified exclusive collective bargaining representative of employees specified in s. 111.81 (7) (a) in an appropriate collective bargaining unit or with the certified exclusive collective bargaining representative of employees specified in s. 111.81 (7) ~~(b)~~ (ar) to (g) in an appropriate collective bargaining unit. Such refusal to bargain shall include, but not be limited to, the refusal to execute a collective bargaining agreement previously orally agreed upon.

SECTION 2410v. 111.85 (5) of the statutes is renumbered 111.85 (5) (a).

SECTION 2410w. 111.85 (5) (b) of the statutes is created to read:

111.85 (5) (b) Notwithstanding sub. (1), if on the effective date of this paragraph ... [LRB inserts date], there is a fair-share or maintenance of membership agreement in effect in any of the collective bargaining units specified in s. 111.825 (1) (a) to (f), that fair-share or maintenance of membership agreement shall apply to the corresponding collective bargaining unit under s.

111.825 (1r) (a) to (f) or (1t) (a) to (f), whichever is appropriate, without the necessity of filing a petition or conducting a referendum, subject to the right of the employees in each collective bargaining unit to file a petition requesting a referendum under sub. (2) (a).

SECTION 2424hr. 111.91 (1) (cm) of the statutes, as affected by 2011 Wisconsin Act 10, is amended to read:

111.91 (1) (cm) Except as provided in sub. (2) ~~(g)~~ and ~~(h)~~ and ss. 40.02 (22) (e) and 40.23 (1) (f) 4., all laws governing the Wisconsin retirement system under ch. 40 and all actions of the employer that are authorized under any such law which apply to nonrepresented individuals employed by the state shall apply to similarly situated public safety employees, unless otherwise specifically provided in a collective bargaining agreement that applies to the public safety employees.

SECTION 2424jp. 111.91 (2) (fm) of the statutes is created to read:

111.91 (2) (fm) If the collective bargaining unit contains a public safety employee initially employed on or after the effective date of this paragraph [LRB inserts date], the requirement under s. 40.05 (1) (b) that the employer may not pay, on behalf of that public safety employee, any employee required contributions or the employee share of required contributions and the impact of this requirement on the wages, hours, and conditions of employment of that public safety employee.

SECTION 2425p. 111.91 (3) (b) 2. of the statutes, as created by 2011 Wisconsin Act 10, is repealed and recreated to read:

111.91 (3) (b) 2. If there is a decrease or no change in the consumer price index change, provides for any change in total base wages for authorized positions in the proposed collective bargaining agreement from the total base wages for authorized positions 180 days before the expiration of the previous collective bargaining agreement.

SECTION 2426c. 111.91 (4) of the statutes is amended to read:

111.91 (4) The director of the office, in connection with the development of tentative collective bargaining agreements to be submitted under s. 111.92 (1) (a) 1, shall endeavor to obtain tentative agreements with each recognized or certified labor organization representing employees or supervisors of employees specified in s. 111.81 (7) (a) and with each certified labor organization representing employees specified in s. 111.81 (7) (b) to (e) which do not contain any provision for the payment to any employee of a cumulative or noncumulative amount of compensation in recognition of or based on the period of time an employee has been employed by the state.

SECTION 2426g. 111.92 (1) (a) of the statutes is renumbered 111.92 (1) (a) 1. and amended to read:

111.92 (1) (a) 1. Any tentative agreement reached between the office, or, as provided in s. 111.815 (1), the

department of health services, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1), (2) ~~(a) to (d)~~ or (e), or (2g) shall, after official ratification by the labor organization, be submitted by the office or department of health services to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval.

4. If the committee approves ~~the a~~ tentative agreement ~~under subd. 1., 2., or 3.~~, it shall introduce in a bill or companion bills, to be put on the calendar or referred to the appropriate scheduling committee of each house, that portion of the tentative agreement which requires legislative action for implementation, such as salary and wage adjustments, changes in fringe benefits, and any proposed amendments, deletions or additions to existing law. Such bill or companion bills are not subject to ss. 13.093 (1), 13.50 (6) (a) and (b) and 16.47 (2). The committee may, however, submit suitable portions of the tentative agreement to appropriate legislative committees for advisory recommendations on the proposed terms. The committee shall accompany the introduction of such proposed legislation with a message that informs the legislature of the committee's concurrence with the matters under consideration and which recommends the passage of such legislation without change. If the joint committee on employment relations does not approve the tentative agreement, it shall be returned to the parties for renegotiation. If the legislature does not adopt without change that portion of the tentative agreement introduced by the joint committee on employment relations, the tentative agreement shall be returned to the parties for renegotiation.

SECTION 2426L. 111.92 (1) (a) 2. and 3. of the statutes are created to read:

111.92 (1) (a) 2. Any tentative agreement reached between the Board of Regents of the University of Wisconsin System, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1r) shall, after official ratification by the labor organization, be submitted by the Board of Regents of the University of Wisconsin System to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval.

3. Any tentative agreement reached between the University of Wisconsin--Madison, acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 (1t) shall, after official ratification by the labor organization and approval by the Board of Regents of the University of Wisconsin System, be submitted by the University of Wisconsin--Madison to the joint committee on employment relations, which shall hold a public hearing before determining its approval or disapproval.

SECTION 2426p. 111.92 (1) (c) of the statutes is amended to read:

111.92 (1) (c) Any tentative agreement reached between the governing board of the charter school established by contract under s. 118.40 (2r) (cm), acting for the state, and any labor organization representing a collective bargaining unit specified in s. 111.825 ~~(2) (f)~~ (1r) (ef) shall, after official ratification by the labor organization and approval by the chancellor of the University of Wisconsin-Parkside, be executed by the parties.

SECTION 2426t. 111.93 (3) of the statutes is amended to read:

111.93 (3) Except as provided in ss. 7.33 (4), 40.05, 40.80 (3), 111.91 (1) (cm), 230.35 (2d) and (3) (e) 6., and 230.88 (2) (b), if a collective bargaining agreement exists between the employer and a labor organization representing employees in a collective bargaining unit, the provisions of that agreement shall supersede the provisions of civil service and other applicable statutes, as well as rules and policies of the University of Wisconsin-Madison and the board of regents of the University of Wisconsin System, related to wages, fringe benefits, hours, and conditions of employment whether or not the matters contained in those statutes, rules, and policies are set forth in the collective bargaining agreement.

SECTION 2426x. 111.935 (2) of the statutes is amended to read:

111.935 (2) Notwithstanding s. 111.83 (2), the commission shall establish a procedure whereby research assistants may determine whether to form themselves into collective bargaining units under s. 111.825 ~~(2) (g), (h), or (i) (1r) (eh), (ei), or (er) or (1t) (er)~~ by authorization cards in lieu of secret ballot. The procedure shall provide that once a majority of research assistants have indicated their preference on the authorization cards to form themselves into a collective bargaining unit, the collective bargaining unit is established.

SECTION 2432. 114.31 (6) of the statutes is amended to read:

114.31 (6) TECHNICAL SERVICES TO MUNICIPALITIES. The secretary may, insofar as is reasonably possible, offer the engineering or other technical service of the department, to any municipality desiring them in connection with the construction, maintenance or operation or proposed construction, maintenance or operation of an airport. The secretary may assess reasonable costs for services including services performed while acting as agent for a municipality. Such assessment shall include properly allocated administrative costs. Municipalities are authorized to cooperate with the secretary in the development of aeronautics and aeronautical facilities in this state. ~~The department of commerce~~ Wisconsin Economic Development Corporation and all other agencies are authorized and directed to make available such facilities and services, and to cooperate as far as possible to promote the best interests of aeronautics of the state.

SECTION 2433. 114.33 (10) of the statutes is amended to read:

114.33 (10) Subject to the approval of the governor under this subsection, the secretary may sell at public or private sale property of whatever nature owned by the state and under the jurisdiction of the secretary when the secretary determines that the property is no longer necessary for the state's use for airport purposes and, if real property, the real property is not the subject of a petition under s. ~~560.9810~~ 16.310. The secretary shall present to the governor a full and complete report of the property to be sold, the reason for the sale, and the minimum price for which the property should be sold, together with an application for the governor's approval of the sale. The governor shall investigate the proposed sale as he or she deems necessary and approve or disapprove the application. Upon approval and receipt of the full purchase price, the secretary shall by appropriate deed or other instrument transfer the property to the purchaser. The funds derived from the sale shall be deposited in the appropriate airport fund, and the expense incurred by the secretary in connection with the sale shall be paid from that fund. This subsection does not apply to real property that is sold under s. 16.848.

SECTION 2437. 115.28 (12) of the statutes is created to read:

115.28 (12) STUDENT INFORMATION SYSTEM. (a) Working with the office of the governor, establish a student information system to collect and maintain information about pupils enrolled in public schools, including their academic performance and demographic information, aggregated by school district, school, and teacher.

(b) Ensure that within 5 years of the establishment of the system under par. (a), every school district is using the system. The state superintendent may promulgate rules authorizing the department to charge a fee to any person that uses the system. All fees shall be credited to the appropriation account under s. 20.255 (1) (jm).

SECTION 2438. 115.28 (24) of the statutes is amended to read:

115.28 (24) PRIORITY IN AWARDING GRANTS. Give priority in awarding grants to school boards under ss. 115.36 ~~and 115.361~~, and in awarding grants from federal funds received under 20 USC 2301 to 2471, 20 USC 4601 to 4665 and 29 USC 2862 (b) (1) (B), to programs that provide more than one of the educational services specified under s. 115.36, ~~115.361~~, 115.915, 118.01 (2) (d) 7. or 8. or 118.153 or 20 USC 2301 to 2471, 20 USC 4601 to 4665 or 29 USC 2862 (b) (1) (B).

SECTION 2439. 115.28 (35) of the statutes is repealed.

SECTION 2440. 115.28 (39) of the statutes is amended to read:

115.28 (39) ALCOHOL AND OTHER DRUG ABUSE REPORT. ~~By July 1, 1998, and biennially~~ Biennially by July 1 ~~thereafter~~, evaluate the effectiveness of the programs under ss. 115.36 ~~and 115.361~~ and submit a report

to the legislature under s. 13.172 (2). ~~To satisfy this reporting requirement as it pertains to s. 115.361, the department may incorporate into the report under this subsection the report required under s. 115.361 (2).~~

SECTION 2441. 115.28 (45) of the statutes is repealed.

SECTION 2442. 115.28 (46) of the statutes is repealed.

SECTION 2443. 115.28 (47) of the statutes is repealed.

SECTION 2446. 115.33 (2) (a) (intro.) of the statutes is amended to read:

115.33 (2) (a) (intro.) The state superintendent may request the department of ~~commerce~~ safety and professional services to inspect a public school if any of the following occurs:

SECTION 2447. 115.33 (2) (b) of the statutes is amended to read:

115.33 (2) (b) The department of ~~commerce~~ safety and professional services shall inspect the school within 30 days after receiving a request from the state superintendent under par. (a).

SECTION 2448. 115.33 (3) (a) of the statutes is amended to read:

115.33 (3) (a) If the state superintendent determines that a school is not in compliance, and the department of ~~commerce~~ safety and professional services, based on its inspection of the school, concurs in the determination, the state superintendent may order the school board to repair, improve, remodel or close the school by a stated date. An order issued under this paragraph constitutes a preliminary finding of noncompliance with the standard under s. 121.02 (1) (i).

SECTION 2449. 115.33 (3) (b) 1. of the statutes is amended to read:

115.33 (3) (b) 1. If the state superintendent determines that a school is not in compliance and is not worth repairing, and the department of ~~commerce~~ safety and professional services, based on its inspection of the school, concurs in the determination, the state superintendent may order the school board to develop a plan that describes how the school board will achieve compliance with the standard under s. 121.02 (1) (i). The plan shall specify the time within which compliance with the standard under s. 121.02 (1) (i) shall be achieved. The state superintendent shall hold a public hearing on the plan in the school district and may, as a result of the hearing, recommend changes to the plan. The state superintendent may withhold up to 25% of the school district's state aid if the school district fails to achieve compliance with the standard under s. 121.02 (1) (i) within the period specified in the plan.

SECTION 2451. 115.361 of the statutes is repealed.

SECTION 2453. 115.39 of the statutes is repealed.

SECTION 2454. 115.405 (2m) of the statutes is repealed.

SECTION 2457. 115.45 of the statutes is repealed.

SECTION 2458. 115.53 (3) (a) and (b) of the statutes are consolidated, renumbered 115.53 (3) and amended to read:

115.53 (3) Arrange for otological or ophthalmic examination of any pupil or prospective pupil of the school operated by the Wisconsin Educational Services Program for the Deaf and Hard of Hearing. ~~The examination shall be paid for from the appropriation in s. 20.255 (1) (b), (gh) or (gs).~~ (b) ~~Arrange for ophthalmic or otological examination of any pupil or prospective pupil of~~ or the school operated by the Wisconsin Center for the Blind and Visually Impaired. The examination shall be paid ~~for~~ from the appropriation ~~in~~ under s. 20.255 (1) (b), ~~(gh), (gL), or (gs).~~

SECTION 2459. 115.53 (4) (unnumbered first par.) and (a) of the statutes are consolidated, renumbered 115.53 (4) and amended to read:

115.53 (4) Apply to the board of directors of the University of Wisconsin Hospitals and Clinics Authority for admission to the University of Wisconsin Hospitals and Clinics of any pupil at the school operated by the Wisconsin Educational Services Program for the Deaf and Hard of Hearing or the school operated by the Wisconsin Center for the Blind and Visually Impaired. (a) The application shall be accompanied by the report of a physician appointed by the director of the Wisconsin Educational Services Program for the Deaf and Hard of Hearing or the director of the Wisconsin Center for the Blind and Visually Impaired and shall be in the same form as reports of other physicians for admission of patients to such hospital.

SECTION 2460. 115.53 (4) (b) of the statutes is repealed.

SECTION 2472. 118.07 (2) (b) of the statutes is amended to read:

118.07 (2) (b) In each community having a recognized fire department, the person having direct charge of any public or private school shall annually file a report pertaining to such drills, on a form furnished by the department of ~~commerce~~ safety and professional services, with the chief of the fire department. When no fire drill is held during any month, or when only one or no tornado or other hazard drill is held in a year, the person having direct charge of the school shall state the reasons in the report.

SECTION 2473. 118.075 (2) (a) 2. of the statutes is amended to read:

118.075 (2) (a) 2. The secretary of ~~commerce~~ safety and professional services or his or her designee.

SECTION 2476m. 118.125 (4) of the statutes is amended to read:

118.125 (4) **TRANSFER OF RECORDS.** Within 5 working days, a school district and a private school participating in the program under s. 118.60 or in the program under

s. 119.23 shall transfer to another school, including a private or tribal school, or school district all pupil records relating to a specific pupil if the transferring school district or private school has received written notice from the pupil if he or she is an adult or his or her parent or guardian if the pupil is a minor that the pupil intends to enroll in the other school or school district or written notice from the other school or school district that the pupil has enrolled or from a court that the pupil has been placed in a juvenile correctional facility, as defined in s. 938.02 (10p), or a secured residential care center for children and youth, as defined in s. 938.02 (15g). In this subsection, "school" and "school district" include any juvenile correctional facility, secured residential care center for children and youth, adult correctional institution, mental health institute, or center for the developmentally disabled that provides an educational program for its residents instead of or in addition to that which is provided by public, private, and tribal schools.

SECTION 2476p. 118.134 (3) (a) of the statutes is amended to read:

118.134 (3) (a) The state superintendent shall issue a decision and order within 45 days after the hearing. If the state superintendent finds that the use of the race-based nickname, logo, mascot, or team name does not promote discrimination, pupil harassment, or stereotyping, the state superintendent shall dismiss the complaint. Except as provided in ~~par.~~ pars. (b) and (d), if the state superintendent finds that the use of the race-based nickname, logo, mascot, or team name promotes discrimination, pupil harassment, or stereotyping, the state superintendent shall order the school board to terminate its use of the race-based nickname, logo, mascot, or team name within 12 months after issuance of the order.

SECTION 2476r. 118.134 (3) (d) of the statutes is created to read:

118.134 (3) (d) No school district required by a decision and order issued under this subsection on or before the effective date of this paragraph [LRB inserts date], to terminate the use of a race-based nickname, logo, mascot, or team name shall be required to comply with the terms of that decision and order until January 15, 2013.

SECTION 2477. 118.135 (2) of the statutes is amended to read:

118.135 (2) A pupil who complies with a request under sub. (1) shall provide evidence of an eye examination or evaluation by December 31 following the pupil's enrollment in kindergarten. The school board or charter school shall provide pupils with the form distributed by the department of ~~regulation and licensing~~ safety and professional services under s. 440.03 (16) for that purpose.

SECTION 2482m. 118.153 (3) (c) 2. of the statutes is amended to read:

118.153 (3) (c) 2. The school board may contract with the agencies identified under subd. 1. for ~~not more~~

~~than 30%~~ of the children at risk enrolled in the school district if the school board determines that the agencies can adequately serve such children.

SECTION 2488b. 118.30 (1g) (a) 4. of the statutes is created to read:

118.30 (1g) (a) 4. The governing body of each private school participating in the program under s. 118.60 shall adopt pupil academic standards in mathematics, science, reading and writing, geography, and history. The governing body of the private school may adopt the pupil academic standards issued by the governor as executive order no. 326, dated January 13, 1998.

SECTION 2488e. 118.30 (1t) of the statutes is created to read:

118.30 (1t) Annually, the governing body of each private school participating in the program under s. 118.60 shall do all of the following:

(a) Administer the 4th grade examination adopted or approved by the state superintendent under sub. (1) to all pupils attending the 4th grade in the private school under s. 118.60.

(b) Administer the 8th grade examination adopted or approved by the state superintendent under sub. (1) to all pupils attending the 8th grade in the private school under s. 118.60.

(c) Administer the 10th grade examination adopted or approved by the state superintendent under sub. (1) to all pupils attending the 10th grade in the private school under s. 118.60.

(d) Administer to pupils attending the private school under s. 118.60 all other examinations in reading, mathematics, and science that are required to be administered to public school pupils under 20 USC 6311 (b) (3).

SECTION 2488h. 118.30 (2) (b) 1. of the statutes is amended to read:

118.30 (2) (b) 1. If a pupil is enrolled in a special education program under subch. V of ch. 115, the school board, operator of the charter school under s. 118.40 (2r), governing body of the private school participating in the program under s. 118.60, or governing body of the private school participating in the program under s. 119.23 shall comply with s. 115.77 (1m) (bg).

SECTION 2488L. 118.30 (2) (b) 2. of the statutes is amended to read:

118.30 (2) (b) 2. According to criteria established by the state superintendent by rule, the school board, operator of the charter school under s. 118.40 (2r), governing body of the private school participating in the program under s. 118.60, or governing body of the private school participating in the program under s. 119.23 may determine not to administer an examination under this section to a limited-English speaking pupil, as defined under s. 115.955 (7), may permit the pupil to be examined in his or her native language, or may modify the format and administration of an examination for such pupils.

SECTION 2488p. 118.30 (2) (b) 6. of the statutes is created to read:

118.30 (2) (b) 6. Upon the request of a pupil's parent or guardian, the governing body of a private school participating in the program under s. 118.60 shall excuse the pupil from taking an examination administered under sub. (1t) (a) to (c).

SECTION 2488pq. 118.30 (5) of the statutes is created to read:

118.30 (5) Beginning in the 2014-15 school year, the department shall ensure that benchmark assessments are administered to pupils annually under this section prior to the administration of summative assessments under this section.

SECTION 2488pt. 118.30 (5m) of the statutes is created to read:

118.30 (5m) When determining the percentage of pupils participating in the program under s. 119.23 who performed at designated proficiency levels on the examinations administered as required under sub. (1s), the department shall consider only the pupils participating in the program under s. 119.23 to whom the examinations were administered at each grade level, and shall exclude from consideration those pupils participating in the program under s. 119.23 who were excused from taking the examinations under sub. (2) (b) 5.

SECTION 2488r. 118.33 (1) (f) 2r. of the statutes is created to read:

118.33 (1) (f) 2r. The governing body of each private school participating in the program under s. 118.60 shall develop a policy specifying criteria for granting a high school diploma to pupils attending the private school under s. 118.60. The criteria shall include the pupil's academic performance and the recommendations of teachers.

SECTION 2488u. 118.33 (1) (f) 3. of the statutes is amended to read:

118.33 (1) (f) 3. Beginning on September 1, 2005, neither a school board nor an operator of a charter school under s. 118.40 (2r) may grant a high school diploma to any pupil unless the pupil has satisfied the criteria specified in the school board's or charter school's policy under subd. 1. or 2. Beginning on September 1, 2010, the governing body of a private school participating in the program under s. 119.23 may not grant a high school diploma to any pupil attending the private school under s. 119.23 unless the pupil has satisfied the criteria specified in the governing body's policy under subd. 2m. The governing body of a private school participating in the program under s. 118.60 may not grant a high school diploma to any pupil attending the private school under s. 118.60 unless the pupil has satisfied the criteria specified in the governing body's policy under subd. 2r.

SECTION 2488y. 118.33 (6) (cr) of the statutes is created to read:

118.33 (6) (cr) 1. The governing body of each private school participating in the program under s. 118.60 shall adopt a written policy specifying criteria for promoting a pupil who is attending the private school under s. 118.60 from the 4th grade to the 5th grade and from the 8th grade to the 9th grade. The criteria shall include the pupil's score on the examination administered under s. 118.30 (1t) (a) or (b), unless the pupil has been excused from taking the examination under s. 118.30 (2) (b); the pupil's academic performance; the recommendations of teachers, which shall be based solely on the pupil's academic performance; and any other academic criteria specified by the governing body of the private school.

2. The governing body of a private school participating in the program under s. 118.60 may not promote a 4th grade pupil who is attending the private school under s. 118.60 to the 5th grade, and may not promote an 8th grade pupil who is attending the private school under s. 118.60 to the 9th grade, unless the pupil satisfies the criteria for promotion specified in the governing body's policy under subd. 1.

SECTION 2489. 118.35 (4) of the statutes is amended to read:

118.35 (4) From the appropriation under s. 20.255 (2) (fy), the department shall award grants to nonprofit organizations, cooperative educational service agencies, institutions within the University of Wisconsin System, and the school district operating under ch. 119 for the purpose of providing ~~advanced curriculum and assessments for~~ to gifted and talented pupils those services and activities not ordinarily provided in a regular school program that allow such pupils to fully develop their capabilities.

SECTION 2499. 118.40 (2r) (e) 1. a. of the statutes is renumbered 118.40 (2r) (e) 1m. and amended to read:

118.40 (2r) (e) 1m. In the ~~2009-10~~ 2011-12 and ~~2010-11~~ 2012-13 school years, from the appropriation under s. 20.255 (2) (fm), the department shall pay to the operator of the charter school an amount equal to the sum of the amount paid per pupil under this ~~subdivision paragraph~~ in the previous school year and the increase in the per pupil amount paid to private schools under s. 119.23 (4) (b) 2. or (bg) in the current school year as compared to the previous school year, multiplied by the number of pupils attending the charter school.

SECTION 2500. 118.40 (2r) (e) 1. b. of the statutes is renumbered 118.40 (2r) (e) 2m. and amended to read:

118.40 (2r) (e) 2m. In the ~~2011-12~~ 2013-14 school year and in each school year thereafter, from the appropriation under s. 20.255 (2) (fm), the department shall pay to the operator of the charter school an amount equal to the sum of the amount paid per pupil under this ~~subdivision paragraph~~ in the previous school year and the per pupil revenue limit adjustment under s. 121.91 (2m) in the current school year, multiplied by the number of pupils attending the charter school.

SECTION 2501. 118.40 (2r) (e) 1. c. of the statutes is renumbered 118.40 (2r) (e) 3m. and amended to read:

118.40 (2r) (e) 3m. The amount paid per pupil under this ~~subdivision paragraph~~ may not be less than the amount paid per pupil under this ~~subdivision paragraph~~ in the previous school year. The department shall pay 25% of the total amount in September, 25% in December, 25% in February, and 25% in June. The department shall send the check to the operator of the charter school.

SECTION 2502m. 118.40 (2r) (e) 2. of the statutes is renumbered 118.40 (2r) (e) 4. and amended to read:

118.40 (2r) (e) 4. If the chancellor of the University of Wisconsin–Parkside establishes or contracts for the establishment of a charter school under this subsection, in March the department shall pay to the unified school district in which the charter school is located, from the appropriation under s. 20.255 (2) (fm), an amount equal to the amount of school aid per pupil to which the unified school district is eligible in the current school year multiplied by the number of pupils attending the charter school who were previously enrolled in the unified school district, except that the payment may not exceed \$1,000,000 in the 2011–12 school year and may not exceed \$750,000 in the 2012–13 school year. No aid may be paid under this subdivision after the 2012–13 school year.

SECTION 2503. 118.40 (2r) (f) of the statutes is repealed.

SECTION 2507. 118.40 (8) (h) of the statutes is repealed.

SECTION 2507b. 118.43 (2) (b) 2. of the statutes is amended to read:

118.43 (2) (b) 2. The school board is not receiving a grant under the preschool to grade 5 program on behalf of the school under s. 115.45, 2009 stats.

SECTION 2507e. 118.43 (2) (bg) 2. of the statutes is amended to read:

118.43 (2) (bg) 2. The school board is not receiving a grant under the preschool to grade 5 program on behalf of the school under s. 115.45, 2009 stats.

SECTION 2507h. 118.43 (2) (br) 2. of the statutes is amended to read:

118.43 (2) (br) 2. The school board is not receiving a grant under the preschool to grade 5 program on behalf of any of the schools under s. 115.45, 2009 stats.

SECTION 2507j. 118.43 (2) (bt) 2. of the statutes is amended to read:

118.43 (2) (bt) 2. The school board is not receiving a grant under the preschool to grade 5 program on behalf of any of the schools under s. 115.45, 2009 stats.

SECTION 2507L. 118.43 (2) (bv) of the statutes is created to read:

118.43 (2) (bv) In the 2011–12 school year, the school board of an eligible school district may enter into a 5–year achievement guarantee contract with the department on behalf of one or more schools in the school district if, in the 2010–11 school year, the school board

received a grant under the preschool to grade 5 program on behalf of the schools under s. 115.45, 2009 stats.

SECTION 2507n. 118.43 (2) (g) of the statutes is amended to read:

118.43 (2) (g) The department may renew an achievement guarantee contract under pars. (b), (bg), (br), ~~and (bt), and (bv)~~ for one or more terms of 5 school years. Except as provided in sub. (3m), as a condition of receiving payments under a renewal of an achievement guarantee contract, a school board shall maintain the reduction of class size achieved during the last school year of the original achievement guarantee contract for the grades specified for the last school year of the contract.

SECTION 2507p. 118.43 (3) (intro.) of the statutes is amended to read:

118.43 (3) CONTRACT REQUIREMENTS. (intro.) Except as provided in pars. (am), (ar), ~~and (at), and (av)~~, an achievement guarantee contract shall require the school board to do all of the following in each participating school:

SECTION 2507r. 118.43 (3) (av) of the statutes is created to read:

118.43 (3) (av) *Class size; additional contracts.* For contracts that begin in the 2011–12 school year, reduce each class size to 18 in the following manner:

1. In the 2011–12 school year, in at least grades kindergarten and one.

2. In the 2012–13 school year, in at least grades kindergarten to 2.

3. In the 2013–14 to 2015–16 school years, in at least grades kindergarten to 3.

SECTION 2507u. 118.43 (3m) (b) of the statutes is amended to read:

118.43 (3m) (b) A school board operating under an achievement guarantee contract entered into under sub. (3) (at) ~~or (av)~~ may combine 2 classes subject to the class size limitation in any school covered by the contract having at least 2 regular classroom teachers when the classes are combined if the combined class size is not greater than 30.

SECTION 2507y. 118.43 (6) (b) 10. of the statutes is amended to read:

118.43 (6) (b) 10. In the 2010–11 school year and any subsequent school year, \$2,250 multiplied by the number of low–income pupils enrolled in grades eligible for funding in each school in the school district covered by contracts under sub. (3) (at) and (av) and by renewals of contracts under sub. (2) (g).

SECTION 2513b. 118.51 (3) (a) 6. of the statutes is amended to read:

118.51 (3) (a) 6. If an application is accepted, on or before the first Friday following the first Monday in June following receipt of a notice of acceptance, ~~or within 10 days of receiving a notice of acceptance if a pupil is selected from a waiting list under s. 118.40 (8) (h) 5., the~~

pupil's parent shall notify the nonresident school board of the pupil's intent to attend school in that school district in the following school year.

SECTION 2514. 118.51 (3) (a) 7. of the statutes is repealed.

SECTION 2515. 118.51 (3) (b) of the statutes is amended to read:

118.51 (3) (b) *Notice to resident school district.* Annually by June 30, each nonresident school board that has accepted a pupil under this section for attendance in the following school year shall report the name of the pupil to the pupil's resident school board. ~~If a pupil is selected from a waiting list under s. 118.40 (8) (h) 5., the nonresident school board shall report the name of the pupil to the pupil's resident school board within 10 days of receiving notice of the pupil's selection from the department.~~

SECTION 2532m. 118.60 of the statutes is created to read:

118.60 Parental choice programs for eligible school districts. (1) In this section:

(a) "Administrator" means the superintendent, supervising principal, executive director, or other person who acts as the administrative head of a private school participating in the program under this section.

(am) "Eligible school district" means a school district that satisfies all of the following:

1. The school district's equalized value per member, as determined in accordance with s. 121.15 (4) on October 15 of the 2nd fiscal year of the current fiscal biennium for the distribution of equalization aid in that year, is no more than 80 percent of the statewide average.

2. The school district's shared cost per member, as determined in accordance with s. 121.07 on October 15 of the 2nd fiscal year of the current fiscal biennium, for the distribution of aid in that year is no more than 91 percent of the statewide average.

3. The school district is eligible, in the 2nd fiscal year of the current fiscal biennium, to receive aid under s. 121.136.

4. The school district is located in whole or in part in a city of the 2nd class.

(b) "Membership" has the meaning given in s. 121.004 (5).

(c) "Preaccreditation" means the review and approval of an educational plan. Review of an education plan includes consideration of whether the school submitting the plan meets the requirements under s. 118.165 (1). The fact that a private school has obtained preaccreditation does not require an accreditation organization to accredit the private school.

(d) "Progress records" has the meaning given in s. 118.125 (1) (c).

(e) "Summer average daily membership equivalent" has the meaning given in s. 121.004 (8).

(f) "Summer choice average daily membership equivalent" means the summer average daily membership equivalent of pupils who were attending a private school under this section on the 2nd Friday of January of the school term immediately preceding that summer or whose applications have been accepted under sub. (3) for attendance at the private school in the school term immediately following that summer.

(g) "Teacher" means a person who has primary responsibility for the academic instruction of pupils.

(1m) By November 15 of the 2nd fiscal year of each fiscal biennium, the department shall prepare a list that identifies eligible school districts. The department shall post the list on the department's Internet site and shall notify in writing the school district clerk of each eligible school district. A school district that qualifies as an eligible school district under this section remains an eligible school district.

(2) (a) Subject to par. (b), any pupil in grades kindergarten to 12 who resides within an eligible school district may attend any private school if all of the following apply:

1. a. The pupil is a member of a family that has a total family income that does not exceed an amount equal to 3.0 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. In this subdivision and sub. (3m), family income includes income of the pupil's parents or legal guardians. The family income of the pupil shall be determined as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases may continue to attend a private school under this section.

b. The private school submits to the department of revenue the names, addresses, social security numbers, and other state and federal tax identification numbers, if any, of the pupil's parents or legal guardians. The department of revenue shall review the information submitted under this subd. 1. b. and shall determine whether the pupil is eligible to participate in the program under this section on the basis of family income. Family income for a family in which the pupil's parents are married or in which the pupil's legal guardians are married shall be reduced by \$7,000 before the determination is made under this subd. 1. b. The department of revenue may take no other action on the basis of the information submitted under this subd. 1. b. The department of public instruction may not request any additional verification of income from the family of a pupil once the department of revenue has determined whether the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction shall establish a procedure for determining family income eligibility for those pupils for whom no social

security number or state or federal tax identification number has been provided.

2. The pupil satisfies one or more of the following:

a. The pupil was enrolled in a public school in an eligible school district in the previous school year.

b. The pupil was not enrolled in school in the previous school year.

c. The pupil attended a private school under this section in the previous school year.

d. The pupil is applying to attend kindergarten, first grade, or 9th grade in a private school participating in the program under this section.

3. a. Except as provided in subd. 3. b., the private school notified the state superintendent of its intent to participate in the program under this section, and paid the nonrefundable fee set by the department as required under s. 119.23 (2) (a) 3., by February 1 of the previous school year. The notice shall specify the number of pupils participating in the program under this section for which the school has space.

b. For a private school that intends to participate in the program under this section in an eligible school district identified under 2011 Wisconsin Act (this act), section 9137 (3u), the private school notified the state superintendent of its intent to participate, and paid the nonrefundable fee set by the department under subd. 3. a. by August 1, 2011. The notice shall specify the number of pupils participating in the program under this section for which the school has space.

4. The private school complies with 42 USC 2000d.

5. The private school meets all health and safety laws or codes that apply to public schools.

6. a. Except as provided in subd. 6. c., all of the private school's teachers have a bachelor's degree from an accredited institution of higher education.

b. All of the private school's administrators have at least a bachelor's degree from an accredited institution of higher education.

c. Any teacher employed by the private school on July 1 of the first school year that begins after a school district is identified as an eligible school district under sub. (1m) or 2011 Wisconsin Act (this act), section 9137 (3u), who has been teaching for at least the 5 consecutive years immediately preceding that July 1, and who does not satisfy the requirements under subd. 6. a. on that July 1, applies to the department on a form prepared by the department for a temporary, nonrenewable waiver from the requirements under subd. 6. a. The department shall promulgate rules to implement this subd. 6. c., including the form of the application and the process by which the waiver application will be reviewed. The application form shall require the applicant to submit a plan for satisfying the requirements under subd. 6. a., including the name of the accredited institution of higher education at which the teacher is pursuing or will pursue the bachelor's degree and the anticipated date on which

the teacher expects to complete the bachelor's degree. No waiver granted under this subd. 6. c. is valid after July 31 of the 5th school year that begins after a school district is identified as an eligible school district under sub. (1m) or 2011 Wisconsin Act (this act), section 9137 (3u).

7. For a private school that is a first-time participant in the program under this section, and that is not accredited by the Wisconsin North Central Association, the Wisconsin Religious and Independent School Accreditation, the Independent Schools Association of the Central States, the archdiocese within which the private school is located, or by any other organization recognized by the National Council for Private Schools Accreditation, the private school obtains preaccreditation by the Institute for the Transformation of Learning at Marquette University, the Wisconsin North Central Association, the Wisconsin Religious and Independent Schools Accreditation, the Independent Schools Association of the Central States, the archdiocese within which the private school is located, or any other organization recognized by the National Council for Private School Accreditation by September 1 before the first school term of participation in the program under this section that begins after August 31, 2011; by August 1 before the first school term of participation in the program under this section that begins in the first school year that begins after a school district is identified as an eligible school district under sub. (1m) or by May 1 if the private school begins participation in the program under this section during summer school. The private school shall achieve accreditation by the Wisconsin North Central Association, the Wisconsin Religious and Independent Schools Accreditation, the Independent Schools Association of the Central States, the archdiocese within which the private school is located, or any other organization recognized by the National Council for Private School Accreditation, by December 31 of the 3rd school year following the first school year in which the private school begins participation in the program under this section. If the private school is accredited under this subdivision, the private school is not required to obtain preaccreditation as a prerequisite to providing instruction under this section in additional grades or in an additional or new school.

8. Notwithstanding s. 118.165 (1) (c), the private school annually provides at least 1,050 hours of direct pupil instruction in grades 1 to 6 and at least 1,137 hours of direct pupil instruction in grades 7 to 12. Hours provided under this subdivision include recess and time for pupils to transfer between classes but do not include the lunch periods.

(b) 1. In the first school year that begins after a school district is identified as an eligible school district under sub. (1m) or 2011 Wisconsin Act (this act), section 9137 (3u), no more than 250 pupils, as counted under s. 121.004 (7), may attend private schools under this section. Priority shall be given to pupils who were eligible

for a free or reduced-price lunch in the federal school lunch program under 42 USC 1758 (b) in the immediately preceding school year.

2. In the 2nd school year that begins after a school district is identified as an eligible school district under sub. (1m) or 2011 Wisconsin Act (this act), section 9137 (3u), no more than 500 pupils, as counted under s. 121.004 (7), may attend private schools under this section. Priority shall be given to pupils who attended a private school under this section in the immediately preceding school year.

3. Whenever the state superintendent determines that the limit is reached under subd. 1. or 2., he or she shall issue an order prohibiting the participating private schools from accepting additional pupils until he or she determines that the number of pupils attending private schools under this section has fallen below the limit. If the number of pupils attending private schools under this section falls below the limit under this paragraph, the state superintendent shall issue an order notifying participating private schools that they may begin accepting additional pupils, and, notwithstanding sub. (3) (a), participating private schools that wish to accept additional pupils under this section shall accept pupils as follows:

a. The private school shall give first priority to pupils who are attending a private school under this section.

b. The private school shall give 2nd priority to the siblings of pupils who are attending a private school under this section.

c. The private school shall give 3rd priority to pupils selected at random under a procedure established by the department by rule.

(c) 1. Notwithstanding par. (a) 6., a teacher employed by a private school participating in the program under this section who teaches only courses in rabbinical studies is not required to have a bachelor's degree.

2. Notwithstanding par. (a) 6., an administrator of a private school participating in the program under this section that prepares and trains pupils attending the school in rabbinical studies is not required to have a bachelor's degree.

(3) (a) The pupil or the pupil's parent or guardian shall submit an application, on a form provided by the state superintendent, to the participating private school that the pupil wishes to attend. If more than one pupil from the same family applies to attend the same private school, the pupils may use a single application. Within 60 days after receiving the application, the private school shall notify each applicant, in writing, whether his or her application has been accepted. If the private school rejects an application, the notice shall include the reason. A private school may reject an applicant only if it has reached its maximum general capacity or seating capacity. The state superintendent shall ensure that the private school determines which pupils to accept on a random basis, except that the private school may give preference

in accepting applications to siblings of pupils accepted on a random basis.

(b) If the private school rejects an applicant because it has too few available spaces, the pupil may transfer his or her application to a participating private school that has space available.

(3m) (a) A private school participating in the program under this section may not charge or receive any additional payment for a pupil participating in the program under this section other than the payment the school receives under sub. (4) and, if applicable, sub. (4m), if either of the following applies:

1. The pupil is enrolled in a grade from kindergarten to 8.

2. The pupil is enrolled in a grade from 9 to 12 and the family income of the pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget.

(b) A private school participating in the program under this section may, in addition to the payment it receives for a pupil under sub. (4) and, if applicable, sub. (4m), charge the pupil tuition and fees in an amount determined by the school if both of the following apply:

1. The pupil is enrolled in a grade from 9 to 12.

2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget.

(c) A private school participating in the program under this section shall determine whether the private school may charge additional tuition and fees to a pupil on the basis of the pupil's family income as permitted under par. (b). The private school shall establish a process for accepting an appeal to the governing body of the private school of the determination made under this paragraph.

(4) (a) Annually, on or before October 15, a private school participating in the program under this section shall file with the department a report stating its summer average daily membership equivalent and its summer choice average daily membership equivalent for the purpose of sub. (4m).

(b) Except as provided in par. (bg), upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an amount equal to the lesser of the following:

1. The amount equal to the private school's operating and debt service cost per pupil that is related to educational programming, as determined by the department.

2. The amount paid per pupil under this subsection in the previous school year multiplied by the sum of 1.0 plus the percentage change from the previous school year to the current school year in the total amount appropriated under s. 20.255 (2) (ac) expressed as a decimal, but not less than zero.

(bg) In the 2011-12 and 2012-13 school years, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an amount equal to the private school's operating and debt service cost per pupil that is related to educational programming, as determined by the department, or \$6,442, whichever is less.

(c) The state superintendent shall pay 25 percent of the total amount under this subsection in September, 25 percent in November, 25 percent in February, and 25 percent in May. Each installment may consist of a single check for all pupils attending the private school under this section. The state superintendent shall include the entire amount under sub. (4m) in the November installment, but the payment shall be made in a separate check from the payment under this subsection.

(d) In determining a private school's operating and debt service cost per pupil under par. (b) 1. and (4m) (a), the department shall do all of the following:

1. Subtract only the following, up to the actual cost of the service or material related to each item:

- a. Fees charged pupils for books and supplies used in classes and programs.
- b. Rentals for school buildings.
- c. Food service revenues.
- d. Governmental financial assistance.
- e. Interest and other income resulting from the investment of debt proceeds.

2. If legal title to the private school's buildings and premises is held in the name of the private school's parent organization or other related party, there is no other mechanism to include the private school's facilities costs in the calculation of its operating and debt service cost, and the private school requests that the department do so, include an amount equal to 10.5 percent of the fair market value of the school and its premises. A request made by a private school under this subdivision remains effective in subsequent school years and may not be withdrawn by the private school.

3. If immediately prior to the effective date of this subdivision ... [LRB inserts date], a private school's operating and debt service costs, as determined by the department, included the amount described in subd. 2., continue to include the amount described in subd. 2. in subsequent school years.

(4m) In addition to the payment under sub. (4) the state superintendent shall pay to each private school par-

ticipating in the program under this section, on behalf of the parent or guardian of each pupil attending the private school under this section, in the manner described in sub. (4) (c), the amount determined as follows:

(a) Determine the private school's operating and debt service cost per pupil in summer school that is related to educational programming.

(b) Multiply the amount under par. (a) by 0.40.

(c) Multiply the product under par. (b) by the quotient determined by dividing the summer choice average daily membership equivalent of the private school by the total number of pupils for whom payments are being made under sub. (4).

(4r) If, after the 3rd Friday in September in any school year, a private school participating in the program under this section closes, for each installment under sub. (4) (c) that was not paid to the private school in that school year, the state superintendent shall pay to the board, from the appropriation under s. 20.255 (2) (fv), the amount determined, for each pupil who had been attending the private school under this section in that school year and who enrolls in the school district operating under this chapter in that school year, as follows:

(a) Multiply the amount determined under sub. (4) (b) or (bg) by 0.616.

(b) Multiply the product under par. (a) by 0.25.

(5) The state superintendent shall ensure that pupils and parents and guardians of pupils who reside in an eligible school district are informed annually of the private schools participating in the program under this section.

(6) The school board of an eligible school district shall provide transportation to pupils attending a private school under this section if required under s. 121.54 and may claim transportation aid under s. 121.58 for pupils so transported.

(6m) Each private school participating in the program under this section shall do all of the following:

(a) Provide to each pupil, or the parent or guardian of each minor pupil, who applies to attend the private school all of the following:

1. The name, address, and telephone number of the private school and the name of one or more contact persons at the school.

2. A list of the names of the members of the private school's governing body and of the private school's shareholders, if any.

3. A notice stating whether the private school is an organization operated for profit or not for profit. If the private school is a nonprofit organization, the private school shall also provide the applicant with a copy of the certificate issued under section 501 (c) (3) of the Internal Revenue Code verifying that the private school is a nonprofit organization that is exempt from federal income tax.

4. A copy of the appeals process used if the private school rejects the applicant.

5. A copy of the policy developed by the private school under s. 118.33 (1) (f) 2r.

6. A copy of the nonharassment policy used by the private school, together with the procedures for reporting and obtaining relief from harassment.

7. A copy of the suspension and expulsion policies and procedures, including procedures for appealing a suspension or expulsion, used by the private school.

8. A copy of the policy used by the private school for accepting or denying the transfer of credits earned by a pupil attending the private school under this section for the satisfactory completion of coursework at another school.

9. A copy of the policy governing visitors and visits to the private school, developed as required under sub. (7) (b) 2m.

(b) Annually, by August 1st, provide to the department the material specified in par. (a) and all of the following information:

1. The number of pupils attending the private school under this section in the previous school year.

2. The number of pupils attending the private school other than under this section in the previous school year.

3. For each of the previous 5 school years in which the private school has participated in the program under this section, all of the following information:

a. The number of pupils who attended the private school under this section and other than under this section in the 12th grade and the number of those pupils who graduated from the private school.

b. The number of pupils who attended the private school under this section and other than under this section in the 8th grade and the number of those pupils who advanced from grade 8 to grade 9.

c. The number of pupils who attended the private school under this section and other than under this section in the 4th grade and the number of those pupils who advanced from grade 4 to grade 5.

d. To the extent permitted under 20 USC 1232g and 43 CFR part 99, pupil scores on all standardized tests administered under sub. (7) (e).

4. A copy of the academic standards adopted under sub. (7) (b) 2.

(c) Provide to the department a signed statement from each individual who is a member of the private school's governing body verifying that the individual is a member of the governing body.

(d) Upon request by any pupil, or the parent or guardian of any minor pupil, who is attending or who applies to attend the private school, provide the material specified in pars. (a) and (b).

(7) (a) Each private school participating in the program under this section shall meet at least one of the following standards:

1. At least 70 percent of the pupils in the program advance one grade level each year.

2. The private school's average attendance rate for the pupils in the program is at least 90 percent.

3. At least 80 percent of the pupils in the program demonstrate significant academic progress.

4. At least 70 percent of the families of pupils in the program meet parent involvement criteria established by the private school.

(am) Each private school participating in the program under this section is subject to uniform financial accounting standards established by the department. Annually by September 1 following a school year in which a private school participated in the program under this section, the private school shall submit to the department all of the following:

1. An independent financial audit of the private school conducted by an independent certified public accountant, accompanied by the auditor's statement that the report is free of material misstatements and fairly presents pupil costs under sub. (4) (b) 1. The audit under this subdivision shall be limited in scope to those records that are necessary for the department to make payments under subs. (4) and (4m). The auditor shall conduct his or her audit, including determining sample sizes and evaluating financial viability, in accordance with the auditing standards established by the American Institute of Certified Public Accountants. The department may not require an auditor to comply with standards that exceed the scope of the standards established by the American Institute of Certified Public Accountants.

2. Evidence of sound fiscal and internal control practices, as prescribed by the department by rule. An auditor engaged to evaluate the private school's fiscal and internal control practices shall conduct his or her evaluation, including determining sample sizes, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

(b) Each private school participating in the program under this section shall do all of the following:

1. Administer to any pupils attending the 3rd grade in the private school under this section a standardized reading test developed by the department.

2. Adopt the pupil academic standards required under s. 118.30 (1g) (a) 4.

2m. Develop a written policy governing visitors and visits to the private school.

3. Ensure that any teacher's aide employed by the private school has graduated from high school, been granted a declaration of equivalency of high school graduation, or been issued a general educational development certificate of high school equivalency.

3m. Annually, schedule 2 meetings at which members of the governing body of the private school will be present and at which pupils, and the parents or guardians of pupils, applying to attend the private school or attending the private school may meet and communicate with the members of the governing body. The private school

shall, within 30 days after the start of the school term, notify the department in writing of the scheduled meeting dates and shall, at least 30 days before the scheduled meeting date, notify in writing each pupil, or the parent or guardian of each minor pupil, applying to attend the private school or attending the private school of the meeting date, time, and place.

4. Maintain progress records for each pupil attending the private school under this section while the pupil attends the school and, except as provided under subd. 7., for at least 5 years after the pupil ceases to attend the school.

5. Upon request, provide a pupil or the parent or guardian of a minor pupil who is attending the private school under this section with a copy of the pupil's progress records.

6. Issue a high school diploma or certificate to each pupil who attends the private school under this section and satisfactorily completes the course of instruction and any other requirements necessary for high school graduation.

7. a. Except as provided in subd. 7. b., if the private school ceases operating as a private school, immediately transfer all of the progress records of the pupils who attended the school under this section to the school board of the eligible school district within which the pupils reside. The private school shall send written notice to each pupil, or to the parent or guardian of a minor pupil, of the transfer of progress records under this subd. 7. a.

b. If the private school is affiliated with an organization that will maintain the progress records of each pupil who attended the school under this section for at least 5 years after the private school ceases operation as a private school, the private school may transfer a pupil's records to the organization if the pupil, or the parent or guardian of a minor pupil, consents in writing to the release of the progress records to the affiliated organization. The private school shall send to the department a copy of the consent form for each pupil who consents to the transfer of progress records under this subd. 7. b. The written notice shall be signed by the pupil, or the parent or guardian of a minor pupil, and shall include the name, phone number, mailing address, and other relevant contact information of the organization that will maintain the progress records, and a declaration by the affiliated organization that the organization agrees to maintain the progress records for at least 5 years after the private school ceases operation as a private school.

(c) A private school may not require a pupil attending the private school under this section to participate in any religious activity if the pupil's parent or guardian submits to the pupil's teacher or the private school's principal a written request that the pupil be exempt from such activities.

(d) By September 1 before the first school term of participation in the program that begins in the 2011-12

school year, by August 1 before the first school term of participation in the program that begins in the 2012-13 school year or any school year thereafter, or by May 1 if the private school begins participating in the program during summer school, each private school participating in the program under this section shall submit to the department all of the following:

1. a. In this subdivision, "municipality" has the meaning given in s. 5.02 (11).

b. A copy of the school's current certificate of occupancy issued by the municipality within which the school is located. If the private school moves to a new location, the private school shall submit a copy of the new certificate of occupancy issued by the municipality within which the school is located to the department before the attendance of pupils at the new location and before the next succeeding date specified in s. 121.05 (1) (a). A temporary certificate of occupancy does not meet the requirement of this subdivision.

2. Evidence of financial viability, as prescribed by the department by rule.

3. Proof that the private school's administrator has participated in a fiscal management training program approved by the department.

(e) Each private school participating in the program under this section shall administer the examinations required under s. 118.30 (1t) to pupils attending the school under the program. The private school may administer additional standardized tests to such pupils.

(g) 1. By the first day of the 3rd month beginning after the month in which the department establishes the model management plan and practices for maintaining indoor environmental quality in public and private schools under s. 118.075 (3), or by October 1 of a private school's first school year of participation in the program under this section, whichever is later, the private school shall provide for the development of a plan for maintaining indoor environmental quality in the private school.

2. By the first day of the 12th month beginning after the month in which the department establishes the model management plan and practices for maintaining indoor environmental quality in public and private schools under s. 118.075 (3), or by the beginning of the 2nd school year of participation in the program under this section, whichever is later, the private school shall implement a plan for maintaining indoor environmental quality in the private school.

3. Each private school participating in the program under this section shall provide a copy of the plan implemented under subd. 2. to any person upon request.

(8) There is created a pupil assignment council composed of one representative from each private school participating in the program under this section. Annually by June 30, the council shall make recommendations to the participating private schools to achieve, to the extent pos-

sible, a balanced representation of pupils participating in the program under this section.

(9) If any accrediting agency specified under sub. (2) (a) 7. determines during the accrediting or preaccrediting process that a private school does not meet all of the requirements under s. 118.165 (1), it shall report that failure to the department.

(10) (a) The state superintendent may issue an order barring a private school from participating in the program under this section in the current school year if the state superintendent determines that the private school has done any of the following:

1. Misrepresented information required under sub. (7) (d).

2. Failed to provide the notice or pay the fee required under sub. (2) (a) 3., or provide the information required under sub. (7) (am) or (d), by the date or within the period specified.

3. Failed to refund to the state any overpayment made under sub. (4) (b) or (bg) or (4m) by the date specified by department rule.

4. Failed to meet at least one of the standards under sub. (7) (a) by the date specified by department rule.

5. Failed to provide the information required under sub. (6m).

6. Failed to comply with the requirements under sub. (7) (b) or (c).

7. Violated sub. (7) (b) 4., 5., or 6.

(am) If the state superintendent determines that any of the following have occurred, he or she may issue an order barring the private school from participating in the program under this section in the following school year:

2. The private school's application for accreditation has been denied by the accrediting organization.

3. The private school has not achieved accreditation within the period allowed under sub. (2) (a) 7.

(b) The state superintendent may issue an order immediately terminating a private school's participation in the program under this section if he or she determines that conditions at the private school present an imminent threat to the health or safety of pupils.

(c) Whenever the state superintendent issues an order under par. (a), (am), or (b), he or she shall immediately notify the parent or guardian of each pupil attending the private school under this section.

(d) The state superintendent may withhold payment from a private school under subs. (4) and (4m) if the private school violates this section.

(11) The department shall do all of the following:

(a) Promulgate rules to implement and administer this section. The department may not by rule establish standards under sub. (7) (am) that exceed the standards established by the American Institute of Certified Public Accountants.

(b) Notify each private school participating in the program under this section of any proposed changes to

the program or to administrative rules governing the program, including changes to application or filing deadlines but not including changes to provisions governing health or safety, prior to the beginning of the school year in which the change takes effect.

SECTION 2533. 119.04 (1) of the statutes is amended to read:

119.04 (1) Subchapters IV, V and VII of ch. 115, ch. 121 and ss. 66.0235 (3) (c), 66.0603 (1m) to (3), 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343, 115.345, ~~115.361~~, 115.365 (3), 115.38 (2), 115.445, ~~115.45~~, 118.001 to 118.04, 118.045, 118.06, 118.07, 118.075, 118.076, 118.10, 118.12, 118.125 to 118.14, 118.145 (4), 118.15, 118.153, 118.16, 118.162, 118.163, 118.164, 118.18, 118.19, 118.20, 118.225, 118.24 (1), (2) (c) to (f), (6), (8), and (10), 118.255, 118.258, 118.291, 118.30 to 118.43, 118.46, 118.51, 118.52, 118.55, 120.12 (5) and (15) to (27), 120.125, 120.13 (1), (2) (b) to (g), (3), (14), (17) to (19), (26), (34), (35), (37), (37m), and (38), 120.14, 120.21 (3), and 120.25 are applicable to a 1st class city school district and board.

SECTION 2536. 119.23 (2) (a) (intro.) of the statutes is amended to read:

119.23 (2) (a) (intro.) ~~Subject to par. (b), any~~ Any pupil in grades kindergarten to 12 who resides within the city may attend, ~~at no charge,~~ any private school located ~~in the city~~ if all of the following apply:

SECTION 2536c. 119.23 (2) (a) 1. of the statutes is renumbered 119.23 (2) (a) 1. a. and amended to read:

119.23 (2) (a) 1. a. The pupil is a member of a family that has a total family income that does not exceed an amount equal to ~~1.75~~ 3.0 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. In this subdivision and sub. (3m), family income includes income of the pupil's parents or legal guardians. The family income of the pupil shall be determined as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases may continue to attend a private school under this section ~~if the pupil is a member of a family that has a total family income that does not exceed an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. For purposes of admission to a private school under this section, siblings of pupils attending a private school under this section are subject to the higher income limit. If a pupil attending a private school under this section ceases to attend a private school under this section, the lower income limit applies unless the pupil is a sibling of a pupil attending a private school under this section.~~

SECTION 2536g. 119.23 (2) (a) 1. b. of the statutes is amended to read:

119.23 (2) (a) 1. b. The private school submits to the department of revenue the names, addresses, social secu-

rity numbers, and other state and federal tax identification numbers, if any, of the pupil's parents or legal guardians. The department of revenue shall review the information submitted under this subd. 1. b. and shall determine whether the pupil is eligible to participate in the program under this section on the basis of family income. Family income for a family in which the pupil's parents are married or in which the pupil's legal guardians are married shall be reduced by \$7,000 before the determination is made under this subd. 1. b. The department of revenue may take no other action on the basis of the information submitted under this subd. 1. b. The department of public instruction may not request any additional verification of income from the family of a pupil once the department of revenue has determined whether the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction shall establish a procedure for determining family income eligibility for those pupils for whom no social security number or state or federal tax identification number has been provided.

SECTION 2536h. 119.23 (2) (a) 3. of the statutes is amended to read:

119.23 (2) (a) 3. ~~The~~ Except as provided in subd. 3m. b., the private school notified the state superintendent of its intent to participate in the program under this section, and paid a nonrefundable fee set by the department, by February 1 of the previous school year. The notice shall specify the number of pupils participating in the program under this section for which the school has space. The department shall by rule set the fee charged under this subdivision at an amount such that the total fee revenue covers the costs of employing one full-time auditor to evaluate the financial information submitted by the private schools under sub. (7) (am) and (d) 2. and 3. and under s. 118.60 (7) (am) and (d) 2. and 3.

SECTION 2536p. 119.23 (2) (a) 3m. of the statutes is created to read:

119.23 (2) (a) 3m. a. In this subdivision, "municipality" has the meaning given in s. 5.02 (11).

b. For a private school located in a municipality other than the city that intends to participate in the program under this section in the 2011-12 school year, the private school notified the state superintendent of its intent to participate, and paid the nonrefundable fee set by the department under subd. 3. by August 1, 2011. The notice shall specify the number of pupils participating in the program under this section for which the school has space.

SECTION 2536t. 119.23 (2) (a) 7. a. of the statutes is amended to read:

119.23 (2) (a) 7. a. Subject to subd. 7. c., for a private school participating in the program under this section on July 1, 2009, the private school achieves accreditation by the Wisconsin North Central Association, the Wisconsin Religious and Independent Schools Accreditation, the

Independent Schools Association of the Central States, the Archdiocese of Milwaukee, or any other organization recognized by the National Council for Private School Accreditation, by December 31 of the 3rd school year following the first school year that begins after June 30, 2006, in which it participates in the program under this section, or the private school was approved for scholarship funding for the 2005-06 school year by Partners Advancing Values in Education. If the private school is accredited as provided under this subd. 7. a., the private school is not required to obtain preaccreditation ~~from the Institute for the Transformation of Learning at Marquette University~~ under subd. 7. b. as a prerequisite to providing instruction under this section in additional grades or in an additional or new school.

SECTION 2536x. 119.23 (2) (a) 7. b. of the statutes is amended to read:

119.23 (2) (a) 7. b. Subject to subd. 7. c., for a private school that is a first-time participant in the program under this section on or after July 1, 2009, and that is not accredited as provided under subd. 7. a., the private school obtains preaccreditation ~~from~~ by the Institute for the Transformation of Learning at Marquette University, the Wisconsin North Central Association, the Wisconsin Religious and Independent Schools Accreditation, the Independent Schools Association of the Central States, the Archdiocese of Milwaukee, or any other organization recognized by the National Council for Private School Accreditation by August 1 before the first school term of participation in the program under this section that begins after July 1, 2009, or by May 1 if the private school begins participating in the program during summer school, and achieves accreditation by the Wisconsin North Central Association, the Wisconsin Religious and Independent Schools Accreditation, the Independent Schools Association of the Central States, the Archdiocese of Milwaukee, or any other organization recognized by the National Council for Private School Accreditation, by December 31 of the 3rd school year following the first school year that begins after July 1, 2009, in which it participates in the program under this section. If the private school is accredited under this subd. 7. b., the private school is not required to obtain preaccreditation ~~from the Institute for the Transformation of Learning at Marquette University~~ as a prerequisite to providing instruction under this section in additional grades or in an additional or new school.

SECTION 2539. 119.23 (2) (b) of the statutes is repealed.

SECTION 2540b. 119.23 (3) (a) of the statutes is amended to read:

119.23 (3) (a) The pupil or the pupil's parent or guardian shall submit an application, on a form provided by the state superintendent, to the participating private school that the pupil wishes to attend. If more than one pupil from the same family applies to attend the same pri-

vate school, the pupils may use a single application. Within 60 days after receiving the application, the private school shall notify the each applicant, in writing, whether the his or her application has been accepted. If the private school rejects an application, the notice shall include the reason. A private school may reject an applicant only if it has reached its maximum general capacity or seating capacity. The state superintendent shall ensure that the private school determines which pupils to accept on a random basis, except that the private school may give preference in accepting applications to siblings of pupils accepted on a random basis.

SECTION 2540m. 119.23 (3m) of the statutes is created to read:

119.23 (3m) (a) A private school participating in the program under this section may not charge or receive any additional payment for a pupil participating in the program under this section other than the payment the school receives under sub. (4) and, if applicable, sub. (4m), if either of the following applies:

1. The pupil is enrolled in a grade from kindergarten to 8.

2. The pupil is enrolled in a grade from 9 to 12 and the family income of the pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget.

(b) A private school participating in the program under this section may, in addition to the payment it receives for a pupil under sub. (4) and, if applicable, sub. (4m), charge the pupil tuition and fees in an amount determined by the school if both of the following apply:

1. The pupil is enrolled in a grade from 9 to 12.

2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget.

(c) A private school participating in the program under this section shall determine whether the private school may charge additional tuition and fees to a pupil on the basis of the pupil's family income as permitted under par. (b). The private school shall establish a process for accepting an appeal to the governing body of the private school of the determination made under this paragraph.

SECTION 2541m. 119.23 (4) (b) (intro.) of the statutes is amended to read:

119.23 (4) (b) (intro.) Except as provided in par. (bg), upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, the state superintendent shall pay to the ~~parent or guardian~~ private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from

the appropriation under s. 20.255 (2) (fu), an amount equal to the lesser of the following:

SECTION 2542. 119.23 (4) (bg) of the statutes is amended to read:

119.23 (4) (bg) In the ~~2009-10~~ 2011-12 and ~~2010-11~~ 2012-13 school years, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the private school's operating and debt service cost per pupil that is related to educational programming, as determined by the department, or \$6,442, whichever is less.

SECTION 2542c. 119.23 (4) (c) of the statutes is amended to read:

119.23 (4) (c) The state superintendent shall pay 25% of the total amount under this subsection in September, 25% in November, 25% in February, and 25% in May. Each installment may consist of a single check for all pupils attending the private school under this section. The state superintendent ~~may shall~~ include the entire amount under sub. (4m) in ~~one of those installments or apportion the entire amount among one or more of those installments.~~ ~~Except as provided in sub. (4r), the department shall send the check to the private school.~~ ~~Except as provided in sub. (4r), the parent or guardian shall restrictively endorse the check for the use of the private school the November installment, but the payment shall be made in a separate check from the payment under this subsection.~~

SECTION 2542g. 119.23 (4) (d) of the statutes is created to read:

119.23 (4) (d) In determining a private school's operating and debt service cost per pupil under par. (b) 1. and (4m) (a), the department shall do all of the following:

1. Subtract only the following, up to the actual cost of the service or material related to each item:

a. Fees charged pupils for books and supplies used in classes and programs.

b. Rentals for school buildings.

c. Food service revenues.

d. Governmental financial assistance.

e. Interest and other income resulting from the investment of debt proceeds.

2. If legal title to the private school's buildings and premises is held in the name of the private school's parent organization or other related party, there is no other mechanism to include the private school's facilities costs in the calculation of its operating and debt service cost, and the private school requests that the department do so, include an amount equal to 10.5 percent of the fair market value of the school and its premises. A request made by a private school under this subdivision remains effective

in subsequent school years and may not be withdrawn by the private school.

3. If immediately prior to the effective date of this subdivision [LRB inserts date], a private school's operating and debt service costs, as determined by the department, included the amount described in subd. 2., continue to include the amount described in subd. 2. in subsequent school years.

SECTION 2542n. 119.23 (4m) of the statutes is renumbered 119.23 (4m) (intro.) and amended to read:

119.23 (4m) (intro.) In addition to the payment under sub. (4) the state superintendent shall pay to ~~the parent or guardian of each pupil enrolled in a~~ private school participating in the program under this section, on behalf of the parent or guardian of each pupil attending the private school under this section, in the manner described in sub. (4) (c), an amount determined by multiplying 40% of the payment under sub. (4) as follows:

(c) Multiply the product under par. (b) by the quotient determined by dividing the summer choice average daily membership equivalent of the private school by the total number of pupils for whom payments are being made under sub. (4).

SECTION 2542r. 119.23 (4m) (a) and (b) of the statutes are created to read:

119.23 (4m) (a) Determine the private school's operating and debt service cost per pupil in summer school that is related to educational programming.

(b) Multiply the amount under par. (a) by 0.40.

SECTION 2544w. 119.23 (7) (am) 1. and 2. of the statutes are amended to read:

119.23 (7) (am) 1. An independent financial audit of the private school conducted by an independent certified public accountant, accompanied by the auditor's statement that the report is free of material misstatements and fairly presents pupil costs under sub. (4) (b) 1. The audit under this subdivision shall be limited in scope to those records that are necessary for the department to make payments under subs. (4) and (4m). The auditor shall conduct his or her audit, including determining sample sizes and evaluating financial viability, in accordance with the auditing standards established by the American Institute of Certified Public Accountants. The department may not require an auditor to comply with standards that exceed the scope of the standards established by the American Institute of Certified Public Accountants.

2. Evidence of sound fiscal and internal control practices, as prescribed by the department by rule. An auditor engaged to evaluate the private school's fiscal and internal control practices shall conduct his or her evaluation, including determining sample sizes, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

SECTION 2544x. 119.23 (7) (b) 8. of the statutes is repealed.

SECTION 2545. 119.23 (7) (d) 1. of the statutes is renumbered 119.23 (7) (d) 1. b. and amended to read:

119.23 (7) (d) 1. b. A copy of the school's current certificate of occupancy issued by the ~~city~~ municipality within which the school is located. If the private school moves to a new location, the private school shall submit a copy of the new certificate of occupancy issued by the ~~city~~ municipality within which the school is located to the department before the attendance of pupils at the new location and before the next succeeding date specified in s. 121.05 (1) (a). A temporary certificate of occupancy does not meet the requirement of this subdivision.

SECTION 2546. 119.23 (7) (d) 1. a. of the statutes is created to read:

119.23 (7) (d) 1. a. In this subdivision, "municipality" has the meaning given in s. 5.02 (11).

SECTION 2549e. 119.23 (9) (a) of the statutes is renumbered 119.23 (9) and amended to read:

119.23 (9) If any accrediting agency specified under sub. (2) (a) 7. a. or b. determines during the accrediting or preaccrediting process that a private school does not meet all of the requirements under s. 118.165 (1), ~~or if the Institute for the Transformation of Learning at Marquette University determines during the preaccreditation process that a private school does not meet all of the requirements under s. 118.165 (1),~~ it shall report that failure to the department.

SECTION 2549m. 119.23 (9) (b) of the statutes is repealed.

SECTION 2549s. 119.23 (10) (a) 2. of the statutes is amended to read:

119.23 (10) (a) 2. Failed to provide the notice or pay the fee required under sub. (2) (a) 3. ~~or 3m. b.~~, or provide the information required under sub. (7) (am) or (d), by the date or within the period specified.

SECTION 2549u. 119.23 (10) (d) of the statutes is amended to read:

119.23 (10) (d) The state superintendent may withhold payment from a ~~parent or guardian~~ private school under subs. (4) and (4m) if the private school ~~attended by the child of the parent or guardian~~ violates this section.

SECTION 2550. 119.23 (11) of the statutes is renumbered 119.23 (11) (intro.) and amended to read:

119.23 (11) The department shall ~~promulgate~~ do all of the following:

(a) Promulgate rules to implement and administer this section. The department may not by rule establish standards under sub. (7) (am) that exceed the standards established by the American Institute of Certified Public Accountants.

SECTION 2551. 119.23 (11) (b) of the statutes is created to read:

119.23 (11) (b) Notify each private school participating in the program under this section of any proposed changes to the program or to administrative rules govern-

ing the program, including changes to application or filing deadlines but not including changes to provisions governing health or safety, prior to the beginning of the school year in which the change takes effect.

SECTION 2552. 119.245 of the statutes is repealed.

SECTION 2553. 119.495 (2) of the statutes is amended to read:

119.495 (2) The board shall include in its budget transmitted to the common council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing to be authorized in the budget for the ensuing year. The common council shall issue the notes and levy a direct annual irrepealable tax sufficient to pay the principal and interest on the notes as they become due. The common council may issue the notes by private sale. The common council shall make every effort to involve a minority investment firm certified under s. ~~560.036~~ 16.287 as managing underwriter of the notes or to engage a minority financial adviser certified under s. ~~560.036~~ 16.287 to advise the city regarding any public sale of the notes.

SECTION 2554. 119.496 (2) of the statutes is amended to read:

119.496 (2) The board shall include in its budget transmitted to the common council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing to be authorized in the budget for the ensuing year. The common council shall issue the notes and levy a direct annual irrepealable tax sufficient to pay the principal and interest on the notes as they become due. The common council may issue the notes by private sale. The common council shall establish goals of involving minority investment firms certified under s. ~~560.036~~ 16.287 as managing underwriters for at least 50% of the total amount financed by the notes and of engaging a minority financial adviser certified under s. ~~560.036~~ 16.287 to advise the city regarding any public sale of the notes.

SECTION 2571. 121.08 (4) (a) 1. of the statutes is amended to read:

121.08 (4) (a) 1. ~~In the 2009-10 and 2010-11 school year, add~~ Add the amounts paid under s. 118.40 (2r) in the current school year, ~~and in the 2011-12 school year and each school year thereafter, add the amounts paid under s. 118.40 (2r) in the 2010-11 school year.~~

SECTION 2571d. 121.08 (4) (a) 2. of the statutes is amended to read:

121.08 (4) (a) 2. Divide the sum under subd. 1. by the total amount of state aid that all school districts are eligible to be paid from the appropriation under s. 20.255 (2) (ac), calculated as if the reduction under par. (b) ~~or (br)~~ had not occurred.

SECTION 2571h. 121.08 (4) (a) 3. of the statutes is amended to read:

121.08 (4) (a) 3. Multiply the amount of state aid that the school district is eligible to be paid from the appropriation under s. 20.255 (2) (ac), calculated as if the reduc-

tion under par. (b) ~~or (br)~~ had not occurred, by the quotient under subd. 2.

SECTION 2571q. 121.08 (4) (br) of the statutes is created to read:

121.08 (4) (br) The amount of state aid that an eligible school district is eligible to be paid from the appropriation under s. 20.255 (2) (ac) shall also be reduced by the amount calculated by multiplying the amounts paid under s. 118.60 (4) and (4m) in the first school year that begins after a school district is identified as an eligible school district under s. 118.60 (1m) or 2011 Wisconsin Act (this act), section 9137 (3u), and in each school year thereafter by 38.4 percent.

SECTION 2571t. 121.08 (4) (d) of the statutes is amended to read:

121.08 (4) (d) The state superintendent shall ensure that the total amount of aid reduction under pars. (a) ~~and~~, (b), ~~and (br)~~ lapses to the general fund.

SECTION 2573g. 121.90 (2) (am) 5. of the statutes is created to read:

121.90 (2) (am) 5. Amounts received in the 2011-12 school year under 2011 Wisconsin Act (this act), section 9137 (3q).

SECTION 2574a. 121.905 (1) of the statutes is amended to read:

121.905 (1) In this section, "revenue ceiling" means \$9,000 in the ~~2009-10~~ 2011-12 school year and in the ~~2010-11~~ 2012-13 school year and ~~\$9,800~~ \$9,100 in the 2013-14 school year and in any subsequent school year.

SECTION 2575b. 121.905 (3) (c) 3r. of the statutes is amended to read:

121.905 (3) (c) 3r. For the limit for the 2011-12 school year, ~~add \$275 to~~ multiply the result under par. (b) by 0.945.

SECTION 2576b. 121.905 (3) (c) 4. of the statutes is amended to read:

121.905 (3) (c) 4. For the limit for the 2012-13 school year ~~or for any school year thereafter, add the result under s. 121.91 (2m) (h) 2. \$50~~ to the result under par. (b).

SECTION 2576c. 121.905 (3) (c) 5. of the statutes is created to read:

121.905 (3) (c) 5. For the limit for the 2013-14 school year and any school year thereafter, make no adjustment to the result under par. (b).

SECTION 2580. 121.91 (2m) (g) 2. of the statutes is repealed.

SECTION 2581. 121.91 (2m) (g) 3. of the statutes is amended to read:

121.91 (2m) (g) 3. Multiply the result under subd. 2. 1. by the average of the number of pupils enrolled in the current and the 2 preceding school years.

SECTION 2582. 121.91 (2m) (g) 4. of the statutes is created to read:

121.91 (2m) (g) 4. Multiply the result under subd. 3. by 0.055.

SECTION 2583. 121.91 (2m) (g) 5. of the statutes is created to read:

121.91 (2m) (g) 5. Subtract the product under subd. 4. from the result under subd. 3.

SECTION 2584. 121.91 (2m) (h) (intro.) of the statutes is amended to read:

121.91 (2m) (h) (intro.) Except as provided in subs. (3), (4), and (8), no school district may increase its revenues for the 2012-13 school year ~~or for any school year thereafter~~ to an amount that exceeds the amount calculated as follows:

SECTION 2585. 121.91 (2m) (h) 2. of the statutes is repealed.

SECTION 2586g. 121.91 (2m) (h) 3. of the statutes is amended to read:

121.91 (2m) (h) 3. Add \$50 to the result under subd. 1. ~~to the result under subd. 2.~~

SECTION 2586r. 121.91 (2m) (i) of the statutes is created to read:

121.91 (2m) (i) Except as provided in subs. (3), (4), and (8), no school district may increase its revenues for the 2013-14 school year or for any school year thereafter to an amount that exceeds the amount calculated as follows:

1. Divide the sum of the amount of state aid received in the previous school year and property taxes levied for the previous school year, excluding property taxes levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4) (c), by the average of the number of pupils enrolled in the 3 previous school years.

2. Multiply the result under subd. 1. by the average of the number of pupils enrolled in the current and the 2 preceding school years.

SECTION 2587g. 121.91 (2m) (r) 1. b. of the statutes is amended to read:

121.91 (2m) (r) 1. b. Add an amount equal to the amount of revenue increase per pupil allowed under this subsection for the previous school year multiplied by the sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal to the result under subd. 1. a., except that in calculating the limit for the ~~2009-10 or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating the limit for the 2011-12 school year, add \$275 to multiply~~ the result under subd. 1. a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result under subd. 1. a., and in calculating the limit for the 2013-14 school year and any school year thereafter, make no adjustment to the result under subd. 1. a.

SECTION 2587r. 121.91 (2m) (s) 1. b. of the statutes is amended to read:

121.91 (2m) (s) 1. b. Add an amount equal to the amount of revenue increase per pupil allowed under this subsection for the previous school year multiplied by the

sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal to the result under subd. 1. a., except that in calculating the limit for the ~~2009-10 or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating the limit for the 2011-12 school year, add \$275 to multiply~~ the result under subd. 1. a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result under subd. 1. a., and in calculating the limit for the 2013-14 school year and any school year thereafter, make no adjustment to the result under subd. 1. a.

SECTION 2596. 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

121.91 (2m) (t) 1. (intro.) If 2 or more school districts are consolidated under s. 117.08 or 117.09, ~~except as follows, in the 2011-12 school year, the consolidated school district's revenue limit shall be determined as provided under par. (e) except as follows (g), in the 2012-13 school year, the consolidated school district's revenue limit shall be determined as provided under par. (h), and in the 2013-14 school year and in each school year thereafter, the consolidated school district's revenue limit shall be determined as provided under par. (i):~~

SECTION 2598. 121.91 (4) (L) of the statutes is repealed.

SECTION 2599. 121.91 (4) (m) of the statutes is repealed.

SECTION 2600. 121.91 (4) (n) of the statutes is repealed.

SECTION 2600m. 121.91 (4) (o) 1. of the statutes is amended to read:

121.91 (4) (o) 1. If a school board adopts a resolution to do so, the limit otherwise applicable to a school district under sub. (2m) in any school year is increased by the amount spent by the school district in that school year on a project to implement energy efficiency measures, and renewable or to purchase energy efficiency products, that result including the payment of debt service on bonds or notes issued to finance the project, if the project results in the avoidance of, or reduction in, energy costs. ~~The department shall promulgate rules to implement this subdivision, including eligibility standards for school districts or operational costs, the project is governed by a performance contract entered into under s. 66.0133, and the bonds or notes issued to finance the project, if any, are issued for periods not exceeding 20 years. If a school board issues bonds or notes to finance a project described in this subdivision, a resolution adopted by a school board under this subdivision is valid for each school year in which the school board pays debt service on the bonds or notes.~~

SECTION 2601m. 121.91 (4) (q) of the statutes is created to read:

121.91 (4) (q) 1. The limit otherwise applicable to a school district under sub. (2m) is increased by an amount equal to the amount of any refunded or rescinded prop-

erty taxes paid by the school board in the year of the levy if the valuation represented by the refunded or rescinded property taxes result in a redetermination of the school district's equalized valuation by the department of revenue under s. 74.41.

2. Any additional revenue received by a school district under this paragraph shall not be included in the base for determining the school district's limit under sub. (2m) for the following school year.

SECTION 2602. 121.91 (7) of the statutes is amended to read:

121.91 (7) Except as provided in sub. (4) (f) 2. ~~and (L) to, (o), and (q) and~~ (8), if an excess revenue is approved under sub. (3) for a recurring purpose or allowed under sub. (4), the excess revenue shall be included in the base for determining the limit for the next school year for purposes of this section. If an excess revenue is approved under sub. (3) for a nonrecurring purpose, the excess revenue shall not be included in the base for determining the limit for the next school year for purposes of this section.

SECTION 2603g. 121.91 (8) of the statutes is amended to read:

121.91 (8) If a school district's initial revenue limit for the current school year, as calculated under s. 121.905 or sub. (2m), whichever is appropriate, before making any adjustments under sub. (3) or (4), is less than the amount determined by multiplying the amount under sub. (2m) ~~(g) 1. or (h) 1.~~ (i) 1. by the average of the number of pupils enrolled in the 3 preceding school years, the school district's initial revenue limit for the current school year, before making any adjustments under sub. (3) or (4), is the amount determined by multiplying the amount under sub. (2m) ~~(g) 1. or (h) 1.~~ (i) 1. by the average of the number of pupils enrolled in the 3 preceding school years. Any additional revenue received by a school district as a result of this subsection shall not be included in the base for determining the school district's limit under sub. (2m) for the following school year. This subsection does not apply to a school district's revenue limit calculated for the 2011-12 and 2012-13 school years.

SECTION 2603m. 125.01 of the statutes is amended to read:

125.01 Legislative intent. This chapter shall be construed as an enactment of the legislature's support for the 3-tier system for alcohol beverages production, distribution, and sale that, through uniform statewide regulation, provides this state regulatory authority over the production, storage, distribution, transportation, sale, and consumption of alcohol beverages by and to its citizens, for the benefit of the public health and welfare and this state's economic stability. Without the 3-tier system, the effective statewide regulation and collection of state taxes on alcohol beverages sales would be seriously jeopardized. It is further the intent of the legislature that with-

out a specific statutory exception, all sales of alcohol beverages shall occur through the 3-tier system, from manufacturers to ~~licensed~~ wholesalers holding a permit to retailers to consumers. Face-to-face retail sales at licensed premises directly advance the state's interest in preventing alcohol sales to underage or intoxicated persons and the state's interest in efficient and effective collection of tax.

SECTION 2604bc. 125.02 (15) of the statutes is renumbered 125.02 (15) (intro.) and amended to read:

125.02 (15) (intro.) "Primary source of supply" means any of the following:

(b) With respect to intoxicating liquor, the manufacturer, the rectifier, or the exclusive agent designated by the manufacturer or rectifier.

SECTION 2604be. 125.02 (15) (a) of the statutes is created to read:

125.02 (15) (a) With respect to fermented malt beverages, the brewer or brewpub that manufactured the fermented malt beverages or the exclusive agent designated by this brewer or brewpub.

SECTION 2604bg. 125.02 (21) of the statutes is amended to read:

125.02 (21) "Wholesaler" means a person, other than a brewer, brewpub, manufacturer, or rectifier, who sells alcohol beverages to a licensed retailer or to another person who holds a permit ~~or license~~ to sell alcohol beverages at wholesale.

SECTION 2604bi. 125.04 (12) (a) of the statutes is amended to read:

125.04 (12) (a) *From place to place.* Every alcohol beverage license or permit may be transferred to another place or premises within the same municipality. An alcohol beverage warehouse permit under s. 125.19, a winery permit under s. 125.53 or an intoxicating liquor wholesaler's permit under s. 125.54 may be transferred to another premises within this state. ~~A Class "A" license and a wholesaler's license identified in s. 125.25 (2) (b) 2. may be transferred together as provided in s. 125.25 (2) (b) 4. if the receiving municipality approves the transfer.~~ Transfers shall be made by the issuing authority upon payment of a fee of \$10 to the issuing authority ~~and, for transfers as provided in s. 125.25 (2) (b) 4., transfers shall be received and the validity of the transferred licenses recognized by the receiving municipality upon approval of the transfer by the receiving municipality and payment to the receiving municipality of an additional fee of \$10 for each transferred license.~~ No retail licensee, retail permittee, intoxicating liquor wholesaler or holder of a warehouse or winery permit is entitled to more than one transfer during the license or permit year. This paragraph does not apply to a license issued under s. 125.51 (4) (v) or to a reserve "Class B" license, as defined in s. 125.51 (4) (a).

SECTION 2604bk. 125.05 (1) (d) of the statutes is amended to read:

125.05 (1) (d) *Wholesalers' licenses permits.* If the election results prohibit the retail sale of fermented malt beverages, the ~~municipality may nevertheless issue wholesalers' licenses to qualified persons on the department shall include as a condition of any wholesaler's permit issued under s. 125.28 for a premises within the municipality~~ that the wholesaler may not sell or deliver fermented malt beverages within the municipality to any person residing therein.

SECTION 2604bl. 125.07 (3) (a) 3. of the statutes is amended to read:

125.07 (3) (a) 3. Hotels, drug stores, grocery stores, bowling centers, movie theaters, billiards centers having on the premises 12 or more billiards tables that are not designed for coin operation and that are 8 feet or longer in length, indoor golf simulator facilities, service stations, vessels, cars operated by any railroad, regularly established athletic fields, outdoor volleyball courts that are contiguous to a licensed premises, stadiums, public facilities as defined in s. 125.51 (5) (b) 1. d. which are owned by a county or municipality or centers for the visual or performing arts.

SECTION 2604bm. 125.07 (3) (a) 13. of the statutes is amended to read:

125.07 (3) (a) 13. An underage person who enters or remains in a banquet or hospitality room on brewery premises ~~operated under a Class "B" or "Class B" license~~ for the purpose of attending a brewery tour.

SECTION 2604bo. 125.10 (4) of the statutes is amended to read:

125.10 (4) REGULATION OF CLOSED RETAIL PREMISES. A municipality may not prohibit the permittee, licensee, employees, salespersons, employees of wholesalers ~~licensed issued a permit~~ under s. 125.28 (1) or 125.54 (1); employees of permittees under s. 125.295 with respect to the permittee's own retail premises; or service personnel from being present on premises operated under a Class "A", "Class A" or "Class C" license or under a Class "B" or "Class B" license or permit during hours when the premises are not open for business if those persons are performing job-related activities.

SECTION 2604bs. 125.25 (1) of the statutes is amended to read:

125.25 (1) Every municipal governing body may issue Class "A" licenses for the sale of fermented malt beverages from premises within the municipality. ~~Subject to s. 125.34 (5) and (6), a~~ Class "A" license authorizes retail sales of fermented malt beverages for consumption off the premises where sold and in original packages, containers, and bottles. A Class "A" license also authorizes the licensee to provide, free of charge, to customers and visitors who have attained the legal drinking age fermented malt beverages taste samples that are not in original packages, containers, or bottles and that do not exceed 3 fluid ounces each, for consumption on the Class "A" premises. No Class "A" licensee may provide

more than 2 taste samples per day to any one person. Taste samples may be provided under this subsection only between the hours of 11 a.m. and 7 p.m. Any other provision of this chapter applicable to retail sales of fermented malt beverages by a Class "A" licensee also applies to the provision of taste samples, free of charge, of fermented malt beverages by a Class "A" licensee. A license may be issued after July 1. That license shall expire on the following June 30.

SECTION 2604bu. 125.25 (2) (b) 1. of the statutes is amended to read:

125.25 (2) (b) 1. ~~Beginning on May 5, 1994, a~~ Class "A" license may not be issued to a person holding a wholesaler's ~~license permit~~ issued under s. 125.28 or to a person who has a direct or indirect ownership interest in a premises operating under a wholesaler's ~~license permit~~ issued under s. 125.28.

SECTION 2604db. 125.25 (2) (b) 2., 3. and 4. of the statutes are repealed.

SECTION 2604dd. 125.25 (3) of the statutes is amended to read:

125.25 (3) Class "A" licenses shall particularly describe the premises for which issued and are not transferable, except under ~~sub. (2) (b) 4.~~ and s. 125.04 (12). A Class "A" license is subject to revocation for violation of any of the terms or provisions thereof.

SECTION 2604df. 125.26 (1) of the statutes is amended to read:

125.26 (1) Every municipal governing body may issue Class "B" licenses for the sale of fermented malt beverages from premises within the municipality and may authorize an official or body of the municipality to issue temporary Class "B" licenses under sub. (6). ~~Subject to s. 125.34 (5) and (6), a~~ Class "B" license authorizes retail sales of fermented malt beverages to be consumed either on the premises where sold or off the premises. A license may be issued after July 1. That license shall expire on the following June 30. Persons holding a Class "B" license may sell beverages containing less than 0.5% of alcohol by volume without obtaining a license under s. 66.0433 (1).

SECTION 2604dh. 125.26 (2) (b) 1. of the statutes is amended to read:

125.26 (2) (b) 1. Except as provided in ~~ss. s.~~ 125.295 ~~and 125.34~~, Class "B" licenses may not be issued to brewers or brewpubs.

SECTION 2604dj. 125.26 (2) (b) 2. a. of the statutes is renumbered 125.26 (2) (b) 2. and amended to read:

125.26 (2) (b) 2. ~~Except as provided in s. 125.29,~~ ~~beginning on May 5, 1994, a~~ Class "B" license may not be issued to a person holding a wholesaler's ~~license permit~~ issued under s. 125.28 or to a person who has a direct or indirect ownership interest in a premises operating under a wholesaler's ~~license permit~~ issued under s. 125.28.

SECTION 2604dm. 125.26 (2) (b) 2. b. and c. of the statutes are repealed.

SECTION 2604do. 125.275 (2) (b) 1. of the statutes is renumbered 125.275 (2) (b) and amended to read:

125.275 (2) (b) ~~Beginning on May 5, 1994, an An~~ industrial fermented malt beverages permit may not be issued to a person holding a wholesaler's license permit issued under s. 125.28 or to a person who has a direct or indirect ownership interest in a premises operating under a wholesaler's license permit issued under s. 125.28.

SECTION 2604dp. 125.275 (2) (b) 2. and 3. of the statutes are repealed.

SECTION 2604dq. 125.28 (title) of the statutes is amended to read:

125.28 (title) Wholesalers' licenses permits.

SECTION 2604ds. 125.28 (1) of the statutes is amended to read:

125.28 (1) (a) Subject to par. (b), ~~every municipal governing body the department~~ may issue licenses permits to wholesalers for the sale of fermented malt beverages from premises within ~~the municipality this state~~, which premises shall comply with the requirements under s. 125.34 (2). Subject to s. 125.34, ~~and except as provided in pars. (e) and (f)~~, a wholesaler's license permit authorizes sales of fermented malt beverages only in original packages or containers to retailers or wholesalers, ~~not to be consumed in or about the wholesaler's premises.~~

(b) If a wholesaler does not maintain any warehouse in this state but is licensed and maintains a warehouse in an adjoining state that allows wholesalers licensed holding a wholesaler's permit in this state to deliver fermented malt beverages to retailers in the adjoining state without warehousing in that state and that further requires that all fermented malt beverages be first unloaded ~~and physically at rest at~~, and distributed from, the warehouse of the licensed wholesaler in that state, the wholesaler's license permit shall be issued by the ~~governing body of the municipality in which some part of the wholesaler's business is conducted in this state department~~. Notwithstanding s. 125.04 (5) (a) 2. and (c) and (6), the ~~municipal governing body department~~ may issue the wholesaler's license permit to a wholesaler described in this paragraph who is a natural person and not a resident of this state or that is a corporation or limited liability company and has not appointed an agent in this state.

(c) No additional license or permit is required for the solicitation of orders for sale to or by ~~licensed~~ wholesalers holding a permit under this section.

(d) Wholesalers ~~licensed holding a permit~~ under this section, employees of such wholesalers, and individuals representing such wholesalers may not provide or participate in providing taste samples under ss. 125.25 (1) and 125.33 (12).

SECTION 2604du. 125.28 (1) (e) and (f) of the statutes are created to read:

125.28 (1) (e) Notwithstanding ss. 125.04 (9) and 125.09 (1), if a wholesaler was issued a retail license prior to January 1, 2011, then the wholesaler may, under its wholesaler's permit, continue to sell at retail fermented malt beverages to individuals as was permitted under the previously issued retail license.

(f) A wholesaler's permit authorizes the wholesaler to sell or give fermented malt beverages to its employees. Fermented malt beverages may be consumed on a wholesaler's premises at events not open to the general public.

SECTION 2604ed. 125.28 (2) (a) of the statutes is amended to read:

125.28 (2) (a) A wholesaler's license permit may be issued to any person qualified under s. 125.04 (5) except a person acting as an agent for, or in the employ of, another person. Notwithstanding s. 125.04 (5) (a) 5., a person is not required to complete a responsible beverage server training course to be qualified for a license permit under this section.

SECTION 2604ef. 125.28 (2) (b) (intro.) of the statutes is amended to read:

125.28 (2) (b) (intro.) ~~Except as provided in par. (e) and s. 125.29, beginning on May 5, 1994, a~~ A wholesaler's license permit may not be issued to any of the following:

SECTION 2604eg. 125.28 (2) (b) 1. b. and c. and 2. of the statutes are amended to read:

125.28 (2) (b) 1. b. A Class "B" license issued under s. 125.26, ~~except as provided in s. 125.29 (4).~~

c. A Class "B" permit issued under s. 125.27, ~~except as provided in s. 125.29 (4).~~

2. ~~A~~ Except as provided in s. 125.33 (2m), a person who has a direct or indirect ownership interest in a premises operating under one or more of the licenses or permits listed in subd. 1. a. to e. f.

SECTION 2604eh. 125.28 (2) (b) 1. f. of the statutes is created to read:

125.28 (2) (b) 1. f. A brewer's permit issued under s. 125.29.

SECTION 2604ej. 125.28 (2) (c) of the statutes is repealed.

SECTION 2604em. 125.28 (2) (d) and (e) of the statutes are created to read:

125.28 (2) (d) Notwithstanding par. (b) 1. f. and 2., a wholesaler may not hold any ownership interest in any brewer, except a wholesaler that holds an ownership interest in a brewer on the effective date of this paragraph ... [LRB inserts date], may continue to hold that interest.

(e) 1. Any person holding an unexpired wholesaler's license issued under s. 125.28, 2009 stats., prior to January 1, 2012, shall be treated as holding a valid wholesaler's permit under this section until January 1, 2013. On January 1, 2013, all wholesaler's licenses issued under s. 125.28, 2009 stats., shall be void.

2. After January 1, 2012, the department shall issue to each person holding an unexpired wholesaler's license

issued under s. 125.28, 2009 stats., a wholesaler's permit if the person does not hold a license or permit prohibited under par. (b). The issuance of a wholesaler's permit by the department to any person shall invalidate any previous wholesaler's license issued under s. 125.28, 2009 stats., to the person.

SECTION 2604eo. 125.28 (3) of the statutes is amended to read:

125.28 (3) Wholesalers' licenses permits shall particularly describe the premises for which issued and are not transferable, except as provided in ss. s. 125.04 (12) and 125.25 (2) (b) 4. A wholesaler's license permit is subject to revocation for violation of any of the terms or provisions thereof.

SECTION 2604eq. 125.28 (4) of the statutes is amended to read:

125.28 (4) The amount of the license permit fee shall be determined established by the municipal governing body issuing the license but department and shall be an amount that is sufficient to fund one special agent position dedicated to alcohol and tobacco enforcement at the department, but the permit fee may not exceed \$25 \$2,500 per year or fractional part thereof. All permit fees received under this subsection shall be credited to the appropriation account under s. 20.566 (1) (hd).

SECTION 2604es. 125.28 (5) of the statutes is created to read:

125.28 (5) (a) The premises described in a permit issued under this section shall be capable of warehousing fermented malt beverages. Any fermented malt beverages sold by the wholesaler shall be physically unloaded at the premises described in the permit, or at any warehouse premises for which the wholesaler also holds a permit under this section and a permit issued under s. 125.19, prior to being delivered to a retail licensee or to another wholesaler.

(b) A wholesaler under this section shall annually sell and deliver fermented malt beverages to at least 25 retail licensees or other wholesalers that do not have any direct or indirect interest in each other or in the wholesaler. The department may not issue a permit under this section unless the applicant represents to the department an intention to satisfy this requirement, and may not renew a permit issued under this section unless the wholesaler demonstrates that this requirement has been satisfied.

(c) No fermented malt beverages retail licensee or wholesaler may receive a benefit from a violation under par. (a) or (b) with knowledge of the circumstances giving rise to the violation.

(d) 1. A wholesaler that violates this subsection shall be fined not more than \$10,000. In addition, a court shall order the wholesaler to forfeit an amount equal to any profit gained by the wholesaler or retail licensee that violates par. (c), or by both, resulting from the violation, and the court shall further order that the wholesaler's permit be revoked.

2. A court shall order a retail licensee or wholesaler that violates this subsection to forfeit an amount equal to any profit gained by the retail licensee or wholesaler resulting from the violation, and the court shall further order that the retail license or wholesaler's permit be revoked.

3. This paragraph shall not affect the authority of any municipality or the department to revoke, suspend, or refuse to renew or issue a license or permit under s. 125.12.

(e) The department shall promulgate rules to administer and enforce the requirements under this subsection. The rules shall ensure coordination between the department's issuance and renewal of permits under this section and its enforcement of the requirements of this subsection, and shall require that all applications for issuance or renewal of permits under this section be processed by department personnel generally familiar with activities of fermented malt beverages wholesalers. The department shall establish by rule minimum requirements for warehouse facilities on premises described in permits issued under this section and for periodic site inspections by the department of such warehouse facilities.

SECTION 2604eu. 125.29 (1) of the statutes is amended to read:

125.29 (1) PERMIT. No person may operate as a brewer unless that person obtains a permit from the department. ~~Each wholesaler required to register under s. 139.09 shall obtain a permit under this subsection.~~ A permit under this section may only be issued to a person who holds a valid certificate issued under s. 73.03 (50).

SECTION 2604fc. 125.29 (2) (title) of the statutes is repealed and recreated to read:

125.29 (2) (title) INTEREST RESTRICTIONS.

SECTION 2604fe. 125.29 (2) of the statutes is renumbered 125.29 (2) (a) and amended to read:

125.29 (2) (a) ~~Except as provided in s. 125.31, no~~ No person holding a Class "A" license, Class "B" license or permit, or wholesaler's permit issued under this chapter may register as a brewer.

SECTION 2604fg. 125.29 (2) (b) of the statutes is created to read:

125.29 (2) (b) 1. Except as provided in subd. 2. or 3., no brewer may hold any ownership interest in any wholesaler.

2. A brewer may hold an ownership interest of less than 50 percent in a wholesaler if this ownership interest will not occur for more than 3 years.

3. If a wholesaler that has been granted distribution rights by a brewer for a brand in a designated sales territory is unable to service the designated sales territory for any reason, including the discontinuation of the wholesaler's distribution rights, bankruptcy, or criminal prosecution of the wholesaler in connection with operation of the wholesaler, and the reason is not the result of an action by the brewer, then a brewer shall be allowed, for

a period of not more than one year, to take temporary control and operation of the wholesaler.

SECTION 2604fi. 125.29 (3) of the statutes is repealed and recreated to read:

125.29 (3) **AUTHORIZED ACTIVITIES.** The department shall issue brewer's permits to eligible applicants authorizing all of the following:

(a) The manufacture of fermented malt beverages on the brewery premises.

(b) The bottling, packaging, possession, and storage of fermented malt beverages on the brewery premises.

(c) The transportation of fermented malt beverages between the brewery premises and any depot or warehouse maintained by the brewer.

(d) The sale, shipment, transportation, and delivery, in original unopened packages or containers, to wholesalers, from the brewery premises, of fermented malt beverages that have been manufactured by the brewer on those premises or on other premises of the brewer.

(e) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of fermented malt beverages that have been manufactured on the brewery premises or on other premises of the brewer for on-premise consumption by individuals at the brewery premises or an off-site retail outlet established by the brewer.

(f) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale to individuals of fermented malt beverages, in original unopened packages or containers, that have been manufactured on the brewery premises or on other premises of the brewer for off-premise consumption by individuals, if the sale occurs at the brewery premises or at an off-site retail outlet established by the brewer.

(g) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of fermented malt beverages, for on-premise consumption or for off-premise consumption in original unopened packages or containers, that have been manufactured on another brewery premises in this state if the fermented malt beverages have been purchased by the brewer from a wholesaler holding a permit under s. 125.28 or from another brewery located in this state that manufactures 300,000 or less barrels of beer in a calendar year.

(h) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of intoxicating liquor, for on-premise consumption by individuals at the brewery premises or an off-site retail outlet established by the brewer, if the brewer held, on June 1, 2011, a license or permit authorizing the retail sale of intoxicating liquor and if the intoxicating liquor has been purchased by the brewer from a wholesaler holding a permit under s. 125.54.

(i) The provision of free taste samples on the brewery premises, at an off-site retail outlet established by the brewer, or as authorized under s. 125.33 (12).

(j) The ownership, maintenance, or operation of places for the sale of fermented malt beverages at the

state fair park or on any county fairgrounds located in this state.

SECTION 2604fk. 125.29 (3m) of the statutes is created to read:

125.29 (3m) **SALES TO RETAILERS.** (a) Except as provided in pars. (b) and (c), no brewer may sell fermented malt beverages to a retail licensee.

(b) A brewer that manufactures 300,000 or less barrels of fermented malt beverages in a calendar year from all locations may sell, ship, transport and deliver to retailers, from the brewery premises, fermented malt beverages, in original unopened packages or containers, that have been manufactured on the brewery premises, if the brewer complies with the requirements in ss. 125.33 and 125.34, as applicable, to the same extent as if the brewer were a wholesaler.

(c) If a wholesaler that has been granted distribution rights by a brewer for a brand in a designated sales territory is unable to service the designated sale territory for any reason, including the discontinuation of the wholesaler's distribution rights, bankruptcy, or criminal prosecution of the wholesaler in connection with operation of the wholesaler, and the reason is not the result of an action by the brewer, then a brewer shall be allowed, for a period of not more than one year, to sell or ship any brand of fermented malt beverages to retailers located in the wholesaler's designated sales territory.

SECTION 2604fm. 125.29 (4) of the statutes is repealed.

SECTION 2604fo. 125.29 (6) of the statutes is repealed and recreated to read:

125.29 (6) **RESTAURANTS.** A brewer may operate a restaurant on the brewery premises and at an off-site retail outlet established by the brewer. A brewer may not hold a restaurant permit for the operation of a restaurant at any other location except that a brewer may possess or hold an indirect interest in a Class "B" license for not more than 20 restaurants in each of which the sale of alcohol beverages accounts for less than 60 percent of the restaurant's gross receipts if no fermented malt beverages manufactured by the brewer are offered for sale in any of these restaurants.

SECTION 2604fq. 125.295 (2) (a) 6. c. of the statutes is amended to read:

125.295 (2) (a) 6. c. A wholesaler's license permit issued under s. 125.28.

SECTION 2604fs. 125.30 (1) of the statutes is amended to read:

125.30 (1) The department shall issue out-of-state shippers' permits which, except as provided in ~~s. 125.34 (6)-(e) sub. (4)~~, authorize the permittee to ship fermented malt beverages only to holders of a wholesaler's license permit issued under s. 125.28. Except with respect to any shipment from a warehouse in an adjoining state by a wholesaler issued a wholesale license permit under s.

125.28 (1) (b), no person may receive fermented malt beverages in this state which have been directly shipped from outside this state by any person other than the holder of a permit issued under this section. Subject to s. 125.34 (2) ~~and (6) (e)~~, all shipments of fermented malt beverages to a wholesaler of fermented malt beverages in this state, whether shipped to the wholesaler from inside this state or from outside this state, shall be unloaded in, physically at rest in, and only then distributed from the wholesaler's warehouse in this state.

SECTION 2604fu. 125.30 (3) of the statutes is amended to read:

125.30 (3) Out-of-state shippers' permits may be issued only to a person who holds a valid certificate issued under s. 73.03 (50) ~~and~~, who is qualified under s. 125.04 (5), who does not maintain an office or street address in this state, and who is the primary source of supply for the brand of fermented malt beverages. An out-of-state shipper's permit may not be issued to a person determined by the department to be primarily engaged in wholesale or retail sales in another state. Notwithstanding s. 125.04 (5) (a), natural persons obtaining out-of-state shippers' permits are not required to be residents of this state. Notwithstanding s. 125.04 (5) (a) 5., a person is not required to complete a responsible beverage server training course to be qualified for a permit under this section. Notwithstanding s. 125.04 (6), corporations or limited liability companies obtaining out-of-state shippers' permits are not required to appoint agents.

SECTION 2604gd. 125.30 (4) of the statutes is created to read:

125.30 (4) An out-of-state brewer that manufactures 300,000 barrels or less of fermented malt beverages in a calendar year from all locations and that holds an out-of-state shipper's permit may sell and ship fermented malt beverages directly to retail licensees if the out-of-state brewer registers with the department, files whatever periodic reports with the department as the department may require, and complies with the requirements in ss. 125.33 and 125.34, as applicable, to the same extent as if the out-of-state brewer were a wholesaler holding a permit under s. 125.28.

SECTION 2604ge. 125.31 of the statutes is repealed.

SECTION 2604gfe. 125.32 (3) (c) of the statutes is amended to read:

125.32 (3) (c) Hotels and restaurants the principal business of which is the furnishing of food and lodging to patrons, bowling centers, movie theaters, indoor horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses may remain open for the conduct of their regular business but may not sell fermented malt beverages during the hours specified in par. (a).

SECTION 2604gfg. 125.32 (3m) (h) of the statutes is created to read:

125.32 (3m) (h) A movie theater.

SECTION 2604gg. 125.33 (1) (a) of the statutes is amended to read:

125.33 (1) (a) Except as provided in this section and ~~ss. s. 125.295 and 125.31~~, no brewer, brewpub, or wholesaler may furnish, give, lend, lease, or sell any furniture, fixtures, fittings, equipment, money, or other thing of value to any campus or Class "B" licensee or permittee, or to any person for the use, benefit, or relief of any campus or Class "B" licensee or permittee, or guarantee the repayment of any loan or the fulfillment of any financial obligation of any campus or Class "B" licensee or permittee. Such actions may not be taken by the brewer, brewpub, or wholesaler directly or indirectly, or through a subsidiary or affiliate corporation or limited liability company, or by any officer, director, stockholder, partner, or member thereof.

SECTION 2604gk. 125.33 (7) (a) 1. a. of the statutes is amended to read:

125.33 (7) (a) 1. a. Receive, purchase, or acquire fermented malt beverages from any ~~licensee or wholesale permittee~~ or from any brewpub acting under authority of s. 125.295 (1) (g), except for cash or credit for a period of not more than 15 days.

SECTION 2604gm. 125.33 (7) (a) 1. b. of the statutes is amended to read:

125.33 (7) (a) 1. b. Receive, purchase, or acquire fermented malt beverages from any ~~licensee or wholesale permittee~~, or from any brewpub acting under authority of s. 125.295 (1) (g), if at the time of the receipt, purchase, or acquisition he or she is indebted to any ~~licensee, wholesale permittee, or brewpub~~ for fermented malt beverages received, purchased, acquired, or delivered more than 15 days earlier.

SECTION 2604go. 125.33 (7) (c) of the statutes is amended to read:

125.33 (7) (c) ~~Wholesalers and brewpubs holding retail licenses and permits~~ *Brewpubs*. For purposes of this subsection, a person holding both a fermented malt beverage wholesale license and a fermented malt beverage ~~retail license~~ is deemed a fermented malt beverage retailer. For purposes of this subsection, a brewpub, when acting under authority of a retail license with respect to fermented malt beverages not manufactured by the brewpub, is deemed a fermented malt beverages retailer. This paragraph does not affect any provision of this subsection with respect to a brewpub acting under authority of s. 125.295 (1) (g).

SECTION 2604gq. 125.33 (9) of the statutes is amended to read:

125.33 (9) **CAMPUSES AND RETAILERS TO PURCHASE FROM WHOLESALERS.** Except as provided in ~~s. ss. 125.29 (3m) (b) and (c), 125.295 (1) (g), and 125.30 (4)~~, no campus or retail licensee or permittee may purchase or possess fermented malt beverages purchased from any person other than a wholesaler holding a ~~license~~ permit

under this chapter for the sale of fermented malt beverages. Any person who violates this subsection may be fined not more than \$10,000 or imprisoned for not more than 9 months or both.

SECTION 2604gs. 125.33 (10) (a) 3. of the statutes is amended to read:

125.33 (10) (a) 3. "Successor wholesaler" means any wholesaler who enters into an agreement, whether oral or written, to obtain a supply of a brand of fermented malt beverages that is a discontinued brand, or otherwise acquires the right to act as a wholesaler for a discontinued brand, from a brewer, brewpub, brewer's agent, brewpub's agent, or holder of an out-of-state shipper's permit ~~after the brewer, brewpub, brewer's agent, brewpub's agent, or holder of an out-of-state shipper's permit has terminated, cancelled, or failed to renew an agreement, whether oral or written, with a terminated wholesaler to supply that same brand of fermented malt beverages for purposes of selling the discontinued brand in a specifically defined territory, if the discontinued brand was sold by a terminated wholesaler in any portion of this same territory at a time immediately before the brand of fermented malt beverages became a discontinued brand.~~

SECTION 2604gu. 125.33 (11) of the statutes is amended to read:

125.33 (11) SOURCE OF FERMENTED MALT BEVERAGES. (a) Subject to s. 125.34 (3), no wholesaler ~~who holds a retail license issued under this chapter~~ authorized to make retail sales under s. 125.28 (1) (e) may sell a brand of fermented malt beverages to ~~another~~ a retail licensee unless the wholesaler has an agreement for general wholesale distribution of that brand of fermented malt beverages with the brewer, brewpub, brewer's agent, brewpub's agent, or holder of an out-of-state shipper's permit supplying that brand.

(b) If a wholesaler ~~who holds a retail license issued under this chapter~~ violates par. (a), any other wholesaler aggrieved by such violation or the brewer or brewpub may bring an action against such wholesaler in any court of competent jurisdiction for damages sustained by the aggrieved wholesaler or the brewer or brewpub as a consequence of the violation, together with the actual costs of the action. Notwithstanding s. 814.04 (1), a wholesaler or the brewer or brewpub who prevails in an action under this paragraph may recover reasonable actual attorney fees incurred in the action.

SECTION 2604hc. 125.33 (12) of the statutes is amended to read:

125.33 (12) PROVIDING TASTE SAMPLES ON CLASS "A" PREMISES. Notwithstanding s. 125.34 (6) ~~(a)~~, with the consent of the Class "A" licensee, a brewer may provide, free of charge, on Class "A" premises, taste samples of fermented malt beverages to any person who has attained the legal drinking age for consumption on the premises during hours in which the Class "A" licensee is authorized under s. 125.25 (1) to provide taste samples or, if

more restrictive, only during hours established by ordinance by a municipality under s. 125.32 (3) (d). The provision of taste samples under this subsection shall be subject to the same limitations that apply to taste samples provided by a Class "A" licensee under s. 125.25 (1). No brewer may provide as taste samples under this subsection any fermented malt beverages that the brewer did not purchase from the Class "A" licensee on whose premises the taste samples are provided. A brewer may provide taste samples under this subsection through an individual representing the brewer who is hired by the brewer and who is not employed by or an agent of a wholesaler ~~other than, if the brewer holds a wholesale license, the brewer.~~ All provisions of this subsection that apply to a brewer apply equally to any individual representing a brewer.

SECTION 2604he. 125.33 (13) of the statutes is created to read:

125.33 (13) WHOLESALERS' SOURCE OF SUPPLY. No wholesaler may purchase fermented malt beverages for resale unless the wholesaler purchases them either from the primary source of supply for the brand of fermented malt beverages sought to be sold or from a wholesaler within this state that holds a permit issued under s. 125.28. No wholesaler may sell fermented malt beverages purchased by the wholesaler to any other licensee or permittee under this chapter if the fermented malt beverages have not been purchased by the wholesaler from the primary source of supply or from a wholesaler within the state holding a permit issued under s. 125.28.

SECTION 2604hg. 125.34 (1) (g) of the statutes is amended to read:

125.34 (1) (g) "Wholesaler" means a ~~licensee permittee~~ licensee permittee under s. 125.28 ~~and includes a brewer or out-of-state shipper that holds a wholesaler's license under s. 125.28.~~

SECTION 2604hk. 125.34 (2) (a) of the statutes is renumbered 125.34 (2) and amended to read:

125.34 (2) Except as provided in ~~sub. (6) (b) and s. ss. 125.29 (3m) (b) and (c), 125.295 (1) (e) and (g), and 125.30 (4),~~ no fermented malt beverages may be sold, transported, or delivered to a retailer unless, prior to such sale, transport, or delivery, the fermented malt beverages are first unloaded at, physically at rest at, and only then distributed from a wholesaler's warehouse premises covered by both a wholesaler's ~~license permit~~ license permit issued under s. 125.28 and an alcohol beverage warehouse permit issued under s. 125.19, which premises shall be in this state ~~and shall be a physically separate location from any retail premises or brewery premises.~~ This paragraph does not apply to a wholesaler issued a wholesaler's ~~license permit~~ license permit under s. 125.28 (1) (b) with respect to fermented malt beverages transported and delivered from a warehouse in an adjoining state unless the wholesaler's warehouse in the adjoining state is located on premises in the adjoining state used for the manufacture of fermented malt beverages.

SECTION 2604hm. 125.34 (2) (bg), (bm) and (c) of the statutes are repealed.

SECTION 2604ho. 125.34 (3) (a) 1. of the statutes is amended to read:

125.34 (3) (a) 1. ~~Subject to subd. 3., a~~ A wholesaler may not sell, transport, or deliver any brand of fermented malt beverages unless the wholesaler has entered into a written agreement with the brewer, brewpub, or out-of-state shipper supplying the brand that grants to the wholesaler distribution rights for the brand and identifies the designated sales territory for which such distribution rights are granted, including the precise geographical area comprising the designated sales territory.

SECTION 2604hq. 125.34 (3) (a) 3. of the statutes is repealed.

SECTION 2604hs. 125.34 (4) (a) of the statutes is amended to read:

125.34 (4) (a) Any retailer located outside the wholesaler's designated sales territory for the brand. This paragraph does not apply if another wholesaler that has been granted distribution rights for the brand in the designated sales territory where the sale, transportation, or delivery occurs is unable to service this designated sales territory and the brewer, brewpub, or out-of-state shipper granting distribution rights has, notwithstanding sub. (3) (a), given consent for the sale, transportation, or delivery, which consent shall be limited to the time period that another wholesaler is unable to service this designated sales territory. ~~This paragraph does not apply if the wholesaler is also a brewer and another wholesaler to whom this brewer has granted distribution rights for the brand in the designated sales territory where the sale, transportation, or delivery occurs has, notwithstanding sub. (3) (a), given consent for the sale, transportation, or delivery or refused to service this territory.~~

SECTION 2604jc. 125.34 (5) of the statutes is amended to read:

125.34 (5) Except as provided in ~~sub. (6) (b) and s. ss. 125.29 (3m) (b) and (c), 125.295 (1) (e) and (g), and 125.30 (4),~~ deliveries of fermented malt beverages to retailers may be made only by wholesalers and shall be made to retailers only at their retail premises. No retailer may transport fermented malt beverages from one retail premises to another retail premises for purposes of selling the fermented malt beverages at the other retail premises unless both retail premises are operated by a ~~brewer or~~ brewpub holding the retail licenses.

SECTION 2604je. 125.34 (6) (a) of the statutes is renumbered 125.34 (6) and amended to read:

125.34 (6) Except as provided in ~~pars. (b) and (c) and ss. 125.06 (1) and 125.31 (1) and (3) ss. 125.29 (3), (3m) (b) and (c) and 125.30 (4),~~ a brewer or out-of-state shipper may sell, transport, and deliver fermented malt beverages only to a wholesaler, ~~which may be the brewer or out-of-state shipper itself if, in its activities as a whole-~~

~~saler, it complies with the requirements under subs. (2) to (5).~~

SECTION 2604jg. 125.34 (6) (b) of the statutes is repealed.

SECTION 2604ji. 125.34 (6) (c) of the statutes is repealed.

SECTION 2604k. 125.68 (4) (c) 4. of the statutes is amended to read:

125.68 (4) (c) 4. Hotels and restaurants the principal business of which is the furnishing of food, drinks or lodging to patrons, bowling centers, movie theaters, indoor horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses may remain open for the conduct of their regular business but may not sell intoxicating liquor during the closing hours under subd. 1. or, with respect to the sale of intoxicating liquor authorized under s. 125.51 (3r) (a), under subd. 3.

SECTION 2605. 132.001 (1m) of the statutes is created to read:

132.001 (1m) "Department" means the department of financial institutions.

SECTION 2606. 132.01 (1) of the statutes is amended to read:

132.01 (1) Any person, firm, partnership, corporation, association, or union of workingmen, which has heretofore adopted or used or shall hereafter adopt or use any mark for the purpose of designating, making known, or distinguishing any goods, wares, merchandise, service, business, or other product of labor or manufacture as having been made, manufactured, produced, prepared, packed, or put on sale by such person, firm, partnership, corporation, association, or union of workingmen, or by a member or members thereof, he, she, or they, if residents of this or any other state of the United States, and such foreign corporations as may have been duly licensed to transact business in the state of Wisconsin, may file an original, a copy, or photographs, or cuts with specifications of the same for record ~~in the office of the secretary of state with the department,~~ by leaving 2 such originals, copies, photographs, or cuts with specifications, the same being counterparts, facsimiles, or drawings thereof, with ~~said secretary~~ the department and by filing therewith a sworn statement, in such form as may be prescribed by the ~~secretary of state~~ department, specifying the name of the person, firm, partnership, corporation, association, or union of workingmen, on whose behalf such mark is to be filed, the class of merchandise and a separate description of the goods to which the same has been or is intended to be appropriated, the residence, location, or place of business of such party, that the party, on whose behalf such mark is to be filed, has the right to the use of the same, and that no other person, or persons, firm, partnership, corporation, association, or union of workingmen has such right either in the identical form or in any such near resemblance thereto as may be calculated to

deceive, and that the originals, copies, photographs, or cuts, counterparts, facsimiles, or drawings filed therewith are correct.

SECTION 2607. 132.01 (3) of the statutes is amended to read:

132.01 (3) For an original or renewal registration, or the recording of an assignment, there shall be paid to the ~~secretary of state~~ department the fee of \$15.

SECTION 2608. 132.01 (5) of the statutes is amended to read:

132.01 (5) The ~~secretary of state~~ department may not register any mark which consists of or comprises a replica or simulation of the flag, coat of arms, or insignia of the United States of America, or of any state or municipality or any foreign nation.

SECTION 2609. 132.01 (6) of the statutes is amended to read:

132.01 (6) (a) A registration recorded or renewed under this section or s. 132.04 or 132.11 before May 1, 1990, is effective for 20 years. A registration may be renewed on or after May 1, 1990, for 10-year periods upon application to the ~~secretary of state~~ department and payment of the same fee required for a registration. Application for renewal shall be made within 6 months before the expiration of the 20-year registration period or 10-year renewal period specified in this paragraph.

(b) A registration recorded under this section or s. 132.04 or 132.11 on or after May 1, 1990, is effective for 10 years. A registration may be renewed for 10-year periods upon application to the ~~secretary of state~~ department and payment of the same fee required for a registration. Application for renewal shall be made within 6 months before the expiration of the 10-year period specified in this paragraph.

SECTION 2610. 132.01 (7) (intro.) of the statutes is amended to read:

132.01 (7) (intro.) The ~~secretary of state~~ department shall do all of the following:

SECTION 2611. 132.01 (7) (b) of the statutes is amended to read:

132.01 (7) (b) Cancel from his or her register a registration of a mark under this section upon the request of the registrant of the mark. The ~~secretary of state~~ department may not charge a fee for canceling a registration under this paragraph.

SECTION 2612. 132.01 (8) of the statutes is amended to read:

132.01 (8) Any person, firm, partnership, corporation, association or union who claims a right to the use of subject matter conflicting with any registration by another may bring action against such other in the circuit court for the county in which such other resides, or in the circuit court for Dane County, and in any such action the right to the use and registration of such subject matter shall be determined as between the parties, and registration shall be granted or withheld or canceled by the ~~secretary of state~~ department

in accordance with the final judgment in any such action. Nonuser for a period of at least 2 years continuing to the date of commencement of any action in which abandonment is in issue shall be prima facie evidence of abandonment to the extent of such nonuser.

SECTION 2613. 132.01 (9) of the statutes is amended to read:

132.01 (9) Title to any registration hereunder shall pass to any person, firm or corporation succeeding to the registrant's business to which such registration pertains. Written assignments of any such registration from a registrant to such a successor may be filed with and shall be recorded by the ~~secretary of state~~ department upon payment of the fee specified in sub. (3). When such assignment is recorded, a new registration shall be entered in the name of the assignee, and on such registration and any subsequent certificates or registration of an assigned registration the ~~secretary of state~~ department shall show the previous ownership and dates of assignment thereof.

SECTION 2614. 132.031 of the statutes is amended to read:

132.031 Certificate; evidence. The ~~secretary of state~~ department shall deliver to the person, corporation, association or union so filing or causing to be filed any such mark, or any assignment of such subject matter previously registered, or to any person, corporation, association or union renewing a registration, as many duly attested certificates of the registration or renewal of the same as may be desired. Any such certificate shall, in all suits and prosecutions arising out of or depending upon any rights claimed under such mark, be prima facie evidence of the adoption thereof and of the facts prerequisite to registrations thereof as required by s. 132.01.

SECTION 2615. 132.04 (1) of the statutes is amended to read:

132.04 (1) Any person who is the owner of cans, tubs, firkins, boxes, bottles, casks, barrels, kegs, cartons, tanks, fountains, vessels or containers with his or her names, brands, designs, trademarks, devices or other marks of ownership stamped, impressed, labeled, blown in or otherwise marked thereon, may file with the ~~secretary of state~~ department and record with the register of deeds of any county in which the person has his or her principal place of business, a written statement or description verified by affidavit of the owner or his or her agent, of the names, brands, designs, trademarks, devices or other marks of ownership used by him or her, and of the articles upon which they are used, or if the principal place of business is outside the state, then a written statement or verified description may be recorded with the register of deeds of any county. The statement shall be published as a class 3 notice, under ch. 985, in the county, and a copy of the publication, proved as provided in s. 985.12, shall also be filed with the ~~secretary of state~~ department and recorded with the register of deeds.

SECTION 2616. 132.04 (2) of the statutes is amended to read:

132.04 (2) All such written statements or descriptions and all such certificates of publication so filed or recorded shall be subject at all reasonable hours to public inspection. The ~~secretary of state department~~ and the register of deeds shall deliver to all applicants certified copies of all such written statements or descriptions or names, brands, designs, trademarks, devices, or other marks of ownership and of all certificates of publication filed or recorded with them and such certified copies shall be admissible in evidence in all prosecutions under ss. 132.04 to 132.08, and shall be prima facie evidence that this section has been complied with, and of the title of the owner named therein to the property upon which the name, brand, design, trademark, device, or other marks of ownership of the owner appear as described therein.

SECTION 2617. 132.04 (3) of the statutes is amended to read:

132.04 (3) The ~~secretary of state department~~ shall receive a fee of \$15 and the register of deeds shall receive the fee specified in s. 59.43 (2) (ag) or (e) for each statement and certificate of publication filed or recorded and shall also receive the fee specified in s. 59.43 (2) (b) for each certified copy of such statement and certificate of publication, to be paid for by the person filing, recording or applying for the same.

SECTION 2618. 132.04 (4) of the statutes is amended to read:

132.04 (4) (a) The ~~secretary of state department~~ and register of deeds shall cancel a statement or description under this section upon the request of the person named in the records of the ~~secretary of state department~~ or register of deeds as the owner of marks of ownership described in the statement or description.

(b) The ~~secretary of state department~~ and register of deeds may not charge a fee for canceling a statement or description under par. (a).

SECTION 2619. 132.11 (1) (intro.) of the statutes is amended to read:

132.11 (1) (intro.) The ~~secretary of state department~~ shall do all of the following:

SECTION 2620. 132.11 (1) (c) of the statutes is amended to read:

132.11 (1) (c) Cancel the description of a name, brand or trademark recorded under par. (a) upon the request of the person, firm or corporation named in the records of the ~~secretary of state department~~ as the owner of the name, brand or trademark. The ~~secretary of state department~~ may not charge a fee for canceling a description under this paragraph.

SECTION 2621. 132.16 (1m) of the statutes is amended to read:

132.16 (1m) Any organization may register, ~~in the office of the secretary of state, with the department~~ a fac-

simile, duplicate, or description of any of the organization's identifying information and may, by reregistration, alter or cancel the organization's identifying information.

SECTION 2622. 132.16 (2) of the statutes is amended to read:

132.16 (2) Application for registration or reregistration under sub. (1m) shall be made by the organization's chief officer or officers upon forms provided by the ~~secretary of state department~~. The registration shall be for the use, benefit, and on behalf of the organization and the organization's current and future individual members throughout this state.

SECTION 2623. 132.16 (3) of the statutes is amended to read:

132.16 (3) The ~~secretary of state department~~ shall keep a properly indexed file of all registrations under this section, which shall also show any alterations or cancellations by reregistration.

SECTION 2624. 132.16 (5) of the statutes is amended to read:

132.16 (5) Upon granting registration under this section, the ~~secretary of state department~~ shall issue ~~his or her~~ a certificate to the petitioners, setting forth the fact of the registration.

SECTION 2625. 132.16 (6) of the statutes is amended to read:

132.16 (6) The fees of the ~~secretary of state department~~ for registration or reregistration under this section, searches made by the ~~secretary of state department~~, and certificates issued by the ~~secretary of state department~~ under this section, shall be the same as provided by law for similar services. The fees collected under this section shall be paid by the ~~secretary of state department~~ into the state treasury.

SECTION 2626. 137.01 (1) (a) of the statutes is amended to read:

137.01 (1) (a) The governor shall appoint notaries public who shall be United States residents and at least 18 years of age. Applicants who are not attorneys shall file an application with the ~~secretary of state department of financial institutions~~ and pay a \$20 fee.

SECTION 2627. 137.01 (1) (b) of the statutes is amended to read:

137.01 (1) (b) The secretary of ~~state~~ financial institutions shall satisfy himself or herself that the applicant has the equivalent of an 8th grade education, is familiar with the duties and responsibilities of a notary public and, subject to ss. 111.321, 111.322 and 111.335, does not have an arrest or conviction record.

SECTION 2628. 137.01 (1) (d) of the statutes is amended to read:

137.01 (1) (d) Qualified applicants shall be notified by the ~~secretary of state department of financial institutions~~ to take and file the official oath and execute and file an official bond in the sum of \$500, with a surety exe-

cuted by a surety company and approved by the secretary of state financial institutions.

SECTION 2629. 137.01 (1) (e) of the statutes is amended to read:

137.01 (1) (e) The qualified applicant shall file his or her signature, post-office address and an impression of his or her official seal, or imprint of his or her official rubber stamp with the ~~secretary of state~~ department of financial institutions.

SECTION 2630. 137.01 (1) (g) of the statutes is amended to read:

137.01 (1) (g) At least 30 days before the expiration of a commission the ~~secretary of state~~ department of financial institutions shall mail notice of the expiration date to the holder of a commission.

SECTION 2631. 137.01 (2) (a) of the statutes is amended to read:

137.01 (2) (a) Except as provided in par. (am), any United States resident who is licensed to practice law in this state is entitled to a permanent commission as a notary public upon application to the ~~secretary of state~~ department of financial institutions and payment of a \$50 fee. The application shall include a certificate of good standing from the supreme court, the signature and post-office address of the applicant and an impression of the applicant's official seal, or imprint of the applicant's official rubber stamp.

SECTION 2632. 137.01 (2) (am) of the statutes is amended to read:

137.01 (2) (am) If a United States resident has his or her license to practice law in this state suspended or revoked, upon reinstatement of his or her license to practice law in this state, the person may be entitled to receive a certificate of appointment as a notary public for a term of 4 years. An eligible notary appointed under this paragraph is entitled to reappointment for 4-year increments. At least 30 days before the expiration of a commission under this paragraph the ~~secretary of state~~ department of financial institutions shall mail notice of the expiration date to the holder of the commission.

SECTION 2633. 137.01 (2) (b) of the statutes is amended to read:

137.01 (2) (b) The secretary of ~~state~~ financial institutions shall issue a certificate of appointment as a notary public to persons who qualify under the requirements of this subsection. The certificate shall state that the notary commission is permanent or is for 4 years.

SECTION 2634. 137.01 (2) (c) of the statutes is amended to read:

137.01 (2) (c) The supreme court shall file with the ~~secretary of state~~ department of financial institutions notice of the surrender, suspension or revocation of the license to practice law of any attorney who holds a permanent commission as a notary public. Such notice shall be deemed a revocation of said commission.

SECTION 2635. 137.01 (6) (a) of the statutes is amended to read:

137.01 (6) (a) The secretary of ~~state~~ financial institutions may certify to the official qualifications of any notary public and to the genuineness of the notary public's signature and seal or rubber stamp.

SECTION 2636. 137.01 (6m) of the statutes is amended to read:

137.01 (6m) CHANGE OF RESIDENCE. A notary public does not vacate his or her office by reason of his or her change of residence within the United States. Written notice of any change of address shall be given to the ~~secretary of state~~ department of financial institutions within 10 days of the change.

SECTION 2637. 137.01 (7) of the statutes is amended to read:

137.01 (7) OFFICIAL RECORDS TO BE FILED. When any notary public ceases to hold office, the notary public, or in case of the notary public's death the notary public's personal representative, shall deposit the notary public's official records and papers ~~in the office of the secretary of state~~ with the department of financial institutions. If the notary or personal representative, after the records and papers come to his or her hands, neglects for 3 months to deposit them, he or she shall forfeit not less than \$50 nor more than \$500. If any person knowingly destroys, defaces, or conceals any records or papers of any notary public, the person shall forfeit not less than \$50 nor more than \$500, and shall be liable for all damages resulting to the party injured. The ~~secretary of state~~ department of financial institutions shall receive and safely keep all such papers and records.

SECTION 2637b. 138.045 of the statutes is created to read:

138.045 Method of calculating interest. Interest on any note, bond, or other instrument computed on the declining unpaid principal balance from time to time outstanding may be computed and charged on actual unpaid balances at 1/360 of the annual rate for the actual number of days outstanding if the use of this calculation method is disclosed in the note, bond, or other instrument. This section does not apply to pawnbrokers' loans under s. 138.10.

SECTION 2637d. 138.09 (1a) (a) of the statutes is amended to read:

138.09 (1a) (a) Banks, savings banks, savings and loan associations, trust companies, credit unions, or any of their affiliates.

SECTION 2637gc. 138.14 (1) (bd) of the statutes is created to read:

138.14 (1) (bd) "Consumer report" has the meaning given in 15 USC 1681a (d).

SECTION 2637gd. 138.14 (1) (be) of the statutes is created to read: