

2013-2014 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-3311/ins  
FFK:.....

P2  
changed  
after  
printing

INS 4-1

1           **SECTION 1.** 13.172 (1) of the statutes is amended to read:

2           13.172 (1) In this section, "agency" means an office, department, agency,  
3 institution of higher education, association, society, or other body in state  
4 government created or authorized to be created by the constitution or any law, that  
5 is entitled to expend moneys appropriated by law, including the legislature and the  
6 courts, and any authority created in subch. II of ch. 114 or subch. III of ch. 149 or in  
7 ch. 231, 233, 234, 238, 239, or 279.

8           **SECTION 2.** 13.48 (13) (a) of the statutes is amended to read:

9           13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or  
10 facility that is constructed for the benefit of or use of the state, any state agency,  
11 board, commission or department, the University of Wisconsin Hospitals and Clinics  
12 Authority, the Fox River Navigational System Authority, the Wisconsin Student  
13 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or  
14 any local professional baseball park district created under subch. III of ch. 229 if the  
15 construction is undertaken by the department of administration on behalf of the  
16 district, shall be in compliance with all applicable state laws, rules, codes and  
17 regulations but the construction is not subject to the ordinances or regulations of the  
18 municipality in which the construction takes place except zoning, including without  
19 limitation because of enumeration ordinances or regulations relating to materials  
20 used, permits, supervision of construction or installation, payment of permit fees, or  
21 other restrictions.

22           **SECTION 3.** 13.62 (2) of the statutes is amended to read:

1 13.62 (2) "Agency" means any board, commission, department, office, society,  
2 institution of higher education, council, or committee in the state government, or any  
3 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 232, 233,  
4 234, 237, 238, 239, or 279, except that the term does not include a council or  
5 committee of the legislature.

6 SECTION 4. 13.94 (1) (dt) of the statutes is created to read:

7 13.94 (1) (~~dt~~)<sup>ent</sup> Biennially, beginning in 2015, conduct a financial audit of the  
8 Wisconsin Student Loan Refinancing Authority and a program evaluation audit of  
9 the programs administered by the Wisconsin Student Loan Refinancing Authority  
10 under ch. 239. The legislative audit bureau shall file a copy of each audit report  
11 under this paragraph with the distributees specified in par. (b).

12 SECTION 5. 13.94 (1s) (c) ~~(7)~~<sup>9</sup> of the statutes is created to read:

13 13.94 (1s) (c) ~~(7)~~<sup>9</sup> The Wisconsin Student Loan Refinancing Authority for the cost  
14 of the audit required to be performed under sub. (1) (dt).

15 SECTION 6. 13.94 (4) (a) 1. of the statutes is amended to read:

16 13.94 (4) (a) 1. Every state department, board, examining board, affiliated  
17 credentialing board, commission, independent agency, council or office in the  
18 executive branch of state government; all bodies created by the legislature in the  
19 legislative or judicial branch of state government; any public body corporate and  
20 politic created by the legislature including specifically the Fox River Navigational  
21 System Authority, the Lower Fox River Remediation Authority, the Wisconsin  
22 Aerospace Authority, the Wisconsin Student Loan Refinancing Authority, and the  
23 Wisconsin Economic Development Corporation, a professional baseball park district,  
24 a local professional football stadium district, a local cultural arts district, and a  
25 long-term care district under s. 46.2895; every Wisconsin works agency under subch.

1 III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical  
2 college district boards; every county department under s. 51.42 or 51.437; every  
3 nonprofit corporation or cooperative or unincorporated cooperative association to  
4 which moneys are specifically appropriated by state law; and every corporation,  
5 institution, association or other organization which receives more than 50% of its  
6 annual budget from appropriations made by state law, including subgrantee or  
7 subcontractor recipients of such funds.

8 **SECTION 7.** 13.95 (intro.) of the statutes is amended to read:

9 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be  
10 known as the "Legislative Fiscal Bureau" headed by a director. The fiscal bureau  
11 shall be strictly nonpartisan and shall at all times observe the confidential nature  
12 of the research requests received by it; however, with the prior approval of the  
13 requester in each instance, the bureau may duplicate the results of its research for  
14 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's  
15 designated employees shall at all times, with or without notice, have access to all  
16 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the  
17 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,  
18 the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
19 Refinancing Authority, the Wisconsin Economic Development Corporation, and the  
20 Fox River Navigational System Authority, and to any books, records, or other  
21 documents maintained by such agencies or authorities and relating to their  
22 expenditures, revenues, operations, and structure.

23 **SECTION 8.** 16.002 (2) of the statutes is amended to read:

24 16.002 (2) "Departments" means constitutional offices, departments, and  
25 independent agencies and includes all societies, associations, and other agencies of

1 state government for which appropriations are made by law, but not including  
2 authorities created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 232,  
3 233, 234, 237, 238, 239, or 279.

4 **SECTION 9.** 16.004 (4) of the statutes is amended to read:

5 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the  
6 department as the secretary designates may enter into the offices of state agencies  
7 and authorities created under subch. II of ch. 114 and subch. III of ch. 149 and under  
8 chs. 231, 233, 234, 237, 238, 239, and 279, and may examine their books and accounts  
9 and any other matter that in the secretary's judgment should be examined and may  
10 interrogate the agency's employees publicly or privately relative thereto.

11 **SECTION 10.** 16.004 (5) of the statutes is amended to read:

12 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and  
13 authorities created under subch. II of ch. 114 and subch. III of ch. 149 and under chs.  
14 231, 233, 234, 237, 238, 239, and 279, and their officers and employees, shall  
15 cooperate with the secretary and shall comply with every request of the secretary  
16 relating to his or her functions.

17 **SECTION 11.** 16.004 (12) (a) of the statutes is amended to read:

18 16.004 (12) (a) In this subsection, "state agency" means an association,  
19 authority, board, department, commission, independent agency, institution, office,  
20 society, or other body in state government created or authorized to be created by the  
21 constitution or any law, including the legislature, the office of the governor, and the  
22 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,  
23 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan  
24 Authority, the Lower Fox River Remediation Authority, the Wisconsin Economic

1 Development Corporation, the Wisconsin Student Loan Refinancing Authority, and  
2 the Fox River Navigational System Authority.

3 **SECTION 12.** 16.045 (1) (a) of the statutes is amended to read:

4 16.045 (1) (a) "Agency" means an office, department, independent agency,  
5 institution of higher education, association, society, or other body in state  
6 government created or authorized to be created by the constitution or any law, that  
7 is entitled to expend moneys appropriated by law, including the legislature and the  
8 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
9 ch. 149 or in ch. 231, 232, 233, 234, 237, 238, 239, or 279.

10 **SECTION 13.** 16.15 (1) (ab) of the statutes is amended to read:

11 16.15 (1) (ab) "Authority" has the meaning given under s. 16.70 (2), but  
12 excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox  
13 River Remediation Authority, the Wisconsin Economic Development Corporation,  
14 the Wisconsin Student Loan Refinancing Authority, and the Health Insurance  
15 Risk-Sharing Plan Authority.

16 **SECTION 14.** 16.41 (4) of the statutes is amended to read:

17 16.41 (4) In this section, "authority" means a body created under subch. II of  
18 ch. 114 or subch. III of ch. 149 or under ch. 231, 233, 234, 237, 238, 239, or 279.

19 **SECTION 15.** 16.417 (1) (b) of the statutes is amended to read:

20 16.417 (1) (b) "Authority" means a body created under subch. II of ch. 114 or  
21 ch. 231, 232, 233, 234, 237, 238, 239, or 279.

22 **SECTION 16.** 16.52 (7) of the statutes is amended to read:

23 16.52 (7) PETTY CASH ACCOUNT. With the approval of the secretary, each agency  
24 that is authorized to maintain a contingent fund under s. 20.920 may establish a  
25 petty cash account from its contingent fund. The procedure for operation and

1 maintenance of petty cash accounts and the character of expenditures therefrom  
2 shall be prescribed by the secretary. In this subsection, "agency" means an office,  
3 department, independent agency, institution of higher education, association,  
4 society, or other body in state government created or authorized to be created by the  
5 constitution or any law, that is entitled to expend moneys appropriated by law,  
6 including the legislature and the courts, but not including an authority created in  
7 subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or  
8 279.

9 **SECTION 17.** 16.528 (1) (a) of the statutes is amended to read:

10 16.528 (1) (a) "Agency" means an office, department, independent agency,  
11 institution of higher education, association, society, or other body in state  
12 government created or authorized to be created by the constitution or any law, that  
13 is entitled to expend moneys appropriated by law, including the legislature and the  
14 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
15 ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or 279.

16 **SECTION 18.** 16.53 (2) of the statutes is amended to read:

17 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed  
18 invoice, the agency shall notify the sender of the invoice within 10 working days after  
19 it receives the invoice of the reason it is improperly completed. In this subsection,  
20 "agency" means an office, department, independent agency, institution of higher  
21 education, association, society, or other body in state government created or  
22 authorized to be created by the constitution or any law, that is entitled to expend  
23 moneys appropriated by law, including the legislature and the courts, but not  
24 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.  
25 231, 233, 234, 237, 238, 239, or 279.

1           **SECTION 19.** 16.54 (9) (a) 1. of the statutes is amended to read:

2           16.54 (9) (a) 1. "Agency" means an office, department, independent agency,  
3 institution of higher education, association, society or other body in state  
4 government created or authorized to be created by the constitution or any law, which  
5 is entitled to expend moneys appropriated by law, including the legislature and the  
6 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
7 ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or 279.

8           **SECTION 20.** 16.765 (1) of the statutes is amended to read:

9           16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and  
10 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
11 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
12 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
13 Authority, the Wisconsin Economic Development Corporation, and the Bradley  
14 Center Sports and Entertainment Corporation shall include in all contracts executed  
15 by them a provision obligating the contractor not to discriminate against any  
16 employee or applicant for employment because of age, race, religion, color, handicap,  
17 sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual  
18 orientation as defined in s. 111.32 (13m), or national origin and, except with respect  
19 to sexual orientation, obligating the contractor to take affirmative action to ensure  
20 equal employment opportunities.

21           **SECTION 21.** 16.765 (2) of the statutes is amended to read:

22           16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and  
23 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
24 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
25 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing

1 Authority, the Wisconsin Economic Development Corporation, and the Bradley  
2 Center Sports and Entertainment Corporation shall include the following provision  
3 in every contract executed by them: "In connection with the performance of work  
4 under this contract, the contractor agrees not to discriminate against any employee  
5 or applicant for employment because of age, race, religion, color, handicap, sex,  
6 physical condition, developmental disability as defined in s. 51.01 (5), sexual  
7 orientation or national origin. This provision shall include, but not be limited to, the  
8 following: employment, upgrading, demotion or transfer; recruitment or recruitment  
9 advertising; layoff or termination; rates of pay or other forms of compensation; and  
10 selection for training, including apprenticeship. Except with respect to sexual  
11 orientation, the contractor further agrees to take affirmative action to ensure equal  
12 employment opportunities. The contractor agrees to post in conspicuous places,  
13 available for employees and applicants for employment, notices to be provided by the  
14 contracting officer setting forth the provisions of the nondiscrimination clause".

15 **SECTION 22.** 16.765 (5) of the statutes is amended to read:

16 16.765 (5) The head of each contracting agency and the boards of directors of  
17 the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
18 Navigational System Authority, the Wisconsin Aerospace Authority, the Health  
19 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation  
20 Authority, the Wisconsin Student Loan Refinancing Authority, the Wisconsin  
21 Economic Development Corporation, and the Bradley Center Sports and  
22 Entertainment Corporation shall be primarily responsible for obtaining compliance  
23 by any contractor with the nondiscrimination and affirmative action provisions  
24 prescribed by this section, according to procedures recommended by the department.  
25 The department shall make recommendations to the contracting agencies and the



1 boards of directors of the University of Wisconsin Hospitals and Clinics Authority,  
2 the Fox River Navigational System Authority, the Wisconsin Aerospace Authority,  
3 the Health Insurance Risk-Sharing Plan Authority, the Lower Fox River  
4 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the  
5 Wisconsin Economic Development Corporation, and the Bradley Center Sports and  
6 Entertainment Corporation for improving and making more effective the  
7 nondiscrimination and affirmative action provisions of contracts. The department  
8 shall promulgate such rules as may be necessary for the performance of its functions  
9 under this section.

10 **SECTION 23.** 16.765 (6) of the statutes is amended to read:

11 16.765 (6) The department may receive complaints of alleged violations of the  
12 nondiscrimination provisions of such contracts. The department shall investigate  
13 and determine whether a violation of this section has occurred. The department may  
14 delegate this authority to the contracting agency, the University of Wisconsin  
15 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the  
16 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,  
17 the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
18 Refinancing Authority, the Wisconsin Economic Development Corporation, or the  
19 Bradley Center Sports and Entertainment Corporation for processing in accordance  
20 with the department's procedures.

21 **SECTION 24.** 16.765 (7) (intro.) of the statutes is amended to read:

22 16.765 (7) (intro.) When a violation of this section has been determined by the  
23 department, the contracting agency, the University of Wisconsin Hospitals and  
24 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
25 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower

1 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
2 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
3 Sports and Entertainment Corporation, the contracting agency, the University of  
4 Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System  
5 Authority, the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing  
6 Plan Authority, the Lower Fox River Remediation Authority, the Wisconsin Student  
7 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or  
8 the Bradley Center Sports and Entertainment Corporation shall:

9 **SECTION 25.** 16.765 (7) (d) of the statutes is amended to read:

10 16.765 (7) (d) Direct the violating party to take immediate steps to prevent  
11 further violations of this section and to report its corrective action to the contracting  
12 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
13 Navigational System Authority, the Wisconsin Aerospace Authority, the Health  
14 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation  
15 Authority, the Wisconsin Student Loan Refinancing Authority, the Wisconsin  
16 Economic Development Corporation, or the Bradley Center Sports and  
17 Entertainment Corporation.

18 **SECTION 26.** 16.765 (8) of the statutes is amended to read:

19 16.765 (8) If further violations of this section are committed during the term  
20 of the contract, the contracting agency, the Fox River Navigational System Authority,  
21 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan  
22 Authority, the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
23 Refinancing Authority, the Wisconsin Economic Development Corporation, or the  
24 Bradley Center Sports and Entertainment Corporation may permit the violating  
25 party to complete the contract, after complying with this section, but thereafter the

1 contracting agency, the Fox River Navigational System Authority, the Wisconsin  
2 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
3 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
4 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
5 Sports and Entertainment Corporation shall request the department to place the  
6 name of the party on the ineligible list for state contracts, or the contracting agency,  
7 the Fox River Navigational System Authority, the Wisconsin Aerospace Authority,  
8 the Health Insurance Risk-Sharing Plan Authority, the Lower Fox River  
9 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the  
10 Wisconsin Economic Development Corporation, or the Bradley Center Sports and  
11 Entertainment Corporation may terminate the contract without liability for the  
12 uncompleted portion or any materials or services purchased or paid for by the  
13 contracting party for use in completing the contract.

14 **SECTION 27.** 16.85 (2) of the statutes is amended to read:

15 16.85 (2) To furnish engineering, architectural, project management, and other  
16 building construction services whenever requisitions therefor are presented to the  
17 department by any agency. The department may deposit moneys received from the  
18 provision of these services in the account under s. 20.505 (1) (kc) or in the general  
19 fund as general purpose revenue — earned. In this subsection, “agency” means an  
20 office, department, independent agency, institution of higher education, association,  
21 society, or other body in state government created or authorized to be created by the  
22 constitution or any law, which is entitled to expend moneys appropriated by law,  
23 including the legislature and the courts, but not including an authority created in  
24 subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or  
25 279.

1           **SECTION 28.** 16.865 (8) of the statutes is amended to read:

2           16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a  
3 proportionate share of the estimated costs attributable to programs administered by  
4 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department  
5 may charge premiums to agencies to finance costs under this subsection and pay the  
6 costs from the appropriation on an actual basis. The department shall deposit all  
7 collections under this subsection in the appropriation account under s. 20.505 (2) (k).  
8 Costs assessed under this subsection may include judgments, investigative and  
9 adjustment fees, data processing and staff support costs, program administration  
10 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this  
11 subsection, "agency" means an office, department, independent agency, institution  
12 of higher education, association, society, or other body in state government created  
13 or authorized to be created by the constitution or any law, that is entitled to expend  
14 moneys appropriated by law, including the legislature and the courts, but not  
15 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.  
16 231, 232, 233, 234, 237, 238, 239, or 279.

17           **SECTION 29.** 19.42 (10) (t) of the statutes is created to read:

18           19.42 (10) (t) The chief executive officer and members of the board of directors  
19 of the Wisconsin Student Loan Refinancing Authority.

20           **SECTION 30.** 19.42 (13) (p) of the statutes is created to read:

21           19.42 (13) (p) The chief executive officer and members of the board of directors  
22 of the Wisconsin Student Loan Refinancing Authority.

UPS: Add  
→ action: ch 20

1 2013-14 2014-15

2 **20.195 Wisconsin Student Loan Refinancing**

3 **Authority**

- 4 (1) ~~STUDENT LOAN REFINANCING PROGRAM~~
- 5 (a) ~~General program operations~~ <sup>Initial funding</sup> GPR B -0- -0-

6 **SECTION 31.** 20.195 of the statutes is created to read:

7 **20.195 Wisconsin Student Loan Refinancing Authority.** There is  
8 appropriated to the Wisconsin Student Loan Refinancing Authority for the following  
9 programs:

10 (1) **STUDENT LOAN REFINANCING PROGRAM.** (a) *Initial funding.* Biennially, the  
11 amounts in the schedule to fund the initial costs of operating the Wisconsin Student  
12 Loan Refinancing Authority and to start the student loan refinancing program under  
13 ch. 239.

**END INS 4-1**

**INS 11-7**

14 **SECTION 32.** 40.02 (54) (n) of the statutes is created to read:

15 40.02 (54) (n) The Wisconsin Student Loan Refinancing Authority.

16 **SECTION 33.** 70.11 (38v) of the statutes is created to read:

17 70.11 (38v) **WISCONSIN STUDENT LOAN REFINANCING AUTHORITY.** All property  
18 owned by the Wisconsin Student Loan Refinancing Authority, provided that use of

1 the property is primarily related to the purposes of the Wisconsin Student loan  
2 Refinancing Authority.

END INS 11-7

INS 11-24

3 **SECTION 34.** 77.54 (9a) (a) of the statutes is amended to read:

4 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
5 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Health  
6 Insurance Risk-Sharing Plan Authority, the Wisconsin Economic Development  
7 Corporation, the Wisconsin Student Loan Refinancing Authority, and the Fox River  
8 Navigational System Authority.

9 **SECTION 35.** 100.45 (1) (dm) of the statutes is amended to read:

10 100.45 (1) (dm) "State agency" means any office, department, agency,  
11 institution of higher education, association, society, or other body in state  
12 government created or authorized to be created by the constitution or any law which  
13 is entitled to expend moneys appropriated by law, including the legislature and the  
14 courts, the Wisconsin Housing and Economic Development Authority, the Bradley  
15 Center Sports and Entertainment Corporation, the University of Wisconsin  
16 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities  
17 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic  
18 Development Corporation, the Wisconsin Student Loan Refinancing Authority, and  
19 the Fox River Navigational System Authority.

END INS 11-24

INS 13-16

1 SECTION 36. 230.03 (3) of the statutes, as affected by 2011 Wisconsin Acts 10,

2 and 229, is amended to read:

3 230.03 (3) "Agency" means any board, commission, committee, council, or  
4 department in state government or a unit thereof created by the constitution or  
5 statutes if such board, commission, committee, council, department, unit, or the  
6 head thereof, is authorized to appoint subordinate staff by the constitution or  
7 statute, except a legislative or judicial board, commission, committee, council,  
8 department, or unit thereof or an authority created under subch. II of ch. 114 or  
9 subch. III of ch. 149 or under ch. 231, 232, 233, 234, 237, 238, 239, or 279. "Agency"  
10 does not mean any local unit of government or body within one or more local units  
11 of government that is created by law or by action of one or more local units of  
12 government.

NOTE: NOTE: Sub. (3) is shown as affected by 2011 Wis. Acts 10 and 229 and as merged by the legislative reference bureau under s. 13.92 (2) (i). Sub. (3) is affected eff. 7-1-15 by 2013 Wis. Act 20, ss. 1998u, 2365m, 9422 (1m), and 9448 (1q) to read:NOTE:

X 13 (3) "Agency" means any board, commission, committee, council, or department in state government or a unit thereof created by the constitution or statutes if such  
14 board, commission, committee, council, department, unit, or the head thereof, is authorized to appoint subordinate staff by the constitution or statute, except the Board  
15 of Regents of the University of Wisconsin System, a legislative or judicial board, commission, committee, council, department, or unit thereof or an authority created  
16 under subch. II of ch. 114 or under ch. 231, 232, 233, 234, 237, 238, or 279. "Agency" does not mean any local unit of government or body within one or more local  
17 units of government that is created by law or by action of one or more local units of government.

History: 1971 c. 270; 1973 c. 333; 1977 c. 196 ss. 24, 100; 1977 c. 418; 1981 c. 20, 26; 1983 a. 27 ss. 1604, 2200 (15); 1983 a. 409, 453, 538; 1987 a. 32; 1989 a. 31; 1991 a. 101, 147; 1993 a. 16, 254; 1995 a. 27, 255; 1997 a. 27; 1999 a. 65, 87; 2001 a. 16, 103; 2003 a. 33 ss. 2385 to 2387s, 9160; 2005 a. 22, 74, 335, 393; 2007 a. 20, 97; 2009 a. 28; 2011 a. 7, 10, 32, 229; 2013 a. 20; s. 35.17 correction in (14) (intro.).

END INS 13-16

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

LRB-3311/P2dn  
FFK...

*Date*

1

2 To Jay Wadd and Jon Mielke:

3 This draft includes the technical aspects of creating the Wisconsin Student Loan  
4 Refinancing Authority. Please specifically review the provisions in s. 19.42 related to  
5 who at the authority is subject to the state code of ethics under subch. II of ch. 19. There  
6 are significant differences between how employees at different authorities are treated  
7 under s. 19.42. Please let me know if the draft language is not consistent with your  
8 intent.

9 Also, this draft includes an appropriation for initial funding to get the authority  
10 established. The appropriation created in the draft specifies \$0 for expenditure in  
11 fiscal years 2013-14 and 2014-15. When you know the appropriate dollar amounts,  
12 contact me and I will either redraft the proposal or draft an amendment, whichever is  
13 appropriate.

14 Fern Knepp  
15 Legislative Attorney  
16 Phone: (608) 261-6927  
17 E-mail: fern.knepp@legis.wisconsin.gov



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

LRB-3311/P2dn  
FFK:kjf:jf

October 15, 2013

To Jay Wadd and Jon Mielke:

This draft includes the technical aspects of creating the Wisconsin Student Loan Refinancing Authority. Please specifically review the provisions in s. 19.42 related to who at the authority is subject to the state code of ethics under subch. II of ch. 19. There are significant differences between how employees at different authorities are treated under s. 19.42. Please let me know if the draft language is not consistent with your intent.

Also, this draft includes an appropriation for initial funding to get the authority established. The appropriation created in the draft specifies \$0 for expenditure in fiscal years 2013-14 and 2014-15. When you know the appropriate dollar amounts, contact me and I will either redraft the proposal or draft an amendment, whichever is appropriate.

Fern Knepp  
Legislative Attorney  
Phone: (608) 261-6927  
E-mail: fern.knepp@legis.wisconsin.gov

## Barman, Mike

---

**From:** Barman, Mike  
**Sent:** Tuesday, October 15, 2013 11:57 AM  
**To:** 'Aaron Gary'; 'Becky Tradewell'; 'Bruce Hoesly'; 'Cathlene Hanaman'; Duchek, Michael; 'Eric Mueller'; 'Fern Knepp'; 'Gordon Malaise'; 'Jeffery Kuesel'; 'Joseph Kreye'; 'Marc Shovers'; 'Mark Kunkel'; 'Mary Gibson-Glass'; 'Michael Gallagher'; Nelson, Robert; 'Pam Kahler'; 'Peggy Hurley'; 'Peter Grant'; 'Rick Champagne'; 'Robin Kite'; Shea, Elisabeth; 'Steve Miller'; 'Tamara Dodge'; 'Tracy Kuczenski'  
**Subject:** FFK's LRB-3311/P2 (Student Loans) ... attached ... for your review



13-3311\_P2.pdf 13-3311\_P2dn.pdf

**Basford, Sarah**

---

**From:** Mielke, Jon  
**Sent:** Wednesday, October 16, 2013 10:29 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -3311/1 Topic: Student loans

Please Jacket LRB -3311/1 for the SENATE.

## Knepp, Fern

---

**From:** Mielke, Jon  
**Sent:** Tuesday, October 15, 2013 3:24 PM  
**To:** Knepp, Fern  
**Cc:** Wadd, Jay  
**Subject:** RE: re: draft

No changes needed, please proceed with an introducible version.

---

**From:** Knepp, Fern  
**Sent:** Tuesday, October 15, 2013 1:13 PM  
**To:** Mielke, Jon  
**Subject:** RE: re: draft

No problem. I am glad you got it today. If the draft doesn't need any further changes, let me know and I will prepare an introducible version for you and one for Mason's office.

Thanks,  
Fern

---

**From:** Mielke, Jon  
**Sent:** Tuesday, October 15, 2013 1:06 PM  
**To:** Knepp, Fern  
**Cc:** Wadd, Jay  
**Subject:** re: draft

Hi Fern,

Thank you so much for the quick turnaround. I knew we were asking a lot and we are grateful for your work

Thanks!

Jon



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-3311/P2  
ALL:sac&kjf:jf

No changes In 10-15

stays

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

Regen

1 AN ACT *to amend* 13.172 (1), 13.48 (13) (a), 13.62 (2), 13.94 (4) (a) 1., 13.95  
2 (intro.), 16.002 (2), 16.004 (4), 16.004 (5), 16.004 (12) (a), 16.045 (1) (a), 16.15  
3 (1) (ab), 16.41 (4), 16.417 (1) (b), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a)  
4 1., 16.765 (1), 16.765 (2), 16.765 (5), 16.765 (6), 16.765 (7) (intro.), 16.765 (7) (d),  
5 16.765 (8), 16.85 (2), 16.865 (8), 71.05 (6) (b) 28. (intro.), 77.54 (9a) (a), 100.45  
6 (1) (dm) and 230.03 (3); and *to create* 13.94 (1) (dt), 13.94 (1s) (c) 9., 19.42 (10)  
7 (t), 19.42 (13) (p), 20.195, 39.28 (7), 39.52, 39.54, 39.56, 40.02 (54) (n), 70.11  
8 (38v), 71.05 (6) (b) 28. j., 224.30 (5) and chapter 239 of the statutes; **relating**  
9 **to:** student loans, the individual income tax subtract modification for tuition  
10 and student fees, creating an authority, to be known as the Wisconsin Student  
11 Loan Refinancing Authority, granting rule-making authority, and making an  
12 appropriation.

*Analysis by the Legislative Reference Bureau*  
*The Wisconsin Student Loan Refinancing Authority*

This bill creates an authority, which is a public body corporate and politic, to be known as the Wisconsin Student Loan Refinancing Authority (WSLRA). The

WSLRA is governed by a board that consists of four members of the legislature, three members who are students of an institution of higher learning, and two members with experience in making student loans. The five members of the board who are not members of the legislature are nominated by the governor, and with the advice and consent of the senate appointed, to serve two- or three-year terms. The board appoints the chief executive officer of WSLRA and annually elects the chairperson of the board. The board is given all the powers necessary or convenient to carry out its duties, as well as specific powers to conduct its corporate business, including the power to issue bonds for any corporate purpose.

Under the bill, the board must develop and implement a loan program under which state residents may refinance student loans. Under the program, WSLRA provides a loan to an individual to pay off some or all of his or her outstanding student loan debt. To qualify for the program, an individual must satisfy similar eligibility requirements to the criteria a private lender uses to make an unsecured personal loan at market rates. Under the bill, WSLRA must provide loans under the program at the lowest possible interest rate that is still sufficient to cover the expenses of the program. A loan issued under the program is not dischargeable in a bankruptcy proceeding.

### ***Financial aid information***

This bill requires the Department of Financial Institutions (DFI) to compile data related to private student loans for the purpose of comparing private lending institutions' student loan interest rates and repayment plans. A "private student loan" is a loan issued by a private lending institution for the purpose of paying for or financing higher education expenses, including tuition and fees, books and supplies, and room and board. DFI must create and maintain a list of private lending institutions that provide the lowest rates and best repayment options on student loans. DFI must also compile a list of the top 10 best private lending institutions based on rates and policies that are most favorable to the student borrower. DFI must place these lists on DFI's Internet site and update the Internet site monthly to ensure that the student loan information in these lists is current and accurate. DFI's Internet site must also contain information pertaining to lending institutions that do not make the top 10 list, including identifying those lending institutions that provide the worst rates and strictest repayment options. DFI may satisfy its duties under the bill through a designee or third-party contractor.

The bill also requires an institution or college campus within the University of Wisconsin (UW) System, a technical college within the technical college system, a tribally controlled college, or a private, nonprofit institution of higher education located in this state (institution of higher education) to provide to a prospective or newly accepted student and to the student's parents clearly outlined and easy-to-understand information pertaining to all of the following:

1. The total cost of attendance at the institution of higher education.
2. The approximate or, if known, the actual total amount of financial aid that the student would receive from the institution of higher education, and the approximate or, if known, the actual total amount of student loan debt that the

student would accumulate, over the course of four years if the student were to attend the institution of higher education for four years (student loan debt).

3. Student loan rates, repayment plans, default rates, and the actual monthly payment that would be required to pay that student loan debt when the loan becomes due.

Finally, the bill requires an institution of higher education and the Higher Educational Aids Board (HEAB) to create on their Internet sites a link to that portion of DFI's Internet site containing the lists and other information required under the bill.

### ***Student loan counseling***

This bill requires any institution of higher education in this state that offers an associate's or higher degree to provide loan counseling for its students. Under the bill, before a student enters into a student loan agreement, the institution must provide the student with comprehensive information on the terms and conditions of a loan and the responsibilities the student has with respect to the loan. A lender may not accept an application for a private student loan, or assess any fees for the loan, unless the lender has received certification from the applicant's institution of higher education that the applicant has received such counseling.

The bill also requires an institution of higher education to provide a student with information when the student leaves the institution, whether through graduation, transfer, or otherwise. The information must include available loan repayment plans, debt management strategies, options for prepayment of loans, and the consequences of defaulting on a loan.

Finally, the bill authorizes an institution of higher education to assess a lender a reasonable fee of up to \$50 to defray the cost of the student counseling required under the bill.

### ***Income tax subtraction***

Under current law, there is an individual income tax subtraction for amounts paid by a claimant for tuition expenses and mandatory student fees for a student who is the claimant or the claimant's dependent under the Internal Revenue Code, to attend an institution of higher education that is approved by the Educational Approval Board and that is located in Wisconsin, or to attend certain postsecondary schools in Minnesota to which the Minnesota-Wisconsin reciprocity agreement applies. The tuition expenses and fees for which a subtraction may be claimed are calculated based on the amount of tuition charged by the UW System at four-year institutions.

Also under current law, the subtraction that a claimant may claim for such tuition expenses and mandatory student fees is reduced as the claimant's annual federal adjusted gross income (FAGI) increases until, at a certain point, no subtraction may be claimed. Currently, the allowable subtraction phases out, for a single person or a married person filing as a head of household, as the claimant's FAGI increases from \$50,000 to \$60,000. Once such a claimant's FAGI exceeds \$60,000, he or she may not claim the subtraction. For a married person filing a joint return, the phaseout occurs as the married couple's joint FAGI increases from \$80,000 to \$100,000, and no subtraction is allowed once the married couple's joint

FAGI exceeds \$100,000. The phaseout for a married person filing a separate return occurs as the claimant's FAGI increases from \$40,000 to \$50,000, and no subtraction is allowed once the claimant's FAGI exceeds \$50,000.

Under this bill, the phase-out provisions do not apply to a taxable year that begins after December 31, 2013.

This bill also expands the definition of tuition expenses to include any amount paid by a claimant in the year to which the claim relates on a student loan, the proceeds of which were used by the claimant to pay the claimant's expenses for tuition, fees, books, room and board, and educational supplies that were directly related to the claimant's attendance at an eligible institution. The bill defines eligible institution as a regionally accredited, nonprofit, postsecondary educational institution.

### ***Student loan debt report***

Under current law, HEAB administers certain grant and loan programs for resident students enrolled in institutions of higher education in this state.

This bill requires HEAB to submit an annual report to the Joint Committee on Finance regarding student loan debt incurred in the previous year by resident undergraduate students enrolled in the institutions within the UW System, the technical colleges within the technical college system, the tribally controlled colleges in this state, and the private, nonprofit accredited institutions of higher education in this state (collectively, "institutions of higher education located in this state"). The report must include that information, together with all of the following:

1. The statewide average amount of student loan debt incurred in the previous year by resident undergraduate students enrolled in institutions of higher education located in this state.
2. A comparison of that statewide average to the national average amount of student loan debt incurred in the previous year by undergraduate students enrolled in institutions of higher education in the United States.
3. A comparison of that statewide average to the statewide average amount of student loan debt incurred in the previous year by undergraduate students in the state with the lowest ratio of statewide average student loan debt to the lowest quintile of state per capita income.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

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

---

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

1           **SECTION 1.** 13.172 (1) of the statutes is amended to read:



1           13.172 (1) In this section, “agency” means an office, department, agency,  
2 institution of higher education, association, society, or other body in state  
3 government created or authorized to be created by the constitution or any law, that  
4 is entitled to expend moneys appropriated by law, including the legislature and the  
5 courts, and any authority created in subch. II of ch. 114 or subch. III of ch. 149 or in  
6 ch. 231, 233, 234, 238, 239, or 279.

7           **SECTION 2.** 13.48 (13) (a) of the statutes is amended to read:

8           13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or  
9 facility that is constructed for the benefit of or use of the state, any state agency,  
10 board, commission or department, the University of Wisconsin Hospitals and Clinics  
11 Authority, the Fox River Navigational System Authority, the Wisconsin Student  
12 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or  
13 any local professional baseball park district created under subch. III of ch. 229 if the  
14 construction is undertaken by the department of administration on behalf of the  
15 district, shall be in compliance with all applicable state laws, rules, codes and  
16 regulations but the construction is not subject to the ordinances or regulations of the  
17 municipality in which the construction takes place except zoning, including without  
18 limitation because of enumeration ordinances or regulations relating to materials  
19 used, permits, supervision of construction or installation, payment of permit fees, or  
20 other restrictions.

21           **SECTION 3.** 13.62 (2) of the statutes is amended to read:

22           13.62 (2) “Agency” means any board, commission, department, office, society,  
23 institution of higher education, council, or committee in the state government, or any  
24 authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 232, 233,

1 234, 237, 238, 239, or 279, except that the term does not include a council or  
2 committee of the legislature.

3 **SECTION 4.** 13.94 (1) (dt) of the statutes is created to read:

4 13.94 (1) (dt) Biennially, beginning in 2015, conduct a financial audit of the  
5 Wisconsin Student Loan Refinancing Authority and a program evaluation audit of  
6 the programs administered by the Wisconsin Student Loan Refinancing Authority  
7 under ch. 239. The legislative audit bureau shall file a copy of each audit report  
8 under this paragraph with the distributees specified in par. (b).

9 **SECTION 5.** 13.94 (1s) (c) 9. of the statutes is created to read:

10 13.94 (1s) (c) 9. The Wisconsin Student Loan Refinancing Authority for the cost  
11 of the audit required to be performed under sub. (1) (dt).

12 **SECTION 6.** 13.94 (4) (a) 1. of the statutes is amended to read:

13 13.94 (4) (a) 1. Every state department, board, examining board, affiliated  
14 credentialing board, commission, independent agency, council or office in the  
15 executive branch of state government; all bodies created by the legislature in the  
16 legislative or judicial branch of state government; any public body corporate and  
17 politic created by the legislature including specifically the Fox River Navigational  
18 System Authority, the Lower Fox River Remediation Authority, the Wisconsin  
19 Aerospace Authority, the Wisconsin Student Loan Refinancing Authority, and the  
20 Wisconsin Economic Development Corporation, a professional baseball park district,  
21 a local professional football stadium district, a local cultural arts district, and a  
22 long-term care district under s. 46.2895; every Wisconsin works agency under subch.  
23 III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical  
24 college district boards; every county department under s. 51.42 or 51.437; every  
25 nonprofit corporation or cooperative or unincorporated cooperative association to

1 which moneys are specifically appropriated by state law; and every corporation,  
2 institution, association or other organization which receives more than 50% of its  
3 annual budget from appropriations made by state law, including subgrantee or  
4 subcontractor recipients of such funds.

5 **SECTION 7.** 13.95 (intro.) of the statutes is amended to read:

6 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be  
7 known as the “Legislative Fiscal Bureau” headed by a director. The fiscal bureau  
8 shall be strictly nonpartisan and shall at all times observe the confidential nature  
9 of the research requests received by it; however, with the prior approval of the  
10 requester in each instance, the bureau may duplicate the results of its research for  
11 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director’s  
12 designated employees shall at all times, with or without notice, have access to all  
13 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the  
14 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,  
15 the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
16 Refinancing Authority, the Wisconsin Economic Development Corporation, and the  
17 Fox River Navigational System Authority, and to any books, records, or other  
18 documents maintained by such agencies or authorities and relating to their  
19 expenditures, revenues, operations, and structure.

20 **SECTION 8.** 16.002 (2) of the statutes is amended to read:

21 16.002 (2) “Departments” means constitutional offices, departments, and  
22 independent agencies and includes all societies, associations, and other agencies of  
23 state government for which appropriations are made by law, but not including  
24 authorities created in subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 232,  
25 233, 234, 237, 238, 239, or 279.

1           **SECTION 9.** 16.004 (4) of the statutes is amended to read:

2           **16.004 (4) FREEDOM OF ACCESS.** The secretary and such employees of the  
3 department as the secretary designates may enter into the offices of state agencies  
4 and authorities created under subch. II of ch. 114 and subch. III of ch. 149 and under  
5 chs. 231, 233, 234, 237, 238, 239, and 279, and may examine their books and accounts  
6 and any other matter that in the secretary's judgment should be examined and may  
7 interrogate the agency's employees publicly or privately relative thereto.

8           **SECTION 10.** 16.004 (5) of the statutes is amended to read:

9           **16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE.** All state agencies and  
10 authorities created under subch. II of ch. 114 and subch. III of ch. 149 and under chs.  
11 231, 233, 234, 237, 238, 239, and 279, and their officers and employees, shall  
12 cooperate with the secretary and shall comply with every request of the secretary  
13 relating to his or her functions.

14           **SECTION 11.** 16.004 (12) (a) of the statutes is amended to read:

15           **16.004 (12) (a)** In this subsection, "state agency" means an association,  
16 authority, board, department, commission, independent agency, institution, office,  
17 society, or other body in state government created or authorized to be created by the  
18 constitution or any law, including the legislature, the office of the governor, and the  
19 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,  
20 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan  
21 Authority, the Lower Fox River Remediation Authority, the Wisconsin Economic  
22 Development Corporation, the Wisconsin Student Loan Refinancing Authority, and  
23 the Fox River Navigational System Authority.

24           **SECTION 12.** 16.045 (1) (a) of the statutes is amended to read:

1           16.045 (1) (a) “Agency” means an office, department, independent agency,  
2 institution of higher education, association, society, or other body in state  
3 government created or authorized to be created by the constitution or any law, that  
4 is entitled to expend moneys appropriated by law, including the legislature and the  
5 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
6 ch. 149 or in ch. 231, 232, 233, 234, 237, 238, 239, or 279.

7           **SECTION 13.** 16.15 (1) (ab) of the statutes is amended to read:

8           16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but  
9 excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox  
10 River Remediation Authority, the Wisconsin Economic Development Corporation,  
11 the Wisconsin Student Loan Refinancing Authority, and the Health Insurance  
12 Risk-Sharing Plan Authority.

13           **SECTION 14.** 16.41 (4) of the statutes is amended to read:

14           16.41 (4) In this section, “authority” means a body created under subch. II of  
15 ch. 114 or subch. III of ch. 149 or under ch. 231, 233, 234, 237, 238, 239, or 279.

16           **SECTION 15.** 16.417 (1) (b) of the statutes is amended to read:

17           16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or  
18 ch. 231, 232, 233, 234, 237, 238, 239, or 279.

19           **SECTION 16.** 16.52 (7) of the statutes is amended to read:

20           16.52 (7) **PETTY CASH ACCOUNT.** With the approval of the secretary, each agency  
21 that is authorized to maintain a contingent fund under s. 20.920 may establish a  
22 petty cash account from its contingent fund. The procedure for operation and  
23 maintenance of petty cash accounts and the character of expenditures therefrom  
24 shall be prescribed by the secretary. In this subsection, “agency” means an office,  
25 department, independent agency, institution of higher education, association,

1 society, or other body in state government created or authorized to be created by the  
2 constitution or any law, that is entitled to expend moneys appropriated by law,  
3 including the legislature and the courts, but not including an authority created in  
4 subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or  
5 279.

6 **SECTION 17.** 16.528 (1) (a) of the statutes is amended to read:

7 16.528 (1) (a) “Agency” means an office, department, independent agency,  
8 institution of higher education, association, society, or other body in state  
9 government created or authorized to be created by the constitution or any law, that  
10 is entitled to expend moneys appropriated by law, including the legislature and the  
11 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
12 ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or 279.

13 **SECTION 18.** 16.53 (2) of the statutes is amended to read:

14 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed  
15 invoice, the agency shall notify the sender of the invoice within 10 working days after  
16 it receives the invoice of the reason it is improperly completed. In this subsection,  
17 “agency” means an office, department, independent agency, institution of higher  
18 education, association, society, or other body in state government created or  
19 authorized to be created by the constitution or any law, that is entitled to expend  
20 moneys appropriated by law, including the legislature and the courts, but not  
21 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.  
22 231, 233, 234, 237, 238, 239, or 279.

23 **SECTION 19.** 16.54 (9) (a) 1. of the statutes is amended to read:

24 16.54 (9) (a) 1. “Agency” means an office, department, independent agency,  
25 institution of higher education, association, society or other body in state

1 government created or authorized to be created by the constitution or any law, which  
2 is entitled to expend moneys appropriated by law, including the legislature and the  
3 courts, but not including an authority created in subch. II of ch. 114 or subch. III of  
4 ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or 279.

5 **SECTION 20.** 16.765 (1) of the statutes is amended to read:

6 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and  
7 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
8 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
9 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
10 Authority, the Wisconsin Economic Development Corporation, and the Bradley  
11 Center Sports and Entertainment Corporation shall include in all contracts executed  
12 by them a provision obligating the contractor not to discriminate against any  
13 employee or applicant for employment because of age, race, religion, color, handicap,  
14 sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual  
15 orientation as defined in s. 111.32 (13m), or national origin and, except with respect  
16 to sexual orientation, obligating the contractor to take affirmative action to ensure  
17 equal employment opportunities.

18 **SECTION 21.** 16.765 (2) of the statutes is amended to read:

19 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and  
20 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
21 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
22 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
23 Authority, the Wisconsin Economic Development Corporation, and the Bradley  
24 Center Sports and Entertainment Corporation shall include the following provision  
25 in every contract executed by them: “In connection with the performance of work

1 under this contract, the contractor agrees not to discriminate against any employee  
2 or applicant for employment because of age, race, religion, color, handicap, sex,  
3 physical condition, developmental disability as defined in s. 51.01 (5), sexual  
4 orientation or national origin. This provision shall include, but not be limited to, the  
5 following: employment, upgrading, demotion or transfer; recruitment or recruitment  
6 advertising; layoff or termination; rates of pay or other forms of compensation; and  
7 selection for training, including apprenticeship. Except with respect to sexual  
8 orientation, the contractor further agrees to take affirmative action to ensure equal  
9 employment opportunities. The contractor agrees to post in conspicuous places,  
10 available for employees and applicants for employment, notices to be provided by the  
11 contracting officer setting forth the provisions of the nondiscrimination clause”.

12 **SECTION 22.** 16.765 (5) of the statutes is amended to read:

13 16.765 (5) The head of each contracting agency and the boards of directors of  
14 the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
15 Navigational System Authority, the Wisconsin Aerospace Authority, the Health  
16 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation  
17 Authority, the Wisconsin Student Loan Refinancing Authority, the Wisconsin  
18 Economic Development Corporation, and the Bradley Center Sports and  
19 Entertainment Corporation shall be primarily responsible for obtaining compliance  
20 by any contractor with the nondiscrimination and affirmative action provisions  
21 prescribed by this section, according to procedures recommended by the department.  
22 The department shall make recommendations to the contracting agencies and the  
23 boards of directors of the University of Wisconsin Hospitals and Clinics Authority,  
24 the Fox River Navigational System Authority, the Wisconsin Aerospace Authority,  
25 the Health Insurance Risk-Sharing Plan Authority, the Lower Fox River



1 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the  
2 Wisconsin Economic Development Corporation, and the Bradley Center Sports and  
3 Entertainment Corporation for improving and making more effective the  
4 nondiscrimination and affirmative action provisions of contracts. The department  
5 shall promulgate such rules as may be necessary for the performance of its functions  
6 under this section.

7 **SECTION 23.** 16.765 (6) of the statutes is amended to read:

8 16.765 (6) The department may receive complaints of alleged violations of the  
9 nondiscrimination provisions of such contracts. The department shall investigate  
10 and determine whether a violation of this section has occurred. The department may  
11 delegate this authority to the contracting agency, the University of Wisconsin  
12 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the  
13 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,  
14 the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
15 Refinancing Authority, the Wisconsin Economic Development Corporation, or the  
16 Bradley Center Sports and Entertainment Corporation for processing in accordance  
17 with the department's procedures.

18 **SECTION 24.** 16.765 (7) (intro.) of the statutes is amended to read:

19 16.765 (7) (intro.) When a violation of this section has been determined by the  
20 department, the contracting agency, the University of Wisconsin Hospitals and  
21 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
22 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
23 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
24 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
25 Sports and Entertainment Corporation, the contracting agency, the University of

1 Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System  
2 Authority, the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing  
3 Plan Authority, the Lower Fox River Remediation Authority, the Wisconsin Student  
4 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or  
5 the Bradley Center Sports and Entertainment Corporation shall:

6 **SECTION 25.** 16.765 (7) (d) of the statutes is amended to read:

7 16.765 (7) (d) Direct the violating party to take immediate steps to prevent  
8 further violations of this section and to report its corrective action to the contracting  
9 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
10 Navigational System Authority, the Wisconsin Aerospace Authority, the Health  
11 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation  
12 Authority, the Wisconsin Student Loan Refinancing Authority, the Wisconsin  
13 Economic Development Corporation, or the Bradley Center Sports and  
14 Entertainment Corporation.

15 **SECTION 26.** 16.765 (8) of the statutes is amended to read:

16 16.765 (8) If further violations of this section are committed during the term  
17 of the contract, the contracting agency, the Fox River Navigational System Authority,  
18 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan  
19 Authority, the Lower Fox River Remediation Authority, the Wisconsin Student Loan  
20 Refinancing Authority, the Wisconsin Economic Development Corporation, or the  
21 Bradley Center Sports and Entertainment Corporation may permit the violating  
22 party to complete the contract, after complying with this section, but thereafter the  
23 contracting agency, the Fox River Navigational System Authority, the Wisconsin  
24 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower  
25 Fox River Remediation Authority, the Wisconsin Student Loan Refinancing

1 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
2 Sports and Entertainment Corporation shall request the department to place the  
3 name of the party on the ineligible list for state contracts, or the contracting agency,  
4 the Fox River Navigational System Authority, the Wisconsin Aerospace Authority,  
5 the Health Insurance Risk-Sharing Plan Authority, the Lower Fox River  
6 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the  
7 Wisconsin Economic Development Corporation, or the Bradley Center Sports and  
8 Entertainment Corporation may terminate the contract without liability for the  
9 uncompleted portion or any materials or services purchased or paid for by the  
10 contracting party for use in completing the contract.

11 **SECTION 27.** 16.85 (2) of the statutes is amended to read:

12 16.85 (2) To furnish engineering, architectural, project management, and other  
13 building construction services whenever requisitions therefor are presented to the  
14 department by any agency. The department may deposit moneys received from the  
15 provision of these services in the account under s. 20.505 (1) (kc) or in the general  
16 fund as general purpose revenue — earned. In this subsection, “agency” means an  
17 office, department, independent agency, institution of higher education, association,  
18 society, or other body in state government created or authorized to be created by the  
19 constitution or any law, which is entitled to expend moneys appropriated by law,  
20 including the legislature and the courts, but not including an authority created in  
21 subch. II of ch. 114 or subch. III of ch. 149 or in ch. 231, 233, 234, 237, 238, 239, or  
22 279.

23 **SECTION 28.** 16.865 (8) of the statutes is amended to read:

24 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a  
25 proportionate share of the estimated costs attributable to programs administered by

1 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department  
2 may charge premiums to agencies to finance costs under this subsection and pay the  
3 costs from the appropriation on an actual basis. The department shall deposit all  
4 collections under this subsection in the appropriation account under s. 20.505 (2) (k).  
5 Costs assessed under this subsection may include judgments, investigative and  
6 adjustment fees, data processing and staff support costs, program administration  
7 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this  
8 subsection, “agency” means an office, department, independent agency, institution  
9 of higher education, association, society, or other body in state government created  
10 or authorized to be created by the constitution or any law, that is entitled to expend  
11 moneys appropriated by law, including the legislature and the courts, but not  
12 including an authority created in subch. II of ch. 114 or subch. III of ch. 149 or in ch.  
13 231, 232, 233, 234, 237, 238, 239, or 279.

14 **SECTION 29.** 19.42 (10) (t) of the statutes is created to read:

15 19.42 (10) (t) The chief executive officer and members of the board of directors  
16 of the Wisconsin Student Loan Refinancing Authority.

17 **SECTION 30.** 19.42 (13) (p) of the statutes is created to read:

18 19.42 (13) (p) The chief executive officer and members of the board of directors  
19 of the Wisconsin Student Loan Refinancing Authority.

20 **SECTION 31.** 20.005 (3) (schedule) of the statutes: at the appropriate place,  
21 insert the following amounts for the purposes indicated:



1 enrolled in each technical college within that system, each tribally controlled college  
2 in this state shall provide to the board the average amount of student loan debt  
3 incurred in the previous year by resident undergraduate students enrolled in that  
4 tribally controlled college and the Wisconsin Association of Independent Colleges  
5 and Universities or a successor organization shall provide to the board the average  
6 amount of student loan debt incurred in the previous year by resident undergraduate  
7 students enrolled in each of the private, nonprofit accredited institutions of higher  
8 education in this state.

9 (2) By March 1 of each year, the board shall do all of the following:

10 (a) Compile the information provided to the board under sub. (1) and, from that  
11 information, compute the statewide average amount of student loan debt incurred  
12 in the previous year by resident undergraduate students enrolled in the institutions  
13 specified in sub. (1).

14 (b) Compare the amount computed under par. (a) to the national average  
15 amount of student loan debt incurred in the previous year by undergraduate  
16 students enrolled in institutions of higher education in the United States.

17 (c) Compare the amount computed under par. (a) to the statewide average  
18 amount of student loan debt incurred in the previous year by undergraduate  
19 students in the state with the lowest ratio of statewide average student loan debt to  
20 the lowest quintile of state per capita income.

21 (d) Submit a report regarding student loan debt incurred in the previous year  
22 by resident undergraduate students at the institutions specified in sub. (1) to the  
23 joint committee on finance. The report shall include the information provided to the  
24 board under sub. (1), the statewide average amount of student loan debt computed  
25 under par. (a), and the comparisons described in pars. (b) and (c).

1           **SECTION 35.** 39.54 of the statutes is created to read:

2           **39.54 Student lending transparency.** (1) In this section, “institution of  
3 higher education” means an institution or college campus within the University of  
4 Wisconsin System, a technical college within the technical college system, a tribally  
5 controlled college, or a private, nonprofit institution of higher education located in  
6 this state that provides an educational program for which the institution awards a  
7 bachelor’s degree or higher or provides a program that is acceptable toward such a  
8 degree.

9           (2) Each institution of higher education shall provide to a prospective or newly  
10 accepted student and to the student’s parents clearly outlined and  
11 easy-to-understand information pertaining to all of the following:

12           (a) The total cost of attendance at the institution of higher education.

13           (b) The approximate or, if known, the actual total amount of financial aid that  
14 the student would receive from the institution of higher education, and the  
15 approximate or, if known, the actual total amount of student loan debt that the  
16 student would accumulate, over the course of 4 years if the student were to attend  
17 the institution of higher education for 4 years.

18           (c) Student loan rates, repayment plans, default rates, and the actual monthly  
19 payment that would be required to pay the student loan debt described in par. (b)  
20 when the loan becomes due.

21           (3) Each institution of higher education shall create on its Internet site a link  
22 to that portion of the department of financial institutions’ Internet site created under  
23 s. 224.30 (5) (c) and (d).

24           **SECTION 36.** 39.56 of the statutes is created to read:

1           **39.56 Loan counseling.** (1) DEFINITION. In this section, “institution of higher  
2 education” means an institution or college campus within the University of  
3 Wisconsin System, a technical college under ch. 38, or any private, nonprofit,  
4 educational institution located in this state that provides an educational program for  
5 which it awards an associate’s or higher degree.

6           (2) APPLICABILITY. This section applies to any student loan offered by an  
7 institution of higher education or a private lender or recommended to a student by  
8 an institution of higher education, other than a federally funded, federally insured,  
9 or federally guaranteed loan for which counseling is required by 20 USC 1092.

10           (3) ENTRANCE COUNSELING. (a) Before a student enters into a student loan  
11 agreement, an institution of higher education shall provide the student with  
12 comprehensive information on the terms and conditions of a loan and the  
13 responsibilities the student has with respect to the loan. The institution shall  
14 provide the information during a counseling session conducted in person, on a  
15 written form provided to the student that the student signs and returns, or online,  
16 with the student acknowledging receipt of the information. The information  
17 provided shall include all of the following:

18           1. To the extent practicable, the effect of accepting the loan to be disbursed on  
19 the eligibility of the borrower for other forms of student financial assistance.

20           2. How interest accrues and is capitalized during periods when the interest is  
21 not paid by the borrower.

22           3. The definitions of full-time and half-time enrollment at the institution of  
23 higher education, during regular terms and intersession terms, if applicable, and the  
24 consequences of not maintaining full-time or half-time enrollment.



1           4. The importance of contacting the appropriate office at the institution of  
2 higher education if the borrower withdraws before completing his or her program of  
3 study so that the institution can provide counseling under sub. (4).

4           5. Sample monthly repayment amounts, based on a range of levels of  
5 indebtedness.

6           6. The obligation of the borrower to repay the full amount of the loan,  
7 irrespective of whether the borrower completes his or her program of study at the  
8 institution.

9           7. The likely consequences of default on the loan, including adverse credit  
10 reports, delinquent debt collection procedures, and litigation.

11           8. Whether the student has reached the limit on his or her federal student loan  
12 opportunities.

13           9. The name of, and contact information for, an individual the borrower may  
14 contact if he or she has any questions about the borrower's rights and responsibilities  
15 or the terms and conditions of the loan.

16           10. How a student or any member of the public may file a complaint about a  
17 lender with the federal Consumer Financial Protection Bureau by calling a toll-free  
18 telephone number, or by completing a complaint form, which may be obtained on the  
19 bureau's Internet site. The toll-free telephone number and Internet site address of  
20 the bureau shall be included.

21           (b) In conjunction with providing information under par. (a), the institution of  
22 higher education shall also do all of the following:

23           1. Clearly distinguish private loans from federal loans in individual financial  
24 aid awards by stating, for any private loans included by the institution as part of the  
25 institution's award package, all of the following:

1 a. Whether the rate is fixed or variable.

2 b. An explanation that private student loan lenders can offer variable interest  
3 rates that can increase or decrease over time, depending on market conditions.

4 c. An explanation that private student loans have a range of interest rates and  
5 fees and students should determine the interest rate of, and any fees associated with,  
6 the private student loan included in their financial aid award package before  
7 accepting the loan.

8 d. An explanation that students should contact the lender of the private  
9 student loan or their institution's financial aid office if they have any questions about  
10 a private student loan.

11 e. An explanation that the interest rate on a private loan may depend on the  
12 borrower's credit rating.

13 2. If the institution of higher education provides a private loan lender list,  
14 provide general information about the loans available through the lender and  
15 disclose the basis for each lender's inclusion on the list. The institution shall also  
16 disclose with the list that the student may choose any lender.

17 (c) 1. A lender may not accept a final and complete application for a private  
18 student loan from an applicant, or assess any fees upon an applicant, without first  
19 receiving certification from the applicant's institution of higher education that the  
20 applicant has received counseling from the institution under pars. (a) and (b) and  
21 that the counseling was conducted in person, unless the certification specified that  
22 the applicant elected to receive the counseling in a manner other than in person.

23 2. The certification required by subd. 1. shall be signed by the applicant and  
24 the institutional counselor, and shall include the date of the counseling and the  
25 name, address, and telephone number of both the counselor and the applicant. An

1 electronic facsimile copy of the counseling certification satisfies the requirement of  
2 this subdivision. The lender shall maintain the certification in an accurate,  
3 reproducible, and accessible format for the term of the student loan.

4 (4) EXIT COUNSELING. (a) As close as practicable to the date that a student  
5 graduates from, transfers from, withdraws from, or otherwise completes his or her  
6 program of study at the institution of higher education, the institution shall provide  
7 the student with information relating to all of the following:

8 1. Repayment plans that are available, including a description of the different  
9 features of each plan and sample information showing the average anticipated  
10 monthly payments, and the difference in interest paid and total payments, under  
11 each plan.

12 2. Debt management strategies designed to facilitate the repayment of  
13 indebtedness.

14 3. The options to prepay each loan, pay each loan on a shorter schedule, or  
15 change repayment plans.

16 4. The likely consequences of default on the loan, including adverse credit  
17 reports, delinquent debt collection procedures, and litigation.

18 5. The effects of consolidation on a borrower's underlying loan benefits.

19 6. Grace periods, loan forgiveness, cancellation, and deferment opportunities.

20 7. The borrower benefit programs of different lenders.

21 8. The tax benefits that may be available to borrowers.

22 9. How to enroll in income-based repayment.

23 (b) With respect to a student who leaves an institution of higher education  
24 without the knowledge of the institution, the institution shall attempt to provide the  
25 information described in par. (a) to the student in writing.

1           **(5) FEE.** An institution of higher education may assess a reasonable fee to the  
2 lender to defray the cost of counseling under this section in an amount not exceeding  
3 \$50. The higher educational aids board and the department of financial institutions  
4 shall jointly promulgate rules to implement and administer this subsection.

5           **SECTION 37.** 40.02 (54) (n) of the statutes is created to read:

6           40.02 **(54)** (n) The Wisconsin Student Loan Refinancing Authority.

7           **SECTION 38.** 70.11 (38v) of the statutes is created to read:

8           70.11 **(38v)** WISCONSIN STUDENT LOAN REFINANCING AUTHORITY. All property  
9 owned by the Wisconsin Student Loan Refinancing Authority, provided that use of  
10 the property is primarily related to the purposes of the Wisconsin Student loan  
11 Refinancing Authority.

12           **SECTION 39.** 71.05 (6) (b) 28. (intro.) of the statutes is amended to read:

13           71.05 **(6)** (b) 28. (intro.) An amount paid by a claimant for tuition expenses and  
14 mandatory student fees for a student who is the claimant or who is the claimant's  
15 child and the claimant's dependent who is claimed under section 151 (c) of the  
16 Internal Revenue Code, to attend any university, college, technical college or a school  
17 approved under s. 38.50, that is located in Wisconsin or to attend a public vocational  
18 school or public institution of higher education in Minnesota under the  
19 Minnesota–Wisconsin reciprocity agreement under s. 39.47, calculated as follows: in  
20 subd. 28. a., am., e., f., and h. In this subdivision, "tuition expenses" includes any  
21 amount paid by a claimant in the year to which the claim relates on a loan, the  
22 proceeds of which were used by the claimant to pay the claimant's expenses for  
23 tuition, fees, books, room and board, and educational supplies that were directly  
24 related to the claimant's attendance at an eligible educational institution, as defined  
25 in s. 18.81 (2).

1           **SECTION 40.** 71.05 (6) (b) 28. j. of the statutes is created to read:

2           71.05 (6) (b) 28. j. The provisions of subd. 28. b., c., d., and g. do not apply to  
3 a taxable year that begins after December 31, 2013.

4           **SECTION 41.** 77.54 (9a) (a) of the statutes is amended to read:

5           77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
6 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Health  
7 Insurance Risk-Sharing Plan Authority, the Wisconsin Economic Development  
8 Corporation, the Wisconsin Student Loan Refinancing Authority, and the Fox River  
9 Navigational System Authority.

10          **SECTION 42.** 100.45 (1) (dm) of the statutes is amended to read:

11          100.45 (1) (dm) “State agency” means any office, department, agency,  
12 institution of higher education, association, society, or other body in state  
13 government created or authorized to be created by the constitution or any law which  
14 is entitled to expend moneys appropriated by law, including the legislature and the  
15 courts, the Wisconsin Housing and Economic Development Authority, the Bradley  
16 Center Sports and Entertainment Corporation, the University of Wisconsin  
17 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities  
18 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic  
19 Development Corporation, the Wisconsin Student Loan Refinancing Authority, and  
20 the Fox River Navigational System Authority.

21          **SECTION 43.** 224.30 (5) of the statutes is created to read:

22          224.30 (5) STUDENT LENDING TRANSPARENCY. (a) In this subsection:

23          1. “Higher education expenses” includes all of the following:

24           a. Tuition and fees.

25           b. Books and supplies

1 c. Room and board.

2 2. “Private student loan” means a loan issued by a private lending institution  
3 for the purpose of paying for or financing higher education expenses.

4 3. “Private lending institution” means any private entity that itself or through  
5 an affiliate makes available student loans to pay for or finance higher education  
6 expenses.

7 4. “Student borrower” means any individual who borrows money from a private  
8 lending institution to finance higher education expenses.

9 (b) The department shall compile data related to private student loans for the  
10 purpose of comparing private lending institutions’ student loan interest rates and  
11 repayment plans, including all of the following:

12 1. Policies relating to deferment and forbearance.

13 2. Loan default policies and penalties.

14 3. Any other information that the department deems relevant for the purpose  
15 of creating a list of private lending institutions that provide the lowest rates and best  
16 repayment options on student loans.

17 (c) 1. Using the data compiled under par. (b), the department shall create and  
18 maintain a list of private lending institutions that provide the lowest rates and best  
19 repayment options on student loans.

20 2. In addition to the list under subd. 1., the department shall compile a list of  
21 the 10 best private lending institutions based on rates and policies that are most  
22 favorable to the student borrower. The department may also consider the private  
23 lending institutions’ policies for allowing a student borrower to borrow more than 10  
24 percent over the student borrower’s total cost of higher education expenses when  
25 determining if a private lending institution should be placed on this list.

1 (d) The department shall place the lists created and compiled under par. (c) at  
2 an easily accessible location on the department's Internet site. The department shall  
3 update its Internet site on a monthly basis to ensure that the student loan  
4 information in these lists is current and accurate. Information pertaining to lending  
5 institutions that do not make the list compiled under par. (c) 2. shall also be posted  
6 on the department's Internet site and those lending institutions that provide the  
7 worst rates and strictest repayment options shall be clearly indicated.

8 (e) The department shall make any list or other data under this subsection that  
9 appears on the department's Internet site available to be linked as provided in ss.  
10 39.28 (7) and 39.54 (3).

11 (f) The department may satisfy its duties under this subsection through a  
12 designee or 3rd-party contractor.

13 **SECTION 44.** 230.03 (3) of the statutes, as affected by 2011 Wisconsin Acts 10,  
14 32 and 229, is amended to read:

15 230.03 (3) "Agency" means any board, commission, committee, council, or  
16 department in state government or a unit thereof created by the constitution or  
17 statutes if such board, commission, committee, council, department, unit, or the  
18 head thereof, is authorized to appoint subordinate staff by the constitution or  
19 statute, except a legislative or judicial board, commission, committee, council,  
20 department, or unit thereof or an authority created under subch. II of ch. 114 or  
21 subch. III of ch. 149 or under ch. 231, 232, 233, 234, 237, 238, 239, or 279. "Agency"  
22 does not mean any local unit of government or body within one or more local units  
23 of government that is created by law or by action of one or more local units of  
24 government.

25 **SECTION 45.** Chapter 239 of the statutes is created to read:





1 appointed under this subdivision who acquires such an interest while serving as a  
2 member shall resign from the board.

3 (b) 1. The members specified in par. (a) 1. and 2. shall be appointed as are the  
4 members of standing committees in their respective houses.

5 2. The members specified in par. (a) 3. to 5. shall be nominated by the governor,  
6 and with the advice and consent of the senate appointed, for 2-year terms.

7 3. The members specified in par. (a) 6. shall be nominated by the governor, and  
8 with the advice and consent of the senate appointed for 3-year terms.

9 (2) If a student member of the board appointed under sub. (1) (a) 3. to 5. loses  
10 his or her student status upon which the appointment was based, he or she ceases  
11 to be a member of the board upon the appointment of a qualified successor to the  
12 board. A student member who loses his or her student status solely because he or  
13 she graduates from an institution of higher education may complete his or her  
14 current term of the board.

15 (3) The members of the board shall annually elect a chairperson and may elect  
16 other officers as they consider appropriate. A majority of the members of the board  
17 constitutes a quorum for the purpose of conducting its business and exercising its  
18 powers and for all other purposes, notwithstanding the existence of any vacancies.  
19 Action may be taken by the board upon a vote of a majority of the voting members  
20 present.

21 (4) A member of the board may not be compensated for his or her services but  
22 shall be reimbursed for actual and necessary expenses, including travel expenses,  
23 incurred in the performance of his or her duties.

24 (5) No cause of action of any nature may arise against and no civil liability may  
25 be imposed upon a member of the board for any act or omission in the performance

1 of his or her powers and duties under this chapter, unless the person asserting  
2 liability proves that the act or omission constitutes willful misconduct.

3 (6) The board shall appoint a chief executive officer who shall not be a member  
4 of the board and who shall serve at the pleasure of the board. The chief executive  
5 officer shall receive such compensation as the board fixes. The chief executive officer  
6 or other person designated by resolution of the board shall keep a record of the  
7 proceedings of the authority and shall be custodian of all books, documents, and  
8 papers filed with the authority, the minute book or journal of the authority, and its  
9 official seal. The chief executive officer or other person may cause copies to be made  
10 of all minutes and other records and documents of the authority and may give  
11 certificates under the official seal of the authority to the effect that such copies are  
12 true copies, and all persons dealing with the authority may rely upon such  
13 certificates.

14 **239.03 Powers of board.** The board shall have all the powers necessary or  
15 convenient to carry out the purposes and provisions of this chapter. In addition to  
16 all other powers granted the board under this chapter, the board may specifically:

17 (1) Adopt, amend, and repeal any bylaws, policies, and procedures for the  
18 regulation of its affairs and the conduct of its business.

19 (2) Have a seal and alter the seal at pleasure.

20 (3) Maintain an office.

21 (4) Sue and be sued.

22 (5) Accept gifts, grants, loans, or other contributions from private or public  
23 sources.

24 (6) Establish the authority's annual budget and monitor the fiscal  
25 management of the authority.

1           (7) Execute contracts and other instruments required for the operation of the  
2 authority.

3           (8) Employ any officers, agents, and employees that it may require and  
4 determine their qualifications, duties, and compensation.

5           (9) Issue notes, bonds, and any other obligations.

6           (10) Make loans and provide grants.

7           (11) Incur debt.

8           (12) Procure liability insurance.

9           **239.04 Duties of board.** The board shall develop and implement a program  
10 under which state residents may refinance qualified education loans. The board  
11 shall develop the program to include all of the following:

12           (1) The authority shall provide a loan to an eligible individual to pay all or part  
13 of the individual's qualified education loans.

14           (2) The authority may only issues loans under the program that satisfy the  
15 exception to discharge under 11 USC 523 (8).

16           (3) The authority shall establish eligibility criteria to participate in the  
17 program that is substantially similar to the criteria used by private lenders in the  
18 state to evaluate whether an individual qualifies for an unsecured personal loan at  
19 market rates.

20           (4) The board shall set the interest rate on loans made under the program to  
21 be as low as possible but still sufficient to fully pay all expenses of the program and  
22 to provide necessary reserves, as determined by the board.

23           **239.05 Issuance of bonds.** (1) The authority may issue bonds for any  
24 corporate purpose. All bonds are negotiable for all purposes, notwithstanding their  
25 payment from a limited source.

1           (2) Except as may otherwise be expressly provided by the authority, every issue  
2 of its notes or bonds shall be general obligations of the authority payable out of any  
3 revenues or moneys of the authority, subject only to any agreements with the holders  
4 of particular notes or bonds pledging any particular receipts or revenues.

5           (3) All bonds issued by the authority are negotiable investment securities  
6 under ch. 408.

7           (4) The authority may not issue bonds unless the issuance is first authorized  
8 by a bond resolution. Bonds shall bear the dates, mature at the times not exceeding  
9 50 years from their dates of issue, bear interest at the rates, be payable at the times,  
10 be in the denominations, be in the form, carry the registration and conversion  
11 privileges, be executed in the manner, be payable in lawful money of the United  
12 States at the places, and be subject to the terms of redemption, that the bond  
13 resolution provides. The bonds shall be executed by the manual or facsimile  
14 signatures of the officers of the authority designated by the board. The bonds may  
15 be sold at public or private sale at the price, in the manner, and at the time,  
16 determined by the board. Pending preparation of definitive bonds, the authority may  
17 issue interim receipts or certificates that shall be exchanged for the definitive bonds.

18           (5) The board may include in a bond resolution provisions, which shall be a part  
19 of the contract with the holders of the bonds that are authorized by the bond  
20 resolution, regarding any of the following:

21           (a) Pledging or assigning specified assets or revenues of the authority.

22           (b) Setting aside reserves or sinking funds, and the regulation, investment, and  
23 disposition of these funds.

24           (c) Limitations on the purpose to which or the investments in which the  
25 proceeds of the sale of any issue of bonds may be applied.

1 (d) Limitations on the issuance of additional bonds, the terms upon which  
2 additional bonds may be issued and secured, and the terms upon which additional  
3 bonds may rank on a parity with, or be subordinate or superior to, other bonds.

4 (e) Funding, refunding, advance refunding, or purchasing outstanding bonds.

5 (f) Procedures, if any, by which the terms of any contract with bondholders may  
6 be amended, the amount of bonds the holders of which must consent to the  
7 amendment, and the manner in which this consent may be given.

8 (g) Defining the acts or omissions to act that constitute a default in the duties  
9 of the authority to the bondholders, and providing the rights and remedies of the  
10 bondholders in the event of a default.

11 (h) Other matters relating to the bonds that the board considers desirable.

12 (6) Neither the members of the board nor any person executing the bonds is  
13 liable personally on the bonds or subject to any personal liability or accountability  
14 by reason of the issuance of the bonds, unless the personal liability or accountability  
15 is the result of willful misconduct.

16 **239.06 Bond security.** The authority may secure bonds by a trust agreement,  
17 trust indenture, indenture of mortgage, or deed of trust by and between the authority  
18 and one or more corporate trustees. A bond resolution providing for the issuance of  
19 bonds so secured shall mortgage, pledge, assign, or grant security interests in some  
20 or all of the revenues to be received by, and property of, the authority and may contain  
21 those provisions for protecting and enforcing the rights and remedies of the  
22 bondholders that are reasonable and proper and not in violation of law. A bond  
23 resolution may contain other provisions determined by the board to be reasonable  
24 and proper for the security of the bondholders.

1           **239.07 Bonds not public debt.** (1) The state is not liable on bonds and the  
2 bonds are not a debt of the state. All bonds shall contain a statement to this effect  
3 on the face of the bond. A bond issue does not, directly, indirectly, or contingently,  
4 obligate the state or a political subdivision of the state to levy any tax or make any  
5 appropriation for payment of the bonds. Nothing in this section prevents the  
6 authority from pledging its full faith and credit to the payment of bonds.

7           (2) Nothing in this chapter authorizes the authority to create a debt of the state,  
8 and all bonds issued by the authority are payable, and shall state that they are  
9 payable, solely from the funds pledged for their payment in accordance with the bond  
10 resolution authorizing their issuance or in any trust indenture or mortgage or deed  
11 of trust executed as security for the bonds. The state is not liable for the payment  
12 of the principal of or interest on a bond or for the performance of any pledge,  
13 mortgage, obligation, or agreement that may be undertaken by the authority. The  
14 breach of any pledge, mortgage, obligation, or agreement undertaken by the  
15 authority does not impose pecuniary liability upon the state or a charge upon its  
16 general credit or against its taxing power.

17           **239.08 State pledge.** The state pledges to and agrees with the bondholders,  
18 and persons that enter into contracts with the authority under this chapter, that the  
19 state will not limit or alter the rights vested in the authority by this chapter before  
20 the authority has fully met and discharged the bonds, and any interest due on the  
21 bonds, and has fully performed its contracts, unless adequate provision is made by  
22 law for the protection of the bondholders or those entering into contracts with the  
23 authority.

24           **239.09 Liability limited.** Neither the state nor any political subdivision of  
25 the state, nor any officer, employee, or agent of the state or a political subdivision of

1 the state who is acting within the scope of employment or agency, is liable for any  
2 debt, obligation, act, or omission of the authority.

3 **239.10 Annual report.** (1) Annually, the board shall submit to the chief clerk  
4 of each house of the legislature, for distribution to the legislature under s. 13.172 (2),  
5 a report on the activities of the authority, including all of the following:

6 (a) Its operations, accomplishments, goals, and objectives.

7 (b) A statement of income and expenses for the fiscal year.

8 (c) Its assets and liabilities at the end of its fiscal year.

9 (d) A schedule of its bonds and notes outstanding at the end of its fiscal year,  
10 together with a statement of the amounts redeemed and incurred during such fiscal  
11 year.

12 (2) The authority, annually on January 15, shall file with the department of  
13 administration and the joint legislative council a complete and current listing of all  
14 forms, reports, and papers required by the authority to be completed by any person,  
15 other than a governmental body, as a condition of obtaining the approval of the  
16 authority or for any other reason. The authority shall attach a blank copy of each  
17 such form, report, or paper to the listing.

18 **SECTION 46. Nonstatutory provisions.**

19 (1) STAGGERED TERMS. Notwithstanding the length of terms specified for the  
20 members of the board of the Wisconsin Student Loan Refinancing Authority under  
21 section 239.02 of the statutes, as created by this act, of the 5 members appointed  
22 under section 239.02 (1) (a) 3. to 6. of the statutes, as created by this act, one of the  
23 initial members shall be appointed for a term expiring on July 1, 2015, 2 of the initial  
24 members shall be appointed for terms expiring on July 1, 2016, and the remaining  
25 2 initial members shall be appointed for terms expiring on July 1, 2017.

