2013 SENATE BILL 676

March 13, 2014 – Introduced by Senator Grothman, cosponsored by Representative Craig. Referred to Committee on Health and Human Services.

AN ACT to repeal 20.235 (1) (b), 20.235 (1) (fd), 20.235 (1) (fe), 20.235 (1) (ff), 20.235 (1) (fg), 20.235 (1) (fj), 20.235 (1) (gm), 20.235 (1) (k), 20.235 (1) (ke), 20.235 (1) (km), 20.505 (8) (hm) 4i., 20.505 (8) (hm) 10., 36.11 (6) (c), 38.04 (7m), 39.285, 39.30, 39.31, 39.38, 39.435 and 39.44; to renumber and amend 49.147 (1m) (a); to amend 5.02 (6m) (f), 16.27 (2) (a), 16.27 (5) (intro.), 16.27 (5) (b), 16.303 (1) (a), 16.306 (2) (a), 20.285 (1) (gb), 36.25 (49), 39.39 (2) (b), 39.45 (1) (a), 39.45 (1) (b), 49.147 (1m) (title), 49.147 (4) (am), 49.147 (4) (as), 49.147 (4) (av), 49.147 (5) (bm), 49.147 (5) (bs), 49.147 (5m) (a) (intro.), 49.147 (5m) (bL), 49.148 (1) (intro.), 49.148 (1) (b) 1., 49.148 (1) (b) 1m. d., 49.148 (1) (b) 3., 49.148 (1) (c), 49.148 (1m) (a) (intro.), 49.155 (5) (a), 49.155 (6g) (a) 2., 49.155 (6g) (a) 3., 66.1201 (9) (a), 71.53 (2) (c), 118.60 (2) (a) 1. b., 119.23 (2) (a) 1. b., 234.03 (intro.), 234.04 (1), 234.04 (2), 234.04 (3), 234.06 (1), 234.06 (3), 234.49 (2) (a) (intro.), 234.59 (2) (intro.), 234.592 (2) (intro.), 944.21 (8) (b) 4. and 948.11 (4) (b) 4.; and to create 16.27 (5m), 16.3025, 16.305 (2) (d), 16.306 (2) (c), 36.11 (59),
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39.28 (7), 49.143 (4m), 49.147 (1m) (a) 2., 49.147 (1m) (a) 3., 49.148 (2), 49.148 (5), 49.155 (1m) (c) 4., 49.155 (6g) (a) 5., 49.79 (1m), 49.79 (7c), 49.79 (7h), 49.79 (11), 49.823, 49.97, 66.1204, 71.07 (9e) (h), 71.53 (2) (g), 115.34 (3) and 234.038 of the statutes; relating to: education and training under Wisconsin Works; reducing Wisconsin Works benefits; a minimum copayment, maximum child care hours, and reducing income based on marriage for eligibility under Wisconsin Shares; changes to the food stamp program relating to financial eligibility for benefits, allowing an election to reduce benefits, recouping unused benefits, and prohibiting supplier discounts; prohibiting advertising concerning means-tested public assistance on radio or television; requiring consideration of the income and assets of all individuals in a household for purposes of eligibility for any means-tested public assistance; eligibility requirements for persons or families of low and moderate income to receive certain housing, housing assistance, grants, loans, or benefits from the Wisconsin Housing and Economic Development Authority, the Department of Administration, and local housing authorities; reducing the authority of local housing authorities; eligibility requirement for purposes of receiving low-income energy assistance; prohibiting new claims under the earned income tax credit; limiting eligibility for the homestead tax credit; elimination of certain grant programs administered by the Higher Educational Aids Board and transfer of the unencumbered balances in the appropriations for those programs to the University of Wisconsin System for the purpose of tuition reduction; consideration of the income and assets of both parents of a student under 22 years of age for purposes of awarding a grant or scholarship to such a student and the permissible uses of grant or scholarship moneys awarded;
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income eligibility requirements for enrollment in a private school participating
in a parental choice program; the school lunch program; and granting
rule-making authority.

Analysis by the Legislative Reference Bureau

Wisconsin Works and Wisconsin Shares

The Wisconsin Works (W−2) program under current law provides monthly
grants and work experience, in the form of trial employment match program jobs,
community service jobs, and transitional placements, for low-income custodial
parents who are at least 18 years old; monthly grants for custodial parents of infants
who are eight weeks old or younger and for unmarried, pregnant women who are
unable to participate in the workforce because they are in the third trimester of
at-risk pregnancies; job search assistance to noncustodial parents who are required
to pay child support, to minor custodial parents, and to pregnant women who are not
custodial parents; as well as child care subsidies under a program known as
Wisconsin Shares, under which an individual who is the parent of a child under the
age of 13 or, if the child is disabled, under the age of 19, and who satisfies other
eligibility criteria may receive a child care subsidy for child care services that the
individual needs to participate in various educational or work activities. W−2 is
administered, generally, by W−2 agencies under contracts with the Department of
Children and Families (DCF).

Under current law, a W−2 agency must conduct an educational needs
assessment of each individual who applies for an employment position under W−2
and, if the individual and W−2 agency determine that the individual needs or would
benefit from education or training activities and that the individual is eligible for a
W−2 employment position, the W−2 agency must include education or training
activities in the individual’s employability plan. Under the bill, a W−2 agency must
conduct an education and training assessment of each individual and, if the
individual and W−2 agency determine that the individual needs or would benefit
from education or training activities to better prepare the individual for
employment, the W−2 agency determines that the individual would likely be
successful in the education or training activities, and the individual is eligible for a
W−2 employment position, the W−2 agency must include education or training
activities in the individual’s employability plan. The bill sets out the specific factors
that the W−2 agency must use to determine whether the individual is likely to be
successful in the education or training activities, including whether the individual
can read and write, whether the individual can perform basic arithmetic functions,
whether the individual has stable housing, whether the individual is able to keep
appointments on time, and whether the individual has the support of his or her
family. The bill lists the specific types of education or training activities in which an
individual may participate, including employer-sponsored training, courses in
English as a second language, and technical college courses, and provides, generally,
that an individual may participate in the education or training activities for no more than 18 total months, that DCF must specify the maximum time of classroom instruction, and that the individual's employer, if any, must approve of the individual's participation in the education or training activities. Under current law, an individual in a community service job employment position may be required to participate in education or training activities for not more than 10 hours per week and an individual in a transitional placement employment position may be required to participate in education or training activities for not more than 12 hours per week. The bill reduces those maximum times to not more than eight hours per week and not more than 10 hours per week, respectively.

Under current law, an individual in a community service job employment position receives a monthly grant of $653, an individual in a transitional placement employment position receives a monthly grant of $608, and a custodial parent of an infant who is eight weeks old or younger or an unmarried, pregnant woman who is unable to participate in the workforce because she is in the third trimester of an at-risk pregnancy receives a monthly grant of $673. The bill reduces each of those monthly grant amounts by $20. In addition, under the bill DCF is directed to calculate the monthly amount or value of other public assistance benefits received by these W-2 participants and to reduce the monthly benefit by that amount. DCF must promulgate rules that define, for this purpose, what other public assistance benefits are.

The bill prohibits DCF and W-2 agencies from paying a bonus to a W-2 participant on the basis of the length of time the participant remains at a job. The bill also requires DCF to implement a case monitoring audit process to ensure that W-2 agencies are adequately monitoring the activities of all W-2 participants.

Under current law, to be eligible for a child care subsidy under Wisconsin Shares, the gross income of the child's family may not exceed 200 percent of the federal poverty line (FPL). The bill requires that the gross income of the child's family be reduced by $20,000 before the gross income as a percentage of FPL is calculated if the child's parents are married. Current law provides that no more than 12, or in some cases up to 16, hours of subsidized child care may be authorized per child per day. The bill imposes a limit on the amount of child care for which a subsidy may be provided of 40 hours per week per child. Also under current law, a child care subsidy recipient must pay the difference, if any, between the cost of the child care and the amount of the child care subsidy. The bill specifies that a child care subsidy recipient must pay a minimum copayment of $2 per hour per child.

**FoodShare**

The federal Supplemental Nutrition Assistance Program (SNAP), known in Wisconsin as FoodShare and formerly known as the food stamp program, provides benefits to eligible low-income households for the purchase of food. FoodShare is administered by the Department of Health Services (DHS), and the state and the federal government share the cost of administration. Benefits, which are electronically debited to a Quest card, are paid entirely with federal funds. Any benefit amount that is not used in the month of receipt is carried over and may be used by the recipient for up to one year. Eligibility criteria for FoodShare, which is
based on federal law, is not set out in the statutes. In Wisconsin, generally, an individual or family is eligible if gross income does not exceed 200 percent of FPL and assets are not considered. If a household has an elderly, blind, or disabled member, there is no limit on gross income, but net income may not exceed 100 percent of FPL, and such a household may not have more than $3,000 in countable assets if gross income exceeds 200 percent of FPL.

Under the bill, to be eligible for FoodShare, an individual’s or family’s gross income may not exceed 130 percent of FPL and net income may not exceed 100 percent of FPL; the household may not have countable assets that exceed $2,000 in value, except that countable assets may not exceed $3,200 in value if the household includes an individual who is at least 60 years old, blind, or disabled. In addition, the bill requires that the gross and net incomes of a household be reduced by $15,000 each before determining whether the gross or net income exceeds 130 or 100 percent of FPL, respectively, if the household includes a married couple.

The bill prohibits DHS from allowing or accepting online applications for FoodShare and prohibits retail grocery stores from giving discounts on the cost of food or other items for using food stamp benefits to purchase the food or other items. The bill also provides that, to the extent permitted under federal law, DHS must implement a food stamp benefit distribution system that allows a food stamp benefit recipient to elect to receive a benefit amount that is less than the amount for which the recipient’s household is eligible and that recoups any food stamp benefits that are not used up in the month in which they are received.

Public assistance

The bill defines “means–tested public assistance” as services, benefits, or other assistance that are provided to individuals or families under the public assistance provisions of the statutes and for which income or assets is a factor in determining eligibility. Under the bill, when determining an individual’s or family’s eligibility for means–tested public assistance, DHS or DCF must take into consideration the income or assets, whichever is applicable for the program, of every individual who resides in the household of the individual or family that is applying for the means–tested public assistance. DHS or DCF must request a waiver of federal law if it appears that a waiver would be necessary for implementing this requirement for any particular program providing means–tested public assistance. The bill also prohibits DHS or DCF from using radio or television to advertise the availability of, or to provide any information concerning, means–tested public assistance.

Low-income energy assistance

Under current law, the Department of Administration (DOA) administers a program that provides low–income energy assistance to eligible households, including households with incomes of less than 60 percent of the statewide median household income and households composed entirely of individuals receiving Aid to Families with Dependent Children or Supplemental Security Income. This bill provides that for purposes of determining eligibility for low–income energy assistance, the income of a household that includes a married couple is reduced by $10,000. This bill also makes ineligible for low–income energy assistance a household with assets that exceed $2,000 in cash equity value or with a vehicle
having an equity value of $10,000 or greater, unless a member of the household is disabled or aged 62 or older. Finally, under the bill, DOA may not notify a household of the household's eligibility for low-income energy assistance more than twice in a 12-month period.

**Department of Administration low-income housing assistance**

Under current law, DOA may make grants or loans, directly or through agents designated by DOA, to persons or families of low and moderate income to defray housing costs, including utility costs, and may make grants to community-based organizations, organizations operated for profit, or housing authorities to improve the ability of these entities to provide housing opportunities for persons or families of low and moderate income.

This bill requires DOA to impose limits on eligibility and housing for families and persons of low and moderate income seeking housing assistance directly or indirectly through DOA, unless the person is, or the family includes, a person who is disabled or aged 62 or older. Under the requirement, persons or families of low and moderate income who receive assistance with housing, housing costs, utility-related costs, or grants or loans from any project or program administered by DOA as described above, are subject to the following limitations:

1. A person or family of low or moderate income is restricted to housing in which the square footage is less than 50 percent of the average square footage for a rental unit of average rental value in the county in which the person or family resides. In order to satisfy this requirement, DOA may require that more than two unrelated persons or families of low or moderate income be housed in one housing unit.

2. With two exceptions, persons or families of low or moderate income with assets that exceed $2,000 in cash equity value or with a vehicle having an equity value of $10,000 or greater may not receive housing or assistance with housing costs or utility-related costs from DOA.

3. For purposes of determining eligibility for low-income housing assistance, the income of any individual who is not related to the applicant and who is living in the applicant’s home at the time of the application must be included in the applicant’s income.

If DOA determines that it may not implement the limitations and prohibitions established under the bill without a waiver of federal law from the federal Department of Housing and Urban Development (HUD) and that a waiver of federal law is available, DOA must apply for and obtain a waiver from HUD before it may implement the limitations.

**Wisconsin Housing and Economic Development Authority low-income housing assistance**

Under current law, the Wisconsin Housing and Economic Development Authority (WHEDA) administers several programs that provide assistance to persons and families of low and moderate income in obtaining housing. Eligibility for the programs is determined under the Wisconsin statutes and under federal law, including the Housing Choice Voucher Program administered by HUD. Funding for these programs is provided from a number of sources, including bonds issued by WHEDA under its statutory authority and from the federal government.
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This bill requires WHEDA to impose the following limits on eligibility for families and persons of low and moderate income seeking housing assistance directly or indirectly through WHEDA:

1. No person may receive housing assistance from HUD through WHEDA unless the person is disabled or aged 62 or older. The bill defines “disabled” to mean blind as established under federal law or disabled as established under federal law.

2. Persons or families of low and moderate income who receive housing or housing assistance directly or indirectly from WHEDA are subject to the following limitations, unless the person is, or the family includes, a person who is disabled or aged 62 or older:
   a. A person or family of low or moderate income must be restricted to housing in which the square footage is less than 50 percent of the average square footage for a rental unit of average rental value in the county in which the person or family resides. In order to satisfy this requirement, WHEDA may require that more than two unrelated persons or families of low or moderate income be housed in one housing unit.
   b. With two exceptions, persons or families of low or moderate income with assets that exceed $2,000 in cash equity value or with a vehicle having an equity value of $10,000 or greater may not receive housing or housing assistance from WHEDA.
   c. For purposes of determining eligibility for housing or housing assistance from WHEDA, the income of any individual who is not related to the applicant and who is living in the applicant’s home at the time of the application must be included in the applicant’s income.

If WHEDA determines that it may not implement the limitations and prohibitions established under the bill without a waiver of federal law from HUD and that a waiver of federal law is available, WHEDA must apply for and obtain a waiver from HUD before it may implement the limitations.

Taxation

Under federal law, the earned income tax credit (EITC) is a refundable tax credit for low-income workers. If the amount of the claim exceeds the worker’s tax liability, the claimant receives a check for the excess amount from the Internal Revenue Service. The amount of the credit for which a claimant is eligible is based, in part, on whether the claimant has no qualifying children, one qualifying child, or more than one qualifying child.

Under current law, the refundable Wisconsin EITC may be claimed in an amount equal to a certain percentage of the federal basic EITC. To be eligible for the Wisconsin EITC, an individual must have one or more qualifying children. The Wisconsin EITC is equal to 4 percent of the federal credit if the claimant has one qualifying child, 11 percent of the federal credit if the claimant has two qualifying children, and 34 percent of the federal credit if the claimant has three or more qualifying children.

Under this bill, no new claims under the Wisconsin EITC may be filed for a taxable year that begins after December 31, 2014.
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Under current law, the homestead tax credit may be claimed by an individual who is at least 18 years of age and who is not, in general, claimed as a dependent for federal income tax purposes in the year to which the claim relates. Under this bill, for claims filed for taxable years that begin after December 31, 2014, a claimant must be at least 55 years old to claim the homestead tax credit.

Local housing authorities

Generally under current law, a local housing authority may acquire, lease, and operate approved housing projects, and may provide for the construction, reconstruction, improvement, alteration, or repair of any housing project. Under this bill, after the effective date of the bill, a local housing authority may not provide for the construction of low-income housing unless it is for individuals age 55 and above. In addition, the bill prohibits a local housing authority from requesting more money for low-income housing.

Parental choice program pupil eligibility

Under the parental choice programs, a pupil who is a member of a family that has a total family income that does not exceed 3.0 times the poverty level may attend a private school at state expense under certain conditions. When verifying a family's income, the Department of Revenue must first deduct $7,000. This bill increases the deduction to $30,000.

School lunch program

This bill prohibits a school board from providing to a pupil’s parent or guardian more than two notices describing eligibility criteria for the school lunch program in any school year.

Higher education grants and scholarships

Under current law, the Higher Educational Aids Board (HEAB) awards certain grants based on financial need. Those grants include Wisconsin higher education grants for students enrolled in public institutions of higher education or tribal colleges in this state (WHEG grants), tuition grants for students enrolled in private institutions of higher education in this state (tuition grants), Indian student assistance grants to assist Indian students who are residents of this state (Indian student assistance grants), and minority undergraduate retention grants to assist minority students enrolled in private institutions of higher education or technical colleges in this state (minority undergraduate retention grants).

This bill eliminates WHEG grants, tuition grants, Indian student assistance grants, and minority undergraduate retention grants, transfers the unencumbered balances in the appropriations for those grants to the Board of Regents of the University of Wisconsin (UW) System (Board of Regents), and directs the Board of Regents to use the amount so transferred to reduce the tuition charged to enroll in educational programs in the UW System.

The bill also prohibits HEAB from awarding any state financial assistance, and the Board of Regents from awarding any scholarship, that is based on financial need to a student under 22 years of age who is a dependent of his or her parents unless the calculation of the student’s financial need includes consideration of the income and assets of both of the student’s parents. In addition, the bill requires state
financial assistance awarded by HEAB and scholarship moneys awarded by the Board of Regents to be used only for tuition, fees, books, and educational supplies.

For further information see the state and local 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:

SECTION 1. 5.02 (6m) (f) of the statutes is amended to read:

5.02 (6m) (f) An unexpired identification card issued by a university or college in this state that is accredited, as defined in s. 39.30 (1) (d), 2011 stats., that contains the date of issuance and signature of the individual to whom it is issued and that contains an expiration date indicating that the card expires no later than 2 years after the date of issuance if the individual establishes that he or she is enrolled as a student at the university or college on the date that the card is presented.

SECTION 2. 16.27 (2) (a) of the statutes is amended to read:

16.27 (2) (a) The department shall administer low-income energy assistance as provided in this section to assist an eligible household to meet the costs of home energy with low-income home energy assistance benefits authorized under 42 USC 8621 to 8629. Neither the department nor any county department, local government agency, or private nonprofit organization with which the department contracts to administer assistance under this section may notify a household that the household is eligible for assistance under this section more than 2 times in a 12-month period.

SECTION 3. 16.27 (5) (intro.) of the statutes is amended to read:

16.27 (5) ELIGIBILITY. (intro.) Subject to the requirements of subs. (4) (b) and (8), and except as provided in sub. (5m), the following shall receive low-income energy assistance under this section:
**SECTION 4.** 16.27 (5) (b) of the statutes is amended to read:

16.27 (5) (b) A household with income which is not more than 60 percent of the statewide median household income. The income for a household that includes a married couple is reduced by $10,000 before the determination of eligibility is made under this paragraph.

**SECTION 5.** 16.27 (5m) of the statutes is created to read:

16.27 (5m) **LIMITATIONS ON ELIGIBILITY.** (a) 1. Except as provided in subd. 2., a household with assets that exceed $2,000 in combined equity value or with a vehicle having an equity value of $10,000 or greater is not eligible for low-income energy assistance under this section.

2. Subdivision 1. does not apply if any individual member of the household is disabled, as defined in s. 49.468 (1) (a) 1., or is aged 62 or older.

(b) If the department determines it may not implement the limitation under par. (a) 1. without a waiver from the federal department of health and human services and that such a waiver may be requested under federal law, the department shall request a waiver from the secretary of the federal department of health and human services. If a waiver that is consistent with par. (a) 1. is granted and in effect, the department shall implement the limitation on eligibility under par. (a) 1. If a waiver is required, the department may not implement the limitation on eligibility under par. (a) 1. unless a waiver is granted and in effect.

**SECTION 6.** 16.3025 of the statutes is created to read:

16.3025 **State housing programs; limitations.** (1) Except as provided in sub. (2), the department shall ensure that all of the following requirements are satisfied in connection with housing, housing costs, utility-related costs, grants, or loans provided, directly or indirectly, under ss. 16.301 to 16.315 by the department
or by a community-based organization, housing authority, or designated agent under s. 16.304 to persons and families of low and moderate income:

(a) Any housing provided to a person or family of low or moderate income is restricted to housing in which the square footage is less than 50 percent of the average square footage for a rental unit of average rental value in the county in which the person or family resides. To satisfy the requirements of this paragraph, the department may require that more than 2 unrelated persons or families of low or moderate income be housed in one housing unit.

(b) A person or family with assets that exceed $2,000 in combined equity value or with a vehicle having an equity value of $10,000 or greater is not eligible for assistance with housing, housing costs, or utility-related costs under this subchapter or eligible to benefit from any grants or loans made under this subchapter.

(c) For purposes of determining eligibility for any assistance under this subchapter, an applicant’s income includes the income of any person who spent at least 15 nights in the applicant’s home during the 60-day period immediately before the date of the application.

(2) The requirements in sub. (1) (a) to (c) do not apply to a person who is, or a family that includes, a person who is disabled, as defined in s. 49.468 (1) (a) 1., or is aged 62 or older.

(3) If the department determines it may not implement the limitations on eligibility and housing under sub. (1) without a waiver from the federal department of housing and urban development and that such a waiver may be requested under federal law, the department shall request a waiver. If a waiver that is consistent with sub. (1) is granted and in effect, the department shall implement the limitations on
eligibility and housing under sub. (1). The department may not implement any limitation under sub. (1) for which a waiver is required unless a waiver as to that limitation is granted and in effect.

**SECTION 7.** 16.303 (1) (a) of the statutes is amended to read:

16.303 (1) (a) Subject to sub. (2) and the limitations on eligibility and housing under s. 16.3025, make grants or loans, directly or through agents designated under s. 16.304, from the appropriation under s. 20.505 (7) (b) to persons or families of low or moderate income to defray housing costs of the person or family.

**SECTION 8.** 16.305 (2) (d) of the statutes is created to read:

16.305 (2) (d) The department determines that the grant is consistent with and will not be used in violation of the limitations on eligibility and housing under s. 16.3025.

**SECTION 9.** 16.306 (2) (a) of the statutes is amended to read:

16.306 (2) (a) From the appropriation under s. 20.505 (7) (fm), the department may award a grant to an eligible applicant for the purpose of providing transitional housing and associated supportive services to homeless individuals and families if the conditions under par. pars. (b) and (c) are satisfied. The department shall ensure that the funds for the grants are reasonably balanced among geographic areas of the state, consistent with the quality of applications submitted.

**SECTION 10.** 16.306 (2) (c) of the statutes is created to read:

16.306 (2) (c) A recipient of a grant under par. (a) shall agree to comply with the limitations on eligibility and housing for persons and families of low and moderate income under s. 16.3025.

**SECTION 11.** 20.235 (1) (b) of the statutes is repealed.

**SECTION 12.** 20.235 (1) (fd) of the statutes is repealed.
SECTION 13. 20.235 (1) (fe) of the statutes, as affected by 2013 Wisconsin Act 20, is repealed.

SECTION 14. 20.235 (1) (ff) of the statutes is repealed.

SECTION 15. 20.235 (1) (fg) of the statutes is repealed.

SECTION 16. 20.235 (1) (fj) of the statutes is repealed.

SECTION 17. 20.235 (1) (gm) of the statutes is repealed.

SECTION 18. 20.235 (1) (k) of the statutes is repealed.

SECTION 19. 20.235 (1) (ke) of the statutes, as created by 2013 Wisconsin Act 20, is repealed.

SECTION 20. 20.235 (1) (km) of the statutes is repealed.

SECTION 21. 20.285 (1) (gb) of the statutes, as affected by 2013 Wisconsin Act 20, section 250h, is amended to read:

20.285 (1) (gb) General program operations. All moneys received from the operation of educational programs and related programs to carry out the purposes for which received, including the transfer of funds to par. (gj). In each fiscal year, the Board of Regents shall transfer no more than $20,338,500 from this appropriation account to the medical assistance trust fund. In fiscal year 2013–14, the amount in the schedule under s. 20.235 (1) (ke) shall be transferred from this appropriation account to the appropriation account under s. 20.235 (1) (ke).

SECTION 22. 20.505 (8) (hm) 4i. of the statutes is repealed.

SECTION 23. 20.505 (8) (hm) 10. of the statutes is repealed.

SECTION 24. 36.11 (6) (c) of the statutes is repealed.

SECTION 25. 36.11 (59) of the statutes is created to read:

36.11 (59) Scholarships based on financial need. The board may not award a scholarship that is based in whole or in part on financial need to any student under
the age of 22 who is a dependent of his or her parents unless the board's calculation of financial need includes consideration of the income and assets of both of the student's parents. Scholarship moneys awarded by the board may be used only for tuition, fees, books, and educational supplies.

**SECTION 26.** 36.25 (49) of the statutes is amended to read:

36.25 (49) **ACADEMIC FEE INCREASE GRANTS.** The board may make grants to resident undergraduate students who do not receive grants under s. 39.435 that are payable from the appropriation under s. 20.235 (1) (fo), whose annual family income is less than $60,000, and who have unmet financial need. Beginning in fiscal year 2011–12, the board may make a grant under this subsection only to those students enrolled in the system during fiscal year 2010–11 who maintain continuous enrollment. A grant to a student under this subsection shall be in an amount determined by the board that corresponds to any increase, or any portion of an increase, in academic fees charged to the student, but may not exceed the amount of the student's unmet need. The board may not make a grant under this subsection to a student whose name appears on the statewide support lien docket under s. 49.854 (2) (b), unless the student provides to the board a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a).

**SECTION 27.** 38.04 (7m) of the statutes is repealed.

**SECTION 28.** 39.28 (7) of the statutes is created to read:

39.28 (7) The board may not provide any state financial assistance under this subchapter that is based in whole or in part on financial need to any student under the age of 22 who is a dependent of his or her parents unless the board's calculation of financial need includes consideration of the income and assets of both of the
student’s parents. Moneys awarded under this subchapter may be used only for
tuition, fees, books, and educational supplies.

**SECTION 29.** 39.285 of the statutes is repealed.

**SECTION 30.** 39.30 of the statutes is repealed.

**SECTION 31.** 39.31 of the statutes is repealed.

**SECTION 32.** 39.38 of the statutes is repealed.

**SECTION 33.** 39.39 (2) (b) of the statutes is amended to read:

39.39 (2) (b) Promulgate rules to administer this section, including rules
establishing loan amounts and the criteria and procedures for loan forgiveness and
for selecting loan recipients. Loan recipients shall be selected on the basis of
financial need, as determined by the board, using the needs analysis methodology
used under s. 39.435.

**SECTION 34.** 39.435 of the statutes, as affected by 2013 Wisconsin Act 20, is
repealed.

**SECTION 35.** 39.44 of the statutes is repealed.

**SECTION 36.** 39.45 (1) (a) of the statutes is amended to read:

39.45 (1) (a) “Institution of higher education” means a public or private
nonprofit educational institution meeting the requirements of s. 39.30, 2011 stats.,
or s. 39.435, 2011 stats., for the purpose of awarding grants under those sections.

**SECTION 37.** 39.45 (1) (b) of the statutes is amended to read:

39.45 (1) (b) “Resident student” has the meaning specified in s. 39.30 (1) (e),
2011 stats.

**SECTION 38.** 49.143 (4m) of the statutes is created to read:
49.143 (4m) **CASE MONITORING AUDITS.** The department shall develop and implement a case monitoring audit process to ensure that Wisconsin Works agencies are adequately monitoring the activities of all participants.

**SECTION 39.** 49.147 (1m) (title) of the statutes is amended to read:

49.147 (1m) (title) **EDUCATIONAL NEEDS EDUCATION AND TRAINING ASSESSMENT.**

**SECTION 40.** 49.147 (1m) (a) of the statutes is renumbered 49.147 (1m) (a) 1. and amended to read:

49.147 (1m) (a) 1. A Wisconsin Works agency shall conduct an **educational needs education and training** assessment of each individual who applies for a Wisconsin Works employment position. If the individual and the Wisconsin Works agency determine that the individual needs, or would benefit from, education or training activities, including a course of study meeting the standards established under s. 115.29 (4) (a) for the granting of a declaration of equivalency of high school graduation to better prepare the individual for employment, if the Wisconsin Works agency determines under subd. 2. that the individual would likely be successful in education or training activities, and if the Wisconsin Works agency determines that the individual is eligible for a Wisconsin Works employment position, the Wisconsin Works agency shall include education or training activities specified in subd. 3. in any employability plan developed for the individual.

**SECTION 41.** 49.147 (1m) (a) 2. of the statutes is created to read:

49.147 (1m) (a) 2. A Wisconsin Works agency shall determine whether an individual would likely be successful in education or training activities on the basis of the following factors:

a. Whether the individual has the ability to read and write.

b. Whether the individual is able to perform basic arithmetic functions.
c. Whether the individual is able to keep appointments on time.

d. Whether the individual has stable housing.

e. Whether the individual has ties to the local community.

f. Whether the individual has the support of his or her family.

g. The individual’s general educational background.

SECTION 42. 49.147 (1m) (a) 3. of the statutes is created to read:

49.147 (1m) (a) 3. An individual may participate in education or training activities for a total of no more than 18 months, which need not be consecutive, and, if the individual is employed, only if his or her employer approves it. The department shall specify the maximum time during which an individual may receive classroom instruction as part of an individual’s education or training activities. Education or training activities in which the individual may participate include any of the following determined appropriate for the individual by the Wisconsin Works agency and the individual’s employer, if any:

a. A course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation.

b. Technical college courses and other educational courses that provide an employment skill.

c. Employer-sponsored training.

d. English as a 2nd language courses.

e. Adult basic education courses.

SECTION 43. 49.147 (4) (am) of the statutes is amended to read:

49.147 (4) (am) Education or training activities. -A Subject to the requirements under s. 49.147 (1m) (a), a participant under this subsection may be required to participate in education and training activities assigned as part of an employability
plan developed by the Wisconsin works Works agency. The department shall establish by rule permissible education and training under this paragraph, which shall include a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation, technical college courses, employer-sponsored training, and educational courses that provide an employment skill. Permissible education under this paragraph shall also include English as a 2nd language courses that the Wisconsin works agency determines would facilitate an individual’s efforts to obtain employment and adult basic education courses education and training activities in which a participant may be required to participate under this paragraph shall be those under s. 49.147 (1m) (a) 3. that the Wisconsin works Works agency determines would facilitate an the individual’s efforts to obtain employment.

Section 44. 49.147 (4) (as) of the statutes is amended to read:

49.147 (4) (as) Required hours. Except as provided in pars. (at) and (av) and sub. (5m), a Wisconsin Works agency shall require a participant placed in a community service job program to work in a community service job for the number of hours determined by the Wisconsin Works agency to be appropriate for the participant at the time of application or review and may require a participant to participate in education or training activities for not more than 10 8 hours per week, except that the Wisconsin Works agency may not require a participant under this subsection to spend more than 40 hours per week in combined activities under this subsection.

Section 45. 49.147 (4) (av) of the statutes is amended to read:

49.147 (4) (av) Education for 18-year-old and 19-year-old students. A Notwithstanding the requirements under s. 49.147 (1m) (a), a Wisconsin Works
agency shall permit a participant under this subsection who has not attained the age of 20 and who has not obtained a high school diploma or a declaration of equivalency of high school graduation to attend high school or, at the option of the participant, to enroll in a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation to satisfy, in whole or in part, the participation requirement under par. (as).

**SECTION 46.** 49.147 (5) (bm) of the statutes is amended to read:

49.147 (5) (bm) *Education or and training activities.* —A— Subject to the requirements under s. 49.147 (1m) (a), a participant under this subsection may be required to participate in education and training activities assigned as part of an employability plan developed by the Wisconsin Works agency. The department shall establish by rule permissible education and training under this paragraph, which shall include a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation, technical college courses, employer-sponsored training, and educational courses that provide an employment skill. Permissible education under this paragraph shall also include English as a 2nd language courses that the Wisconsin works agency determines would facilitate an individual's efforts to obtain employment and adult basic education courses education and training activities in which a participant may be required to participate under this paragraph shall be those under s. 49.147 (1m) (a) 3. that the Wisconsin works Works agency determines would facilitate an the individual's efforts to obtain employment.

**SECTION 47.** 49.147 (5) (bs) of the statutes is amended to read:

49.147 (5) (bs) *Required hours.* Except as provided in par. (bt) and sub. (5m), a Wisconsin Works agency may require a participant placed in a transitional
SECTION 47. Placement to participate in education or training activities for not more than 12 hours per week and to engage in activities under par. (b) 1., but may not require a participant under this subsection to spend more than 40 hours per week in combined activities under this subsection.

SECTION 48. 49.147 (5m) (a) (intro.) of the statutes is amended to read:

49.147 (5m) (a) (intro.) To the extent permitted under 42 USC 607, and except as provided in par. (bL), notwithstanding the requirements under s. 49.147 (1m) (a), a participant under sub. (4) or (5) may participate in a technical college education program as part of a community service job placement or transitional placement if all of the following requirements are met:

SECTION 49. 49.147 (5m) (bL) of the statutes is amended to read:

49.147 (5m) (bL) A. Notwithstanding the length of time specified in s. 49.147 (1m) (a) 3., a participant may participate under this subsection for the duration of the technical college education program, except that the participant may not participate under this subsection for more than 2 years.

SECTION 50. 49.148 (1) (intro.) of the statutes is amended to read:

49.148 (1) Benefit and wage levels for participants in employment positions. (intro.) A. Subject to sub. (2), a participant in a Wisconsin Works employment position shall receive the following wages or benefits:

SECTION 51. 49.148 (1) (b) 1. of the statutes, as affected by 2013 Wisconsin Act 20, is amended to read:

49.148 (1) (b) 1. Except as provided in subd. 1m., for a participant in a community service job under s. 49.147 (4), a monthly grant of $653. For every hour that the participant misses work or education or training activities without good cause, the grant amount shall be reduced by $5. Good cause shall be determined
by the financial and employment planner in accordance with rules promulgated by
the department. Good cause shall include required court appearances for a victim
of domestic abuse. If a participant in a community service job under s. 49.147 (4) is
required to work fewer than 30 hours per week because the participant has
unsubsidized employment, as defined in s. 49.147 (1), the grant amount under this
paragraph shall equal the amount specified under subd. 1m. minus $5 for each hour
that the participant misses work or education or training activities without good
cause.

**SECTION 52.** 49.148 (1) (b) 1m. d. of the statutes is amended to read:

49.148 (1) (b) 1m. d. For a participant placed in a community service job for
more than 20 hours per week, $653 $633.

**SECTION 53.** 49.148 (1) (b) 3. of the statutes, as affected by 2013 Wisconsin Act
20, is amended to read:

49.148 (1) (b) 3. For a participant in a community service job who participates
in technical college education under s. 49.147 (5m), a monthly grant of $653 $633.
For every hour that the participant misses work or other required activities without
good cause, the grant amount shall be reduced by $5. Good cause shall be determined
by the financial and employment planner in accordance with rules promulgated by
the department. Good cause shall include required court appearances for a victim
of domestic abuse.

**SECTION 54.** 49.148 (1) (c) of the statutes, as affected by 2013 Wisconsin Act 20,
is amended to read:

49.148 (1) (c) *Transitional placements.* For a participant in a transitional
placement under s. 49.147 (5) or in a transitional placement and in technical college
education under s. 49.147 (5m), a monthly grant of $608 $588. For every hour that
the participant fails to participate in any required activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to d., the grant amount shall be reduced by $5. Good cause shall be determined by the financial and employment planner in accordance with rules promulgated by the department. Good cause shall include required court appearances for a victim of domestic abuse.

**SECTION 55.** 49.148 (1m) (a) (intro.) of the statutes is amended to read:

49.148 (1m) (a) (intro.) Any Subject to sub. (2), any of the following may receive a monthly grant of $673 $653:

**SECTION 56.** 49.148 (2) of the statutes is created to read:

49.148 (2) REDUCTION IN AMOUNT BASED ON RECEIPT OF OTHER BENEFITS. (a) If a participant in a community service job or transitional placement or a participant under sub. (1m) receives any other public assistance benefits, the department shall reduce the amount of the grant paid to the participant under sub. (1) (b) or (c) or (1m) (a) by doing all of the following:

1. Calculating the monthly amount or value of the other public assistance benefits received by the participant.

2. Deducting the monthly amount or value calculated under subd. 1. from the participant’s monthly grant amount specified under sub. (1) (b) or (c) or (1m) (a), whichever is applicable, except that the amount deducted under this subdivision from the monthly grant amount specified in sub. (1) (b) or (c) or (1m) (a), whichever is applicable, may not exceed that applicable monthly grant amount.

(b) The department shall promulgate rules that define “other public assistance benefits” and that specify how to calculate the monthly amount or value of those benefits for purposes of the reduction under this subsection.

**SECTION 57.** 49.148 (5) of the statutes is created to read:
49.148 (5) Bonuses Prohibited. The department or a Wisconsin Works agency may not pay a bonus or other monetary reward to a participant for remaining at a job for a particular length of time.

**SECTION 58.** 49.155 (1m) (c) 4. of the statutes is created to read:

49.155 (1m) (c) 4. a. If the individual is married, the gross income of the individual’s family shall be reduced by $20,000 before gross income as a percentage of the poverty line is calculated under subd. 1., 1m., 2., or 3.

b. If the child's biological or adoptive parents are married, the gross income of the child's biological or adoptive family shall be reduced by $20,000 before gross income as a percentage of the poverty line is calculated under subd. 1g. or 1h.

**SECTION 59.** 49.155 (5) (a) of the statutes, as affected by 2013 Wisconsin Act 20, is amended to read:

49.155 (5) (a) An individual receiving a subsidy under this section is liable for the difference, if any, between the cost of the child care provided by the child care provider or providers selected by the individual and the subsidy amount, except that the department shall require a minimum copayment of $2 per hour of child care per child. The department shall specify minimum or estimated copayment amounts based on family size, income level, and other factors, a schedule of which will be available in electronic form on the department’s Internet site and in paper form.

**SECTION 60.** 49.155 (6g) (a) 2. of the statutes is amended to read:

49.155 (6g) (a) 2. Except as provided in subd. 3., and subject to subd. 5., the department shall authorize no more than 12 hours of child care per day per child.

**SECTION 61.** 49.155 (6g) (a) 3. of the statutes is amended to read:

49.155 (6g) (a) 3. The department may authorize more than 12 hours, not exceeding 16 hours, of child care per day for a child whose parent
provides written documentation of work or transportation requirements that exceed 12 hours in a day.

**SECTION 62.** 49.155 (6g) (a) 5. of the statutes is created to read:

49.155 (6g) (a) 5. The department may not authorize more than 40 hours of child care per week for a child.

**SECTION 63.** 49.79 (1m) of the statutes is created to read:

49.79 (1m) **FINANCIAL ELIGIBILITY.** (a) A household of one or more individuals is not eligible to receive food stamp benefits under this section unless all of the following apply:

1. Subject to par. (b), the gross income of the household does not exceed 130 percent of the poverty line.

2. Subject to par. (b), the net income of the household does not exceed 100 percent of the poverty line.

3. Except as provided in subd. 4., the household does not have countable assets of more than $2,000 in value.

4. If the household includes an individual who is 60 years of age or older, an individual who is blind, as defined in s. 47.01 (1), or an individual who is disabled, as defined in s. 49.155 (1) (aL), the household does not have countable assets of more than $3,200 in value.

(b) If the household includes a married couple, the household’s gross income and net income shall be reduced by $15,000 before the calculations are made under par. (a) 1. and 2.

**SECTION 64.** 49.79 (7c) of the statutes is created to read:
49.79 (7c) **NO ONLINE APPLICATIONS.** The department may not allow or accept online applications for benefits under this section. Any person who seeks benefits under this section must apply to the department or its designated agent in person.

**SECTION 65.** 49.79 (7h) of the statutes is created to read:

49.79 (7h) **REDUCTION IN, AND RECOUPMENT OF, BENEFITS.** To the extent permitted under federal law, the department shall implement a system for distributing benefits under this section that does all of the following:

(a) Allows an individual who is an applicant or recipient to elect to receive food stamp benefits in an amount that is less than the amount for which the individual or the individual's household is eligible.

(b) Recoups after the end of each month benefits received for that month that were not used in that month. The department shall use the amount of unused benefits recouped under this paragraph to provide benefits under this section.

**SECTION 66.** 49.79 (11) of the statutes is created to read:

49.79 (11) **DISCOUNTS PROHIBITED.** No supplier, as defined in s. 49.795 (1) (d), may offer or provide a discount on the cost of food or other items that may be purchased with food stamp benefits by reason of the use of food stamp benefits to purchase the food or other items.

**SECTION 67.** 49.823 of the statutes is created to read:

49.823 **Determination of income and assets.** (1) In this section:

(a) “Household” has the meaning given in s. 16.27 (1) (c).

(b) “Means-tested public assistance” means any services, benefits, or other assistance that is provided to individuals or families under this chapter and for which income or assets is a factor in determining eligibility.
(2) Notwithstanding any provision in this chapter to the contrary and to the extent permitted under federal law, when determining an individual’s or a family’s eligibility for any means-tested public assistance, the department of health services or the department of children and families shall take into consideration the income or assets, as the case may be, of every individual who resides in the individual’s or family’s household.

(3) If the department of health services or the department of children and families determines that it may not without a waiver from the federal government implement the requirement under sub. (2) with respect to any program administered by that department that provides means-tested public assistance and that such a waiver may be requested under federal law, the department of health services or the department of children and families shall request a waiver from the appropriate federal agency. If such a waiver is requested with respect to a program, the department requesting the waiver may not implement the requirement under sub. (2) with respect to the program unless the waiver is granted and in effect.

SECTION 68. 49.97 of the statutes is created to read:

49.97 Prohibition on advertising. (1) In this section, “means-tested public assistance” means any services, benefits, or other assistance that is provided to individuals or families under this chapter and for which income or assets is a factor in determining eligibility.

(2) The department of health services and the department of children and families may not by radio or television advertise the availability of, or provide any other information concerning, means-tested public assistance.

SECTION 69. 66.1201 (9) (a) of the statutes is amended to read:
66.1201 (9) (a) Within its area of operation to prepare, carry out, acquire, lease and operate housing projects approved by the council; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part of a housing project, except that after the effective date of this paragraph .... [LRB inserts date], an authority may not provide for or facilitate the construction of additional low-income housing unless it is for individuals age 55 and above.

SECTION 70. 66.1204 of the statutes is created to read:

66.1204 Limitations on eligibility. (1) (a) In its role under 42 USC 1437f as a public housing agency, as defined in 24 CFR 982.4 (b), an authority may not provide assistance payments to any person unless the person satisfies one of the following:

1. The person is disabled, as defined in s. 49.468 (1) (a) 1.

2. The person is age 62 or older.

(b) Except as provided in par. (c), an authority shall ensure that all of the following requirements are satisfied in connection with housing or housing assistance provided directly or indirectly by the authority, or by a state public body with which it contracts, to any person of low income:

1. Any housing provided to a person of low income is restricted to housing in which the square footage is less than 50 percent of the average square footage for a rental unit of average rental value in the county in which the person of low income resides. To satisfy the requirements of this subdivision, the authority may require that more than 2 unrelated persons of low income be housed in one housing unit.

2. A person or family with assets that exceed $2,000 in combined equity value or with a vehicle having an equity value of $10,000 or greater is not eligible for housing or housing assistance under this subchapter.
3. For purposes of determining eligibility for any assistance under this subchapter, an applicant’s income includes the income of any person who spent at least 15 nights in the applicant’s home during the 60-day period immediately before the date of the application.

   (c) The requirements in par. (b) 1. to 3. do not apply to a person who is disabled, as defined in s. 49.468 (1) (a) 1., or is aged 62 or older.

   (2) If an authority determines it may not implement the limitations on eligibility and housing under sub. (1) without a waiver from the federal department of housing and urban development and that such a waiver may be requested under federal law, the authority shall request a waiver. If a waiver that is consistent with sub. (1) is granted and in effect, an authority shall implement the limitations on eligibility and housing under sub. (1). An authority may not implement any limitation under sub. (1) for which a waiver is required unless a waiver as to that limitation is granted and in effect.

SECTION 71. 71.07 (9e) (h) of the statutes is created to read:

71.07 (9e) (h) For taxable years beginning after December 31, 2014, no new claims for a credit under this subsection may be filed.

SECTION 72. 71.53 (2) (c) of the statutes is amended to read:

71.53 (2) (c) Except as provided in par. (g), the claimant was under 18 years of age at the close of the year to which the claim relates.

SECTION 73. 71.53 (2) (g) of the statutes is created to read:

71.53 (2) (g) For claims filed for taxable years beginning after December 31, 2014, the claimant was under 55 years of age at the close of the year to which the claim relates.

SECTION 74. 115.34 (3) of the statutes is created to read:
115.34 (3) A school board may not provide to a pupil’s parent or guardian more
than 2 notices that describe the eligibility criteria for the school lunch program in any
school year.

SECTION 75. 118.60 (2) (a) 1. b. of the statutes is amended to read:

118.60 (2) (a) 1. b. The private school submits to the department of public
instruction the names, addresses, social security numbers, and other state and
federal tax identification numbers, if any, of the pupil’s parents or legal guardians
that reside in the same household as the pupil, whether and to whom the parents or
legal guardians are married, the names of all of the other members of the pupil’s
family residing in the same household as the pupil, and the school year for which
family income is being verified under this subd. 1. b. The department of revenue
shall review the information submitted under this subd. 1. b. and shall verify the
eligibility or ineligibility of the pupil to participate in the program under this section
on the basis of family income. In this subdivision, “family income” means federal
adjusted gross income of the parents or legal guardians residing in the same
household as the pupil for the tax year preceding the school year for which family
income is being verified under this subd. 1. b. or, if not available, for the tax year
preceding the tax year preceding the school year for which family income is being
verified under this subd. 1. b. Family income for a family in which the pupil’s parents
are married or in which the pupil’s legal guardians are married shall be reduced by
$7,000 $30,000 before the verification is made under this subd. 1. b. The department
of revenue may take no other action on the basis of the information submitted under
this subd. 1. b. If the department of revenue is unable to verify family income or to
verify whether the pupil is eligible or ineligible to participate in the program under
this section on the basis of family income, the department of revenue shall notify the
department of public instruction of this fact and the department of public instruction shall utilize an alternative process, to be established by the department of public instruction, to determine whether the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction may not request any additional verification of income from the family of a pupil once the department of revenue has verified that the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction shall establish a procedure for determining family income eligibility for those pupils for whom no social security number or state or federal tax identification number has been provided.

SECTION 76. 119.23 (2) (a) 1. b. of the statutes is amended to read:

119.23 (2) (a) 1. b. The private school submits to the department of public instruction the names, addresses, social security numbers, and other state and federal tax identification numbers, if any, of the pupil’s parents or legal guardians that reside in the same household as the pupil, whether and to whom the parents or legal guardians are married, the names of all of the other members of the pupil’s family residing in the same household as the pupil, and the school year for which family income is being verified under this subd. 1. b. The department of revenue shall review the information submitted under this subd. 1. b. and shall verify the eligibility or ineligibility of the pupil to participate in the program under this section on the basis of family income. In this subdivision, “family income” means federal adjusted gross income of the parents or legal guardians residing in the same household as the pupil for the tax year preceding the school year for which family income is being verified under this subd. 1. b. or, if not available, for the tax year preceding the tax year preceding the school year for which family income is being
verified under this subd. 1. b. Family income for a family in which the pupil’s parents are married or in which the pupil’s legal guardians are married shall be reduced by $7,000 before the verification is made under this subd. 1. b. The department of revenue may take no other action on the basis of the information submitted under this subd. 1. b. If the department of revenue is unable to verify family income or to verify whether the pupil is eligible or ineligible to participate in the program under this section on the basis of family income, the department of revenue shall notify the department of public instruction of this fact and the department of public instruction shall utilize an alternative process, to be established by the department of public instruction, to determine whether the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction may not request any additional verification of income from the family of a pupil once the department of revenue has verified that the pupil is eligible to participate in the program under this section on the basis of family income. The department of public instruction shall establish a procedure for determining family income eligibility for those pupils for whom no social security number or state or federal tax identification number has been provided.

SECTION 77. 234.03 (intro.) of the statutes is amended to read:

234.03 Powers of authority. (intro.) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority shall have all the powers necessary or convenient to implement this chapter, including the following powers in connection with its projects or programs, in addition to all other powers granted by this chapter:

SECTION 78. 234.038 of the statutes is created to read:
234.038 Limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income. (1)

(a) In its role under 42 USC 1437f as a public housing agency, as defined in 24 CFR 982.4 (b), the authority may not provide assistance payments to any person unless the person satisfies one of the following:

1. The person is disabled, as defined in s. 49.468 (1) (a) 1.
2. The person is aged 62 or older.

(b) Except as provided in par. (c), the authority shall ensure that all of the following requirements are satisfied in connection with housing or housing assistance provided directly or indirectly by the authority or by an eligible sponsor, housing corporation, financial institution, limited-profit entity, or nonprofit corporation to persons and families of low and moderate income:

1. Any housing provided to a person or family of low or moderate income is restricted to housing in which the square footage is less than 50 percent of the average square footage for a rental unit of average rental value in the county in which the person or family resides. To satisfy the requirements of this subdivision, the authority may require that more than 2 unrelated persons or families of low or moderate income be housed in one housing unit.

2. A person or family with assets that exceed $2,000 in combined equity value or with a vehicle having an equity value of $10,000 or greater is not eligible for housing or housing assistance under this chapter.

3. For purposes of determining eligibility for any assistance under this subchapter, an applicant’s income includes the income of any person who spent at least 15 nights in the applicant’s home during the 60-day period immediately before the date of the application.
(c) The requirements in par. (b) 1. to 3. do not apply to a person who is, or a family that includes, a person who is disabled, as defined in s. 49.468 (1) (a) 1., or is aged 62 or older.

(2) If the authority determines it may not implement the limitations on eligibility and housing under sub. (1) without a waiver from the federal department of housing and urban development and that such a waiver may be requested under federal law, the authority shall request a waiver. If a waiver that is consistent with sub. (1) is granted and in effect, the authority shall implement the limitations on eligibility and housing under sub. (1). The authority may not implement any limitation under sub. (1) for which a waiver is required unless a waiver as to that limitation is granted and in effect.

SECTION 79. 234.04 (1) of the statutes is amended to read:

234.04 (1) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority may make or participate in the making of construction loans to eligible sponsors of housing projects for the construction or rehabilitation of housing for persons and families of low and moderate income. Such loans shall be made only upon the determination by the authority that construction loans are not otherwise available from private lenders upon reasonably equivalent terms and conditions.

SECTION 80. 234.04 (2) of the statutes is amended to read:

234.04 (2) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority may make or participate in the making and enter into commitments for the making of long-term mortgage loans to eligible sponsors of
housing projects for occupancy by persons and families of low and moderate income, or for the making of homeownership mortgage loans or housing rehabilitation loans or loans for the refinancing of qualified subprime loans under s. 234.592 to persons and families of low and moderate income, an applicant under s. 234.59 or 234.592, or other eligible beneficiaries as defined in s. 234.49. The loans may be made only upon the determination by the authority that they are not otherwise available from private lenders upon reasonably equivalent terms and conditions. The authority may not make a loan to a person whose name appears on the statewide support lien docket under s. 49.854 (2) (b), unless the person provides to the authority a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such compensation as it determines, the services of any financial institution in connection with any loan.

**SECTION 81.** 234.04 (3) of the statutes is amended to read:

> 234.04 (3) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority may make or participate in the making and enter into commitments for the making of loans to any banking institution, savings bank, savings and loan association or credit union organized under the laws of this or any other state or of the United States having an office in this state, if the authority first determines that the proceeds of such loans will be utilized for the purpose of making long-term mortgage loans to persons or families of low and moderate income, or for the purpose of providing residential housing for occupancy by persons or families of low and moderate income, or for the purpose of making housing rehabilitation loans.

**SECTION 82.** 234.06 (1) of the statutes is amended to read:
234.06 (1) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority may, as authorized in the state housing strategy plan under s. 16.302, use the moneys held in the housing development fund to make temporary loans to eligible sponsors, with or without interest, and with such security for repayment, if any, as the authority determines reasonably necessary and practicable, solely from the housing development fund, to defray development costs for the construction of proposed housing projects for occupancy by persons and families of low and moderate income. No temporary loan may be made unless the authority may reasonably anticipate that satisfactory financing may be obtained by the eligible sponsor for the permanent financing of the housing project.

SECTION 83. 234.06 (3) of the statutes is amended to read:

234.06 (3) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority may, as authorized in the state housing strategy plan under s. 16.302, use the moneys held in the housing development fund to establish and administer programs of grants to counties, municipalities, and eligible sponsors of housing projects for persons of low and moderate income, to pay organizational expenses, administrative costs, social services, technical services, training expenses, or costs incurred or expected to be incurred by counties, municipalities, or sponsors for land and building acquisition, construction, improvements, renewal, rehabilitation, relocation, or conservation under a plan to provide housing or related facilities, if the costs are not reimbursable from other private or public loan, grant, or mortgage sources.

SECTION 84. 234.49 (2) (a) (intro.) of the statutes is amended to read:
234.49 (2) (a) (intro.) The Subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, the authority has the following powers for the purpose of implementing this section, in addition to all other powers granted by this chapter:

**SECTION 85.** 234.59 (2) (intro.) of the statutes is amended to read:

234.59 (2) (intro.) The authority shall, subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, establish and administer a homeownership mortgage loan program to encourage homeownership and to facilitate the acquisition or rehabilitation of eligible property by applicants. To implement the program, the authority:

**SECTION 86.** 234.592 (2) (intro.) of the statutes is amended to read:

234.592 (2) (intro.) The authority shall, subject to the limitations on eligibility for projects or programs and housing benefiting persons and families of low and moderate income under s. 234.038, establish and administer a qualified subprime loan refinancing program to encourage homeownership and to facilitate the retention of eligible property by applicants. To implement the program, the authority:

**SECTION 87.** 944.21 (8) (b) 4. of the statutes is amended to read:

944.21 (8) (b) 4. Any institution of higher education that is accredited, as described in s. 39.30 (1) (d), 2011 stats., and is exempt from taxation under section 501 (c) (3) of the internal revenue code.

**SECTION 88.** 948.11 (4) (b) 4. of the statutes is amended to read:
948.11 (4) (b) 4. Any institution of higher education that is accredited, as
described in s. 39.30 (1) (d), 2011 stats., and is exempt from taxation under section
501 (c) (3) of the internal revenue code, as defined in s. 71.01 (6).

SECTION 89. Nonstatutory provisions.

(1) Transfer to University of Wisconsin System of unencumbered balances
in repealed Higher Educational AIDS Board Appropriations. Notwithstanding
section 20.002 (3m) of the statutes, on the effective date of this subsection, there is
transferred to the appropriation account under section 20.285 (1) (k) of the statutes
an amount equal to the unencumbered balances in the appropriation accounts under
section 20.235 (1) (b), (fd), (fe), (ff), (fg), (fj), (gm), (k), (ke), and (km) of the statutes,
as affected by this act, on the day before the effective date of this subsection. The
board of regents of the University of Wisconsin System shall use the amount
transferred under this subsection to reduce the tuition charged to enroll in
educational programs in that system.

SECTION 90. Initial applicability.

(1) Wisconsin Shares eligibility. The treatment of section 49.155 (1m) (c) 4.
of the statutes first applies to eligibility and continued eligibility determinations
that are made on the effective date of this subsection.

(2) Food stamp eligibility. The treatment of section 49.79 (1m) of the statutes
first applies to eligibility and continued eligibility determinations that are made on
the effective date of this subsection.

(3) Eligibility for low-income energy assistance. The treatment of section
16.27 (5) (intro.) and (b) and (5m) of the statutes first applies to the eligibility of
households applying for low-income energy assistance under section 16.27 (4) of the
statutes on the effective date of this subsection or, if the department of
administration determines under section 16.27 (5m) (b) of the statutes, as created by this act, that a federal waiver is needed, on the first day on which the waiver is granted and in effect.

(4) Eligibility for Housing Assistance; Department of Administration. The treatment of sections 16.3025, 16.303 (1) (a), 16.305 (2) (d), and 16.306 (2) (a) and (c) of the statutes first applies to housing, housing costs, utility-related costs, grants, or loans provided, directly or indirectly, by the department of administration to persons and families of low and moderate income on the effective date of this subsection or, if the department of administration determines under section 16.3025 of the statutes, as created by this act, that a federal waiver is needed, on the first day on which the waiver is granted and in effect.

(5) Eligibility for Housing Assistance; Wisconsin Housing and Economic Development Authority. The treatment of sections 234.03 (intro.), 234.038, 234.04 (1), (2), and (3), 234.06 (1) and (3), 234.49 (2) (a) (intro.), 234.59 (2) (intro.), and 234.592 (2) (intro.) of the statutes first applies to assistance payments, housing, housing assistance, grants, or loans provided, directly or indirectly, by the Wisconsin Housing and Economic Development Authority to persons and families of low and moderate income on the effective date of this subsection or, if the Wisconsin Housing and Economic Development Authority determines under section 234.038 (2) of the statutes, as created by this act, that a federal waiver is needed, on the first day on which the waiver is granted and in effect.

(6) Eligibility for Housing Assistance; Local Housing Authorities. The treatment of section 66.1204 of the statutes first applies to assistance payments, housing, housing assistance, grants, or loans provided, directly or indirectly, by a housing authority created under subchapter XII of chapter 66 of the statutes to a
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person of low income on the effective date of this subsection or, if such an authority
determines under section 66.1204 (2) of the statutes, as created by this act, that a
federal waiver is needed, on the first day on which the waiver is granted and in effect.

(7) HIGHER EDUCATION GRANTS AND SCHOLARSHIPS. The treatment of sections
36.11 (59) and 39.28 (7) of the statutes first applies to a grant or scholarship awarded
for the 2015–16 academic year.

(8) PARENTAL CHOICE PROGRAMS. The treatment of sections 118.60 (2) (a) 1. b. and
119.23 (2) (a) 1. b. of the statutes first applies to eligibility to participate in a parental
choice program in the 2014–15 school year.

SECTION 91. Effective dates. This act takes effect on the day after publication,
except as follows:

(1) SCHOOL LUNCH PROGRAM. The treatment of section 115.34 (3) of the statutes
takes effect on July 1, 2014.

(END)