

1           2. The certification required by subd. 1. shall be signed by the applicant and  
2 the institutional counselor, and shall include the date of the counseling and the  
3 name, address, and telephone number of both the counselor and the applicant. An  
4 electronic facsimile copy of the counseling certification satisfies the requirement  
5 under this subdivision. The lender shall maintain the certification in an accurate,  
6 reproducible, and accessible format for the term of the student loan.

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

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

15           2. Debt management strategies designed to facilitate the repayment of  
16 indebtedness.

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

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

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

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

23           7. The borrower benefit programs of different lenders.

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

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

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

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

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

9 40.02 (54) (n) The Wisconsin Student Loan Refinancing Authority.

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

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

15 **SECTION 39.** 71.05 (6) (b) 28. (intro.), am. and h. of the statutes are amended  
16 to read:

17 71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses,  
18 including any amount paid by a claimant in the year to which the claim relates on  
19 a loan, the proceeds of which were used by the claimant to pay the claimant's  
20 expenses for tuition, fees, books, room and board, and educational supplies that were  
21 directly related to the claimant's attendance at an eligible educational institution,  
22 as defined in s. 18.81 (2), and mandatory student fees for a student who is the  
23 claimant or who is the claimant's child and the claimant's dependent who is claimed  
24 under section 151 (c) of the Internal Revenue Code, to attend any university, college,  
25 technical college or a school approved under s. 38.50, that is located in Wisconsin or

1 to attend a public vocational school or public institution of higher education in  
2 Minnesota under the Minnesota–Wisconsin reciprocity agreement under s. 39.47,  
3 calculated as follows:

4 am. Notwithstanding subd. 28. a., for taxable years beginning after December  
5 31, 2008, the department of revenue and the Board of Regents of the University of  
6 Wisconsin System shall continue making the calculation described under subd. 28.  
7 a. Notwithstanding subd. 28. a., once this calculation exceeds \$6,000, the deduction  
8 for tuition expenses, including any amount paid by a claimant in the year to which  
9 the claim relates on a loan, the proceeds of which were used by the claimant to pay  
10 the claimant's expenses for tuition, fees, books, room and board, and educational  
11 supplies that were directly related to the claimant's attendance at an eligible  
12 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as  
13 described in subd. 28. (intro.), shall be based on an amount equal to not more than  
14 twice the average amount charged by the Board of Regents of the University of  
15 Wisconsin System at 4-year institutions for resident undergraduate academic fees  
16 for the most recent fall semester, as determined by the Board of Regents by  
17 September 1 of that semester, per student for each year to which the claim relates,  
18 and the deduction that may be claimed under this subd. 28. am. first applies to  
19 taxable years beginning on the January 1 after the calculation of the Board of  
20 Regents, that must occur by September 1, exceeds \$6,000.

21 h. No modification may be claimed under this subdivision for an amount paid  
22 for tuition expenses, including any amount paid by a claimant in the year to which  
23 the claim relates on a loan, the proceeds of which were used by the claimant to pay  
24 the claimant's expenses for tuition, fees, books, room and board, and educational  
25 supplies that were directly related to the claimant's attendance at an eligible

1 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as  
2 described under this subdivision, if the source of the payment is an amount  
3 withdrawn from a college savings account, as described in s. 16.641 or from a college  
4 tuition and expenses program, as described in s. 16.64, and if the owner of the  
5 account or a parent, grandparent, great-grandparent, aunt, or uncle of the  
6 beneficiary, who contributed to the account, has claimed a deduction under subd. 32.  
7 or 33. that relates to such an amount.

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

9 71.05 (6) (b) 28. j. The provisions of subd. 28. b., c., d., and g. do not apply to  
10 a taxable year that begins after December 31, 2015.

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

12 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
13 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin  
14 Economic Development Corporation, the Wisconsin Student Loan Refinancing  
15 Authority, and the Fox River Navigational System Authority.

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

17 100.45 (1) (dm) “State agency” means any office, department, agency,  
18 institution of higher education, association, society, or other body in state  
19 government created or authorized to be created by the constitution or any law which  
20 is entitled to expend moneys appropriated by law, including the legislature and the  
21 courts, the Wisconsin Housing and Economic Development Authority, the Bradley  
22 Center Sports and Entertainment Corporation, the University of Wisconsin  
23 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities  
24 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic

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

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

4 **224.30 (5) STUDENT LENDING TRANSPARENCY.** (a) In this subsection:

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

6 a. Tuition and fees.

7 b. Books and supplies

8 c. Room and board.

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

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

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

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

19 1. Policies relating to deferment and forbearance.

20 2. Loan default policies and penalties.

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

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

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

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

17 (e) The department shall make any list or other data under this subsection that  
18 appears on the department's Internet site available to be linked as provided in ss.  
19 39.28 (7) and 39.54 (3).

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

22 **SECTION 44.** 230.03 (3) of the statutes is amended to read:

23 230.03 (3) "Agency" means any board, commission, committee, council, or  
24 department in state government or a unit thereof created by the constitution or  
25 statutes if such board, commission, committee, council, department, unit, or the

1 head thereof, is authorized to appoint subordinate staff by the constitution or  
2 statute, except a legislative or judicial board, commission, committee, council,  
3 department, or unit thereof or an authority created under subch. II of ch. 114 or  
4 under ch. 231, 232, 233, 234, 237, 238, 239, or 279. "Agency" does not mean any local  
5 unit of government or body within one or more local units of government that is  
6 created by law or by action of one or more local units of government.

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

8 **CHAPTER 239**

9 **WISCONSIN STUDENT LOAN**

10 **REFINANCING AUTHORITY**

11 **239.01 Definitions.** In this chapter:

- 12 (1) "Authority" means the Wisconsin Student Loan Refinancing Authority.  
13 (2) "Board" means the governing board of the authority.  
14 (3) "Qualified education loan" has the meaning given in 26 USC 221 (d).

15 **239.02 Creation and organization of authority.** (1) (a) There is created an  
16 authority, which is a public body corporate and politic, to be known as the "Wisconsin  
17 Student Loan Refinancing Authority." The members of the board shall consist of all  
18 of the following:

- 19 1. One member of the majority party in each house of the legislature.  
20 2. One member of the minority party in each house of the legislature.  
21 3. One undergraduate student enrolled at least half-time and in good academic  
22 standing at an institution within the University of Wisconsin System who is at least  
23 18 years old and a resident of this state.  
24 4. One student enrolled at least half-time and in good academic standing at a  
25 technical college who is at least 18 years old and a resident of this state.

1           5. One undergraduate student enrolled at least half-time and in good academic  
2 standing at a private, nonprofit institution of higher education located in this state  
3 who is at least 18 years old and a resident of this state.

4           6. Two members who have at least 10 years experience in making qualified  
5 education loans or loan refinancing, but any person having a financial interest in or  
6 whose employer is primarily engaged in the business of making qualified education  
7 loans is not eligible for appointment under this subdivision, and any member  
8 appointed under this subdivision who acquires such an interest while serving as a  
9 member shall resign from the board.

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

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

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

16           (2) If a student member of the board appointed under sub. (1) (a) 3. to 5. loses  
17 his or her student status upon which the appointment was based, he or she ceases  
18 to be a member of the board upon the appointment of a qualified successor to the  
19 board. A student member who loses his or her student status solely because he or  
20 she graduates from an institution of higher education may complete his or her  
21 current term on the board.

22           (3) The members of the board shall annually elect a chairperson and may elect  
23 other officers as they consider appropriate. A majority of the members of the board  
24 constitutes a quorum for the purpose of conducting its business and exercising its  
25 powers and for all other purposes, notwithstanding the existence of any vacancies.



1 Action may be taken by the board upon a vote of a majority of the voting members  
2 present.

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

6 (5) No cause of action of any nature may arise against and no civil liability may  
7 be imposed upon a member of the board for any act or omission in the performance  
8 of his or her powers and duties under this chapter, unless the person asserting  
9 liability proves that the act or omission constitutes willful misconduct.

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

21 **239.03 Powers of board.** The board shall have all the powers necessary or  
22 convenient to carry out the purposes and provisions of this chapter. In addition to  
23 all other powers granted the board under this chapter, the board may specifically:

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

- 1           (2) Have a seal and alter the seal at pleasure.
- 2           (3) Maintain an office.
- 3           (4) Sue and be sued.
- 4           (5) Accept gifts, grants, loans, or other contributions from private or public  
5 sources.
- 6           (6) Establish the authority's annual budget and monitor the fiscal  
7 management of the authority.
- 8           (7) Execute contracts and other instruments required for the operation of the  
9 authority.
- 10          (8) Employ any officers, agents, and employees that it may require and  
11 determine their qualifications, duties, and compensation.
- 12          (9) Issue notes, bonds, and any other obligations.
- 13          (10) Make loans and provide grants.
- 14          (11) Incur debt.
- 15          (12) Procure liability insurance.

16           **239.04 Duties of board.** The board shall develop and implement a program  
17 under which state residents may refinance qualified education loans. The board  
18 shall develop the program to include all of the following:

- 19           (1) The authority shall provide a loan to an eligible individual to pay all or part  
20 of the individual's qualified education loans.
- 21           (2) The authority may only issue loans under the program that satisfy the  
22 exception to discharge under 11 USC 523 (8).
- 23           (3) The authority shall establish eligibility criteria to participate in the  
24 program that is substantially similar to the criteria used by private lenders in the

1 state to evaluate whether an individual qualifies for an unsecured personal loan at  
2 market rates.

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

6 **239.05 Issuance of bonds.** (1) The authority may issue bonds for any  
7 corporate purpose. All bonds are negotiable for all purposes, notwithstanding their  
8 payment from a limited source.

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

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

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

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

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

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

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

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

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

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

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

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

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

24           **239.06 Bond security.** The authority may secure bonds by a trust agreement,  
25 trust indenture, indenture of mortgage, or deed of trust by and between the authority

1 and one or more corporate trustees. A bond resolution providing for the issuance of  
2 bonds so secured shall mortgage, pledge, assign, or grant security interests in some  
3 or all of the revenues to be received by, and property of, the authority and may contain  
4 those provisions for protecting and enforcing the rights and remedies of the  
5 bondholders that are reasonable and proper and not in violation of law. A bond  
6 resolution may contain other provisions determined by the board to be reasonable  
7 and proper for the security of the bondholders.

8 **239.07 Bonds not public debt.** (1) The state is not liable on bonds, and the  
9 bonds are not a debt of the state. All bonds shall contain a statement to this effect  
10 on the face of the bond. A bond issue does not, directly, indirectly, or contingently,  
11 obligate the state or a political subdivision of the state to levy any tax or make any  
12 appropriation for payment of the bonds. Nothing in this section prevents the  
13 authority from pledging its full faith and credit to the payment of bonds.

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

24 **239.08 State pledge.** The state pledges to and agrees with the bondholders,  
25 and persons that enter into contracts with the authority under this chapter, that the

1 state will not limit or alter the rights vested in the authority by this chapter before  
2 the authority has fully met and discharged the bonds, and any interest due on the  
3 bonds, and has fully performed its contracts, unless adequate provision is made by  
4 law for the protection of the bondholders or those entering into contracts with the  
5 authority.

6 **239.09 Liability limited.** Neither the state nor any political subdivision of  
7 the state, nor any officer, employee, or agent of the state or a political subdivision of  
8 the state who is acting within the scope of employment or agency, is liable for any  
9 debt, obligation, act, or omission of the authority.

10 **239.10 Annual report.** (1) Annually, the board shall submit to the chief clerk  
11 of each house of the legislature, for distribution to the legislature under s. 13.172 (2),  
12 a report on the activities of the authority, including all of the following:

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

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

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

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

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

25 **SECTION 46. Nonstatutory provisions.**

1 (1) **STAGGERED TERMS.** Notwithstanding the length of terms specified for the  
2 members of the board of the Wisconsin Student Loan Refinancing Authority under  
3 section 239.02 of the statutes, as created by this act, of the 5 members appointed  
4 under section 239.02 (1) (a) 3. to 6. of the statutes, as created by this act, one of the  
5 initial members shall be appointed for a term expiring on July 1, 2017, 2 of the initial  
6 members shall be appointed for terms expiring on July 1, 2018, and the remaining  
7 2 initial members shall be appointed for terms expiring on July 1, 2019.

8 **SECTION 47. Initial applicability.**

9 (1) **TUITION EXPENSES DEDUCTION.** The treatment of section 71.05 (6) (b) 28.  
10 (intro.) and j. of the statutes first applies to taxable years beginning on January 1 of  
11 the year in which this subsection takes effect, except that if this subsection takes  
12 effect after July 31 the treatment of section 71.05 (6) (b) 28. (intro.), am., h., and j.  
13 of the statutes first applies to taxable years beginning on January 1 of the year  
14 following the year in which this subsection takes effect.

15 **SECTION 48. Effective dates.** This act takes effect on the day after publication,  
16 except as follows:

17 (1) **FINANCIAL AID INFORMATION.** The treatment of sections 39.28 (7), 39.54, and  
18 224.30 (5) of the statutes takes effect on the first day of the 7th month beginning after  
19 publication.

20

(END)

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D-Note

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**SECTION 43**

INSERTS

1 on the department's Internet site and those lending institutions that provide the  
2 worst rates and strictest repayment options shall be clearly indicated.

3 (e) The department shall make any list or other data under this subsection that  
4 appears on the department's Internet site available to be linked as provided in ss.  
5 39.28 (7) and 39.54 (3).

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

8 **SECTION 44.** 230.03 (3) of the statutes is amended to read:

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

19 **SECTION 45.** 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20 and  
20 2015 Wisconsin Act ... (this act), is repealed and recreated to read:

21 230.03 (3) "Agency" means any board, commission, committee, council, or  
22 department in state government or a unit thereof created by the constitution or  
23 statutes if such board, commission, committee, council, department, unit, or the  
24 head thereof, is authorized to appoint subordinate staff by the constitution or  
25 statute, except the Board of Regents of the University of Wisconsin System, a

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1 legislative or judicial board, commission, committee, council, department, or unit  
2 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,  
3 234, 237, 238, 239, or 279. "Agency" does not mean any local unit of government or  
4 body within one or more local units of government that is created by law or by action  
5 of one or more local units of government. (end ins 27-22)

6 **SECTION 46.** Chapter 239 of the statutes is created to read:

7 **CHAPTER 239**

8 **WISCONSIN STUDENT LOAN**

9 **REFINANCING AUTHORITY**

10 **239.01 Definitions.** In this chapter:

- 11 (1) "Authority" means the Wisconsin Student Loan Refinancing Authority.
- 12 (2) "Board" means the governing board of the authority.
- 13 (3) "Qualified education loan" has the meaning given in 26 USC 221 (d).

14 **239.02 Creation and organization of authority.** (1) (a) There is created an  
15 authority, which is a public body corporate and politic, to be known as the "Wisconsin  
16 Student Loan Refinancing Authority." The members of the board shall consist of all  
17 of the following:

- 18 1. One member of the majority party in each house of the legislature.
- 19 2. One member of the minority party in each house of the legislature.
- 20 3. One undergraduate student enrolled at least half-time and in good academic  
21 standing at an institution within the University of Wisconsin System who is at least  
22 18 years old and a resident of this state.
- 23 4. One student enrolled at least half-time and in good academic standing at a  
24 technical college who is at least 18 years old and a resident of this state.

**BILL**

1 (1) STAGGERED TERMS. Notwithstanding the length of terms specified for the  
 2 members of the board of the Wisconsin Student Loan Refinancing Authority under  
 3 section 239.02 of the statutes, as created by this act, of the 5 members appointed  
 4 under section 239.02 (1) (a) 3. to 6. of the statutes, as created by this act, one of the  
 5 initial members shall be appointed for a term expiring on July 1, 2017, 2 of the initial  
 6 members shall be appointed for terms expiring on July 1, 2018, and the remaining  
 7 2 initial members shall be appointed for terms expiring on July 1, 2019.

**SECTION 48. Initial applicability.**

8  
 9 (1) TUITION EXPENSES DEDUCTION. The treatment of section 71.05 (6) (b) 28.  
 10 (intro.) and j. of the statutes first applies to taxable years beginning on January 1 of  
 11 the year in which this subsection takes effect, except that if this subsection takes  
 12 effect after July 31 the treatment of section 71.05 (6) (b) 28. (intro.), am., h., and j.  
 13 of the statutes first applies to taxable years beginning on January 1 of the year  
 14 following the year in which this subsection takes effect.

15 **SECTION 49. Effective dates.** This act takes effect on the day after publication,  
 16 except as follows:

17 (1) FINANCIAL AID INFORMATION. The treatment of sections 39.28 (7), 39.54, and  
 18 224.30 (5) of the statutes takes effect on the first day of the 7th month beginning after  
 19 publication.

20 ~~(2)~~ TECHNICAL ITEM; STATUTE AFFECTED BY PRIOR ACTION. The repeal and  
 21 recreation of section 230.03 (3) of the statutes takes effect on July 1, 2015, or on the  
 22 day after publication, whichever is later. (end ins 36-19)

(END)

insert  
36-19

DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0263/P1dn  
ARG:wlj:rs

e. 1144  
↑  
Keep

~~\_\_\_\_\_~~ } new date

ATTN: Jon Mielke ✓  
Senate Bill 376

This is a redraft of 2013 ~~\_\_\_\_\_~~. In redrafting, I have advanced certain dates by two years, from 2015 to 2017, and I have made a few nonsubstantive changes to the text. I believe a change is also required in s. 39.54 (1) of the bill, but I did not make the change because I am unsure of your intent. The text of s. 39.54 (1) refers to a technical college but also seems limited to institutions that award a bachelor's degree or higher. I don't believe technical colleges award bachelor's degrees. Do you want me to remove technical colleges from this provision or should the provision apply with respect to associate degrees and higher, rather than bachelor's degrees and higher?

Because the biennial budget act repeals and recreates the appropriation schedule in s. 20.005 (3), stats., if this bill becomes law before the enactment of the budget act, the budget act might eliminate the funding mechanism under the bill for the Wisconsin Student Loan Refinancing Authority (created s. 20.195). Also, s. 16.47 (2), stats., restricts the legislature in passing an appropriation bill, other than an emergency appropriation bill, before the legislature passes the executive budget bill. Do you want me to include a delayed effective date so that the bill does not take effect until after enactment of the biennial budget act?

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: aaron.gary@legis.state.wi.us

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

LRB-1144/P1dn  
ARG:wlj:rs

January 15, 2015

ATTN: Jon Mielke

This is a redraft of 2013 Senate Bill 376. In redrafting, I have advanced certain dates by two years, from 2015 to 2017, and I have made a few nonsubstantive changes to the text. I believe a change is also required in s. 39.54 (1) of the bill, but I did not make the change because I am unsure of your intent. The text of s. 39.54 (1) refers to a technical college but also seems limited to institutions that award a bachelor's degree or higher. I don't believe technical colleges award bachelor's degrees. Do you want me to remove technical colleges from this provision or should the provision apply with respect to associate degrees and higher, rather than bachelor's degrees and higher?

Because the biennial budget act repeals and recreates the appropriation schedule in s. 20.005 (3), stats., if this bill becomes law before the enactment of the budget act, the budget act might eliminate the funding mechanism under the bill for the Wisconsin Student Loan Refinancing Authority (created s. 20.195). Also, s. 16.47 (2), stats., restricts the legislature in passing an appropriation bill, other than an emergency appropriation bill, before the legislature passes the executive budget bill. Do you want me to include a delayed effective date so that the bill does not take effect until after enactment of the biennial budget act?

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "1" draft.

Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: aaron.gary@legis.state.wi.us

## Gary, Aaron

---

**From:** Gary, Aaron  
**Sent:** Thursday, January 15, 2015 3:09 PM  
**To:** Mielke, Jon  
**Subject:** RE: Message from LRB website

Hi Jon,

Yes, I'm making one more change for Rep. Mason's office, which will result in an LRB-0263/2. I will then use that to produce an identical companion draft for Sen. Hansen.

Aaron

Aaron R. Gary  
*Attorney, Legislative Reference Bureau*  
608.261.6926 (voice)  
608.264.6948 (fax)  
[aaron.gary@legis.state.wi.us](mailto:aaron.gary@legis.state.wi.us)

**From:** Mielke, Jon  
**Sent:** Thursday, January 15, 2015 11:17 AM  
**To:** Gary, Aaron  
**Subject:** RE: Message from LRB website

Hi Aaron,

I talked with Rep. Mason's office. We want an identical draft to the one you are making for him, with the changes indicated by your note: LRB-0263/P1dn to LRB-0263/P1. It is my understanding that Alex from his office will be making a similar request.

Thank you,

Jon Mielke  
Office of Sen. Dave Hansen

---

**From:** Gary, Aaron  
**Sent:** Wednesday, January 07, 2015 2:29 PM  
**To:** Mielke, Jon  
**Cc:** Kunkel, Mark  
**Subject:** RE: Message from LRB website

Hi Jon,

I will be the drafter on this one. I have entered the request as 2015 LRB-1144.

Aaron

Aaron R. Gary  
*Attorney, Legislative Reference Bureau*  
608.261.6926 (voice)  
608.264.6948 (fax)  
[aaron.gary@legis.state.wi.us](mailto:aaron.gary@legis.state.wi.us)

**From:** LRB.Legal  
**Sent:** Wednesday, January 07, 2015 12:09 PM  
**To:** Gary, Aaron; Kunkel, Mark  
**Subject:** FW: Message from LRB website

---

**From:** Mielke, Jon

**Sent:** Wednesday, January 07, 2015 11:29 AM

**To:** LRB.Legal

**Subject:** Message from LRB website

Senator Hansen would like to have 2013 Senate Bill 376 redrafted for the current session.

Thank you,

Jon Mielke

Office of Sen. Dave Hansen



**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

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.), am. and h., 77.54 (9a)  
6           (a), 100.45 (1) (dm) and 230.03 (3); **to repeal and recreate** 230.03 (3); and **to**  
7           **create** 13.94 (1) (dt), 13.94 (1s) (c) 9., 19.42 (10) (t), 19.42 (13) (p), 20.195, 39.28  
8           (7), 39.52, 39.54, 39.56, 40.02 (54) (n), 70.11 (38v), 71.05 (6) (b) 28. j., 224.30 (5)  
9           and chapter 239 of the statutes; **relating to:** student loans, the individual  
10          income tax subtract modification for tuition and student fees, creating an  
11          authority to be known as the Wisconsin Student Loan Refinancing Authority,  
12          granting rule-making authority, and making an 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 ten 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 ten 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 degree or higher 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 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.

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***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:
- 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

1 government created or authorized to be created by the constitution or any law, that  
2 is entitled to expend moneys appropriated by law, including the legislature and the  
3 courts, and any authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 238,  
4 239, or 279.

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

6 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or  
7 facility that is constructed for the benefit of or use of the state, any state agency,  
8 board, commission or department, the University of Wisconsin Hospitals and Clinics  
9 Authority, the Fox River Navigational System Authority, the Wisconsin Student  
10 Loan Refinancing Authority, the Wisconsin Economic Development Corporation, or  
11 any local professional baseball park district created under subch. III of ch. 229 if the  
12 construction is undertaken by the department of administration on behalf of the  
13 district, shall be in compliance with all applicable state laws, rules, codes and  
14 regulations but the construction is not subject to the ordinances or regulations of the  
15 municipality in which the construction takes place except zoning, including without  
16 limitation because of enumeration ordinances or regulations relating to materials  
17 used, permits, supervision of construction or installation, payment of permit fees, or  
18 other restrictions.

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

20 13.62 (2) “Agency” means any board, commission, department, office, society,  
21 institution of higher education, council, or committee in the state government, or any  
22 authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,  
23 or 279, except that the term does not include a council or committee of the legislature.

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

1           13.94 (1) (dt) Biennially, beginning in 2017, conduct a financial audit of the  
2           Wisconsin Student Loan Refinancing Authority and a program evaluation audit of  
3           the programs administered by the Wisconsin Student Loan Refinancing Authority  
4           under ch. 239. The legislative audit bureau shall file a copy of each audit report  
5           under this paragraph with the distributees specified in par. (b).

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

7           13.94 (1s) (c) 9. The Wisconsin Student Loan Refinancing Authority for the cost  
8           of the audit required to be performed under sub. (1) (dt).

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

10          13.94 (4) (a) 1. Every state department, board, examining board, affiliated  
11          credentialing board, commission, independent agency, council or office in the  
12          executive branch of state government; all bodies created by the legislature in the  
13          legislative or judicial branch of state government; any public body corporate and  
14          politic created by the legislature including specifically the Fox River Navigational  
15          System Authority, the Lower Fox River Remediation Authority, the Wisconsin  
16          Aerospace Authority, the Wisconsin Student Loan Refinancing Authority, the  
17          Wisconsin Economic Development Corporation, a professional baseball park district,  
18          a local professional football stadium district, a local cultural arts district, and a  
19          long-term care district under s. 46.2895; every Wisconsin works agency under subch.  
20          III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical  
21          college district boards; every county department under s. 51.42 or 51.437; every  
22          nonprofit corporation or cooperative or unincorporated cooperative association to  
23          which moneys are specifically appropriated by state law; and every corporation,  
24          institution, association or other organization which receives more than 50% of its

1 annual budget from appropriations made by state law, including subgrantee or  
2 subcontractor recipients of such funds.

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

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

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

18 16.002 (2) “Departments” means constitutional offices, departments, and  
19 independent agencies and includes all societies, associations, and other agencies of  
20 state government for which appropriations are made by law, but not including  
21 authorities created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,  
22 or 279.

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

24 16.004 (4) **FREEDOM OF ACCESS.** The secretary and such employees of the  
25 department as the secretary designates may enter into the offices of state agencies

1 and authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237,  
2 238, 239, and 279, and may examine their books and accounts and any other matter  
3 that in the secretary's judgment should be examined and may interrogate the  
4 agency's employees publicly or privately relative thereto.

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

6 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and  
7 authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237, 238,  
8 239, and 279, and their officers and employees, shall cooperate with the secretary  
9 and shall comply with every request of the secretary relating to his or her functions.

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

11 16.004 (12) (a) In this subsection, "state agency" means an association,  
12 authority, board, department, commission, independent agency, institution, office,  
13 society, or other body in state government created or authorized to be created by the  
14 constitution or any law, including the legislature, the office of the governor, and the  
15 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,  
16 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the  
17 Wisconsin Economic Development Corporation, the Wisconsin Student Loan  
18 Refinancing Authority, and the Fox River Navigational System Authority.

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

20 16.045 (1) (a) "Agency" means an office, department, independent agency,  
21 institution of higher education, association, society, or other body in state  
22 government created or authorized to be created by the constitution or any law, that  
23 is entitled to expend moneys appropriated by law, including the legislature and the  
24 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 232,  
25 233, 234, 237, 238, 239, or 279.

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

2           16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but  
3           excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox  
4           River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,  
5           and the Wisconsin Economic Development Corporation.

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

7           16.41 (4) In this section, “authority” means a body created under subch. II of  
8           ch. 114 or under ch. 231, 233, 234, 237, 238, 239, or 279.

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

10          16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or  
11          ch. 231, 232, 233, 234, 237, 238, 239, or 279.

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

13          16.52 (7) **PETTY CASH ACCOUNT.** With the approval of the secretary, each agency  
14          that is authorized to maintain a contingent fund under s. 20.920 may establish a  
15          petty cash account from its contingent fund. The procedure for operation and  
16          maintenance of petty cash accounts and the character of expenditures therefrom  
17          shall be prescribed by the secretary. In this subsection, “agency” means an office,  
18          department, independent agency, institution of higher education, association,  
19          society, or other body in state government created or authorized to be created by the  
20          constitution or any law, that is entitled to expend moneys appropriated by law,  
21          including the legislature and the courts, but not including an authority created in  
22          subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238, 239, or 279.

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

24          16.528 (1) (a) “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, that  
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 in ch. 231, 233,  
4 234, 237, 238, 239, or 279.

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

6 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed  
7 invoice, the agency shall notify the sender of the invoice within 10 working days after  
8 it receives the invoice of the reason it is improperly completed. In this subsection,  
9 “agency” means an office, department, independent agency, institution of higher  
10 education, association, society, or other body in state government created or  
11 authorized to be created by the constitution or any law, that is entitled to expend  
12 moneys appropriated by law, including the legislature and the courts, but not  
13 including an authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238,  
14 239, or 279.

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

16 16.54 (9) (a) 1. “Agency” means an office, department, independent agency,  
17 institution of higher education, association, society or other body in state  
18 government created or authorized to be created by the constitution or any law, which  
19 is entitled to expend moneys appropriated by law, including the legislature and the  
20 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,  
21 234, 237, 238, 239, or 279.

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

23 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and  
24 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
25 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin



1 Student Loan Refinancing Authority, the Wisconsin Economic Development  
2 Corporation, and the Bradley Center Sports and Entertainment Corporation shall  
3 include in all contracts executed by them a provision obligating the contractor not  
4 to discriminate against any employee or applicant for employment because of age,  
5 race, religion, color, handicap, sex, physical condition, developmental disability as  
6 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national  
7 origin and, except with respect to sexual orientation, obligating the contractor to take  
8 affirmative action to ensure equal employment opportunities.

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

10 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and  
11 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
12 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin  
13 Student Loan Refinancing Authority, the Wisconsin Economic Development  
14 Corporation, and the Bradley Center Sports and Entertainment Corporation shall  
15 include the following provision in every contract executed by them: “In connection  
16 with the performance of work under this contract, the contractor agrees not to  
17 discriminate against any employee or applicant for employment because of age, race,  
18 religion, color, handicap, sex, physical condition, developmental disability as defined  
19 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but  
20 not be limited to, the following: employment, upgrading, demotion or transfer;  
21 recruitment or recruitment advertising; layoff or termination; rates of pay or other  
22 forms of compensation; and selection for training, including apprenticeship. Except  
23 with respect to sexual orientation, the contractor further agrees to take affirmative  
24 action to ensure equal employment opportunities. The contractor agrees to post in  
25 conspicuous places, available for employees and applicants for employment, notices

1 to be provided by the contracting officer setting forth the provisions of the  
2 nondiscrimination clause”.

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

4 16.765 (5) The head of each contracting agency and the boards of directors of  
5 the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
6 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox  
7 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,  
8 the Wisconsin Economic Development Corporation, and the Bradley Center Sports  
9 and Entertainment Corporation shall be primarily responsible for obtaining  
10 compliance by any contractor with the nondiscrimination and affirmative action  
11 provisions prescribed by this section, according to procedures recommended by the  
12 department. The department shall make recommendations to the contracting  
13 agencies and the boards of directors of the University of Wisconsin Hospitals and  
14 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
15 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin  
16 Student Loan Refinancing Authority, the Wisconsin Economic Development  
17 Corporation, and the Bradley Center Sports and Entertainment Corporation for  
18 improving and making more effective the nondiscrimination and affirmative action  
19 provisions of contracts. The department shall promulgate such rules as may be  
20 necessary for the performance of its functions under this section.

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

22 16.765 (6) The department may receive complaints of alleged violations of the  
23 nondiscrimination provisions of such contracts. The department shall investigate  
24 and determine whether a violation of this section has occurred. The department may  
25 delegate this authority to the contracting agency, the University of Wisconsin

1 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the  
2 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the  
3 Wisconsin Student Loan Refinancing Authority, the Wisconsin Economic  
4 Development Corporation, or the Bradley Center Sports and Entertainment  
5 Corporation for processing in accordance with the department's procedures.

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

7 16.765 (7) (intro.) When a violation of this section has been determined by the  
8 department, the contracting agency, the University of Wisconsin Hospitals and  
9 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin  
10 Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin  
11 Student Loan Refinancing Authority, the Wisconsin Economic Development  
12 Corporation, or the Bradley Center Sports and Entertainment Corporation, the  
13 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the  
14 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the  
15 Lower Fox River Remediation Authority, the Wisconsin Student Loan Refinancing  
16 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center  
17 Sports and Entertainment Corporation shall:

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

19 16.765 (7) (d) Direct the violating party to take immediate steps to prevent  
20 further violations of this section and to report its corrective action to the contracting  
21 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River  
22 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox  
23 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,  
24 the Wisconsin Economic Development Corporation, or the Bradley Center Sports  
25 and Entertainment Corporation.

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

2           16.765 (8) If further violations of this section are committed during the term  
3 of the contract, the contracting agency, the Fox River Navigational System Authority,  
4 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the  
5 Wisconsin Student Loan Refinancing Authority, the Wisconsin Economic  
6 Development Corporation, or the Bradley Center Sports and Entertainment  
7 Corporation may permit the violating party to complete the contract, after complying  
8 with this section, but thereafter the contracting agency, the Fox River Navigational  
9 System Authority, the Wisconsin Aerospace Authority, the Lower Fox River  
10 Remediation Authority, the Wisconsin Student Loan Refinancing Authority, the  
11 Wisconsin Economic Development Corporation, or the Bradley Center Sports and  
12 Entertainment Corporation shall request the department to place the name of the  
13 party on the ineligible list for state contracts, or the contracting agency, the Fox River  
14 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox  
15 River Remediation Authority, the Wisconsin Student Loan Refinancing Authority,  
16 the Wisconsin Economic Development Corporation, or the Bradley Center Sports  
17 and Entertainment Corporation may terminate the contract without liability for the  
18 uncompleted portion or any materials or services purchased or paid for by the  
19 contracting party for use in completing the contract.

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

21           16.85 (2) To furnish engineering, architectural, project management, and other  
22 building construction services whenever requisitions therefor are presented to the  
23 department by any agency. The department may deposit moneys received from the  
24 provision of these services in the account under s. 20.505 (1) (kc) or in the general  
25 fund as general purpose revenue — earned. In this subsection, “agency” means an

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

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

7 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a  
8 proportionate share of the estimated costs attributable to programs administered by  
9 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department  
10 may charge premiums to agencies to finance costs under this subsection and pay the  
11 costs from the appropriation on an actual basis. The department shall deposit all  
12 collections under this subsection in the appropriation account under s. 20.505 (2) (k).  
13 Costs assessed under this subsection may include judgments, investigative and  
14 adjustment fees, data processing and staff support costs, program administration  
15 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this  
16 subsection, “agency” means an office, department, independent agency, institution  
17 of higher education, association, society, or other body in state government created  
18 or authorized to be created by the constitution or any law, that is entitled to expend  
19 moneys appropriated by law, including the legislature and the courts, but not  
20 including an authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237,  
21 238, 239, or 279.

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

23 19.42 (10) (t) The chief executive officer and members of the board of directors  
24 of the Wisconsin Student Loan Refinancing Authority.

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



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

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

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

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

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

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

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

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

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

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

18 (b) The approximate or, if known, the actual total amount of financial aid that  
19 the student would receive from the institution of higher education, and the  
20 approximate or, if known, the actual total amount of student loan debt that the  
21 student would accumulate, over the course of 4 years if the student were to attend  
22 the institution of higher education for 4 years.

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



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

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

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

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

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

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

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

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

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

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

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

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

14           8. Whether the student has reached the limit on his or her federal student loan  
15 opportunities.

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

19           10. How a student or any member of the public may file a complaint about a  
20 lender with the federal Consumer Financial Protection Bureau by calling a toll-free  
21 telephone number, or by completing a complaint form, which may be obtained on the  
22 bureau's Internet site. The institution of higher education shall also include the  
23 toll-free telephone number and Internet site address of the bureau.

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

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

4           a. Whether the rate is fixed or variable.

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

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

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

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

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

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

1           2. The certification required by subd. 1. shall be signed by the applicant and  
2 the institutional counselor, and shall include the date of the counseling and the  
3 name, address, and telephone number of both the counselor and the applicant. An  
4 electronic facsimile copy of the counseling certification satisfies the requirement  
5 under this subdivision. The lender shall maintain the certification in an accurate,  
6 reproducible, and accessible format for the term of the student loan.

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

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

15           2. Debt management strategies designed to facilitate the repayment of  
16 indebtedness.

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

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

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

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

23           7. The borrower benefit programs of different lenders.

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

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

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

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

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

9           40.02 (54) (n) The Wisconsin Student Loan Refinancing Authority.

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

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

15          **SECTION 39.** 71.05 (6) (b) 28. (intro.), am. and h. of the statutes are amended  
16 to read:

17          71.05 (6) (b) 28. (intro.) An amount paid by a claimant for tuition expenses,  
18 including any amount paid by a claimant in the year to which the claim relates on  
19 a loan, the proceeds of which were used by the claimant to pay the claimant's  
20 expenses for tuition, fees, books, room and board, and educational supplies that were  
21 directly related to the claimant's attendance at an eligible educational institution,  
22 as defined in s. 18.81 (2), and mandatory student fees for a student who is the  
23 claimant or who is the claimant's child and the claimant's dependent who is claimed  
24 under section 151 (c) of the Internal Revenue Code, to attend any university, college,  
25 technical college or a school approved under s. 38.50, that is located in Wisconsin or

1 to attend a public vocational school or public institution of higher education in  
2 Minnesota under the Minnesota–Wisconsin reciprocity agreement under s. 39.47,  
3 calculated as follows:

4 am. Notwithstanding subd. 28. a., for taxable years beginning after December  
5 31, 2008, the department of revenue and the Board of Regents of the University of  
6 Wisconsin System shall continue making the calculation described under subd. 28.

7 a. Notwithstanding subd. 28. a., once this calculation exceeds \$6,000, the deduction  
8 for tuition expenses, including any amount paid by a claimant in the year to which  
9 the claim relates on a loan, the proceeds of which were used by the claimant to pay  
10 the claimant's expenses for tuition, fees, books, room and board, and educational  
11 supplies that were directly related to the claimant's attendance at an eligible  
12 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as  
13 described in subd. 28. (intro.), shall be based on an amount equal to not more than  
14 twice the average amount charged by the Board of Regents of the University of  
15 Wisconsin System at 4–year institutions for resident undergraduate academic fees  
16 for the most recent fall semester, as determined by the Board of Regents by  
17 September 1 of that semester, per student for each year to which the claim relates,  
18 and the deduction that may be claimed under this subd. 28. am. first applies to  
19 taxable years beginning on the January 1 after the calculation of the Board of  
20 Regents, that must occur by September 1, exceeds \$6,000.

21 h. No modification may be claimed under this subdivision for an amount paid  
22 for tuition expenses, including any amount paid by a claimant in the year to which  
23 the claim relates on a loan, the proceeds of which were used by the claimant to pay  
24 the claimant's expenses for tuition, fees, books, room and board, and educational  
25 supplies that were directly related to the claimant's attendance at an eligible

1 educational institution, as defined in s. 18.81 (2), and mandatory student fees, as  
2 described under this subdivision, if the source of the payment is an amount  
3 withdrawn from a college savings account, as described in s. 16.641 or from a college  
4 tuition and expenses program, as described in s. 16.64, and if the owner of the  
5 account or a parent, grandparent, great-grandparent, aunt, or uncle of the  
6 beneficiary, who contributed to the account, has claimed a deduction under subd. 32.  
7 or 33. that relates to such an amount.

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

9 71.05 (6) (b) 28. j. The provisions of subd. 28. b., c., d., and g. do not apply to  
10 a taxable year that begins after December 31, 2015.

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

12 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
13 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin  
14 Economic Development Corporation, the Wisconsin Student Loan Refinancing  
15 Authority, and the Fox River Navigational System Authority.

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

17 100.45 (1) (dm) “State agency” means any office, department, agency,  
18 institution of higher education, association, society, or other body in state  
19 government created or authorized to be created by the constitution or any law which  
20 is entitled to expend moneys appropriated by law, including the legislature and the  
21 courts, the Wisconsin Housing and Economic Development Authority, the Bradley  
22 Center Sports and Entertainment Corporation, the University of Wisconsin  
23 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities  
24 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic

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

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

4 **224.30 (5) STUDENT LENDING TRANSPARENCY.** (a) In this subsection:

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

6 a. Tuition and fees.

7 b. Books and supplies

8 c. Room and board.

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

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

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

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

19 1. Policies relating to deferment and forbearance.

20 2. Loan default policies and penalties.

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



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

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

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

17          (e) The department shall make any list or other data under this subsection that  
18 appears on the department's Internet site available to be linked as provided in ss.  
19 39.28 (7) and 39.54 (3).

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

22          **SECTION 44.** 230.03 (3) of the statutes is amended to read:

23          230.03 (3) "Agency" means any board, commission, committee, council, or  
24 department in state government or a unit thereof created by the constitution or  
25 statutes if such board, commission, committee, council, department, unit, or the

1 head thereof, is authorized to appoint subordinate staff by the constitution or  
2 statute, except a legislative or judicial board, commission, committee, council,  
3 department, or unit thereof or an authority created under subch. II of ch. 114 or  
4 subch. III of ch. 149 or under ch. 231, 232, 233, 234, 237, 238, 239, or 279. “Agency”  
5 does not mean any local unit of government or body within one or more local units  
6 of government that is created by law or by action of one or more local units of  
7 government.

8 **SECTION 45.** 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20 and  
9 2015 Wisconsin Act ... (this act), is repealed and recreated to read:

10 230.03 (3) “Agency” means any board, commission, committee, council, or  
11 department in state government or a unit thereof created by the constitution or  
12 statutes if such board, commission, committee, council, department, unit, or the  
13 head thereof, is authorized to appoint subordinate staff by the constitution or  
14 statute, except the Board of Regents of the University of Wisconsin System, a  
15 legislative or judicial board, commission, committee, council, department, or unit  
16 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,  
17 234, 237, 238, 239, or 279. “Agency” does not mean any local unit of government or  
18 body within one or more local units of government that is created by law or by action  
19 of one or more local units of government.

20 **SECTION 46.** Chapter 239 of the statutes is created to read:

21 **CHAPTER 239**

22 **WISCONSIN STUDENT LOAN**

23 **REFINANCING AUTHORITY**

24 **239.01 Definitions.** In this chapter:

25 (1) “Authority” means the Wisconsin Student Loan Refinancing Authority.