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

SECTION 1m. 36.11 (3) (b) of the statutes is amended to read:

36.11 (3) (b) Subject to s. 36.31 (2m), the board shall establish policies for the appropriate transfer of credits between institutions within the system, including the designation of those courses which shall be transferable between and within institutions without loss of credit toward graduation or toward completion of a specific course of study. Postsecondary credits earned by a high school pupil enrolled in a course at an institution within the system under the program under s. 118.55. If the board determines that postsecondary credits earned by a high school pupil under the program under s. 118.55 are not transferable under this paragraph, the board shall permit the individual to take an examination to determine the individual’s competency in the subject area of the course and, if the individual receives a passing score on the examination, shall award equivalent credits to the individual.

SECTION 2. 36.11 (3) (c) of the statutes is amended to read:

36.11 (3) (c) Subject to s. 36.31 (2m), the board may establish policies for the appropriate transfer of credits with other educational institutions outside the system, including postsecondary credits earned by a high school pupil enrolled in a course at an educational institution outside the system through the program under s. 118.55. If the board determines that postsecondary credits earned by a high school pupil under the program under s. 118.55 are not transferable under this paragraph, the board shall permit the individual to take an examination to determine the individual’s competency in the subject area of the course and, if the individual receives a passing score on the examination, shall award equivalent credits to the individual.