AN ACT to renumber and amend 118.40 (3) (f) and 118.40 (3) (g) 2.; to amend 20.255 (2) (fp), 20.255 (2) (fq), 66.0137 (4), 118.40 (2x) (e) 1., 118.40 (2x) (e) 2., 118.40 (3m) (c), 120.13 (2) (g), 185.983 (1) (intro.) and 632.87 (1); and to create 20.255 (2) (fq), 118.40 (2x) (cm), 118.40 (2x) (e) 1m., 118.40 (3) (f) 2., 118.40 (3o), 120.12 (26), 609.717 and 632.87 (4m) of the statutes; relating to: authorizing the director of the Office of Educational Opportunity in the University of Wisconsin System to contract for the operation of a recovery charter school, insurance coverage of mental health treatment provided by a recovery charter school, and making appropriations.

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

SECTION 1. 20.255 (2) (fp) of the statutes is amended to read:

20.255 (2) (fp) Charter schools; office of educational opportunity. A sum sufficient to make the payments to charter schools under s. 118.40 (2x) (e) 1.

SECTION 2. 20.255 (2) (fq) of the statutes is created to read:

20.255 (2) (fq) Charter schools; office of educational opportunity recovery charter schools. A sum sufficient to make the payments to charter schools under s. 118.40 (2x) (e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section 21 (2).

SECTION 3. 20.255 (2) (fq) of the statutes, as affected by 2017 Wisconsin Act .... (this act), is amended to read:

20.255 (2) (fq) Charter schools; office of educational opportunity recovery charter schools. A sum sufficient to make the payments to charter schools under s. 118.40 (2x)(e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section (21) (2).

SECTION 4. 66.0137 (4) of the statutes is amended to read:

66.0137 (4) SELF−INSURED HEALTH PLANS. If a city, including a 1st class city, or a village provides health care benefits under its home rule power, or if a town provides health care benefits, to its officers and employees on a self−insured basis, the self−insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), (5), and to (6), 632.885, 632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

SECTION 5. 118.40 (2x) (cm) of the statutes is created to read:

118.40 (2x) (cm) Notwithstanding par. (c), the director may enter into a contract to establish, as a pilot project, only one recovery charter school, to be located in this state and that operates only high school grades, if the term of the contract is limited to 4 consecutive school years and the contract requires the charter school operator to do all of the following:

1. Provide an academic curriculum that satisfies the high school graduation requirements under s. 118.33.

2. Provide therapeutic programming and support for pupils in recovery from substance use disorder or dependency.
3. Require prospective pupils to apply to attend the charter school and condition eligibility for enrollment on all of the following:
   a. That the applicant has begun treatment in a substance use disorder or dependency program.
   b. That the applicant will have maintained sobriety for at least 30 days prior to attending the charter school.
   c. That the applicant submit to a drug screening assessment and, if indicated, a drug test. An applicant who tests positive for the presence of a drug in his or her system may not be enrolled in the charter school.

4. Limit enrollment to no more than 15 pupils.

5. Require, as a condition of continuing enrollment, that an applicant receive counseling from substance use disorder or dependency counselors employed by the charter school while enrolled in the charter school.

6. Establish the following policies for pupils attending the charter school:
   a. Suspension and expulsion policies for pupils. The operator shall provide for incremental and rehabilitative discipline in the policies under this subd. 6. a. The operator shall model expulsion procedures on the procedures for expulsion under s. 120.13 (1) (c) 3.
   b. That a pupil attending the charter school may elect to unenroll from the charter school upon the completion of any treatment program required of the pupil.

7. Require, as a condition of continuing enrollment, that an applicant submit claims for coverage of therapeutic programming and support and counseling provided by the charter school to any health care plan, as defined in s. 628.36 (2) (a) 1., under which the applicant is covered for mental health services.

Section 6. 118.40 (2x) (e) 1. of the statutes is amended to read:
118.40 (2x) (e) 1. Beginning in the 2016–17 school year, from the appropriation under s. 20.255 (2) (fp), for each pupil attending a charter school established under this subsection, other than the charter school established under par. (cm), the department shall pay to the operator of a charter school established under this subsection an amount equal to the per pupil amount paid to an operator of a charter school under sub. (2r) (e) in that school year.

Section 7. 118.40 (2x) (e) 1m. of the statutes is created to read:
118.40 (2x) (e) 1m. Beginning in the 2017–18 school year, from the appropriation under s. 20.255 (2) (fq), for each pupil attending the charter school established under par. (cm), the department shall pay to the operator of the charter school an amount equal to the per pupil amount paid to an operator of a charter school under sub. (2r) (e) in that school year.

Section 8. 118.40 (2x) (e) 2. of the statutes is amended to read:
118.40 (2x) (e) 2. The department shall pay 25 percent of the total amount required to be paid under this paragraph in September, 25 percent in December, 25 percent in February, and 25 percent in June. The department shall send the check to the operator of the charter school.

Section 10. 118.40 (3) (f) of the statutes is renumbered 118.40 (3) (f) 1. and amended to read:
118.40 (3) (f) 1. A contract with a school board, an entity under sub. (2r) (b) a. to h., or the director under sub. (2x) may provide for the establishment of more than one charter school, and, except as provided in subd. 2., a charter school governing board may enter into more than one contract with a school board, an entity under sub. (2r) (b), or the director under sub. (2x).

Section 11. 118.40 (3) (f) 2. of the statutes is created to read:
118.40 (3) (f) 2. The governing board of the charter school established under a contract with the director under sub. (2x) (cm) may not enter into more than one contract with the director.

Section 12. 118.40 (3) (g) 2. of the statutes is renumbered 118.40 (3) (g) 2. a. and amended to read:
118.40 (3) (g) 2. a. A charter school shall give preference in enrollment to pupils who were enrolled in the charter school in the previous school year and,
   b. A charter school other than the charter school established under a contract with the director under sub. (2x) (cm) shall give preference to siblings of pupils who are enrolled in the charter school.

Section 13. 118.40 (3m) (c) of the statutes is amended to read:
118.40 (3m) (c) Give preference in awarding contracts for the operation of charter schools other than the charter school established under a contract with the director under sub. (2x) (cm) to those charter schools that serve children at risk, as defined in s. 118.153 (1) (a).

Section 14. 118.40 (3o) of the statutes is created to read:
118.40 (3o) REPORT OF THE DIRECTOR TO THE DEPARTMENT OF HEALTH SERVICES. The director shall, following the 3rd school year of the operation of the charter school established under par. (cm), report, in writing, to the department of health services on the operation and effectiveness of the charter school. The director shall include in the report an evaluation of the effectiveness of the charter school on long−term student recovery outcomes.

Section 15. 120.12 (26) of the statutes is created to read:
120.12 (26) ENROLLMENT OF PUPILS. For a pupil who is a resident of the school district and who was enrolled in but has withdrawn from the recovery charter school established under s. 118.40 (2x) (cm), do all of the following:
   a. Provide assistance to a person who has control over the pupil to meet the requirements under s. 118.15.
   b. If the pupil enrolls in a school in the school district, ensure that the school applies all credits earned at the recovery charter school towards the high school graduation requirements under s. 118.33.
The operator of the charter school established under a contract under s. 118.40 (2x) (cm) shall, upon the enrollment of a pupil in the charter school, notify the policy, plan, or contract that covers the pupil’s mental health or behavioral health treatment or services of the services that the policy, plan, or contract may be required to cover under this subsection. If requested by a policy, plan, or contract, an operator of the charter school established under a contract under s. 118.40 (2x) (cm) shall enter into a memorandum of understanding with a policy, plan, or contract on matters other than the coverage required under this subsection, including reimbursement, payment terms, and compliance with state and federal patient health information privacy laws.

**SECTION 21. Nonstatutory provisions.**

(1) **Seeking federal monies; department of health services.** During the 2017–19 fiscal biennium, the department of health services may seek and apply for any federal moneys for the purpose of establishing a recovery charter school in the University of Wisconsin System under section 36.64 of the statutes for the operation of the charter school established under a contract under section 118.40 (2x) (cm) of the statutes, and if federal moneys are received, may award those moneys as a grant to the office of educational opportunity.

(2) **Office of educational opportunity; start-up funding.** From the appropriation under section 20.255 (2) (fq) of the statutes, the state superintendent may award a start-up grant of up to $50,000 to the director of the office of educational opportunity in the University of Wisconsin System under section 36.64 of the statutes for the purpose of establishing a recovery charter school under section 118.40 (2x) (cm) of the statutes. The state superintendent may not award a grant under this subsection unless the director of the office of educational opportunity procures matching funds equal to the amount of the grant for the same purpose.

**SECTION 22. Effective dates.** This act takes effect on the day after publication, except as follows:

(1) The creation of section 20.255 (2) (fq) of the statutes and **SECTION 21** of this act take effect on July 1, 2017, or on the 2nd day after publication of the 2017 biennial budget act, whichever is later.

(2) The amendment of section 20.255 (2) (fq) of the statutes takes effect on July 1, 2018.