



**ASSEMBLY SUBSTITUTE AMENDMENT 2,
TO 1995 ASSEMBLY BILL 591**

November 28, 1995 - Offered by COMMITTEE ON WELFARE REFORM.

1 **AN ACT to repeal** 20.435 (4) (cn), 20.435 (4) (d), 20.435 (4) (dc), 20.435 (4) (de),
2 20.435 (4) (df), 20.435 (4) (dg), 46.40 (4m), 46.45 (1), 46.979 (2) (a), 49.193 (4)
3 (j) 4., 49.193 (7), 49.26 (1) (j), 49.27 (5) (e) 2., 49.50 (6e) (a), 560.14 (1) (a) 2.,
4 635.02 (5m), 635.07, 635.17 and 635.26 (1) (b); **to renumber** 49.193 (9m) (a),
5 49.46 (1) (e) and 635.26 (1) (a); **to renumber and amend** 16.841 (1), 20.435 (4)
6 (dz), 48.651, 49.124 (1m), 49.19 (20), 49.32 (10), 49.46 (1) (cr) and 49.50 (6e) (b);
7 **to consolidate, renumber and amend** 560.14 (1) (a) (intro.) and 1.; **to amend**
8 13.101 (6) (a), 16.75 (6) (bm), 16.841 (2), 20.435 (1) (b), 20.435 (1) (bm), 20.435
9 (1) (o), 20.435 (4) (a), 20.445 (3) (L), 20.445 (3) (Lm), 40.51 (8), 46.03 (21), 46.032,
10 46.215 (1) (k), 46.22 (1) (b) 2. a., 46.22 (1) (b) 2. d., 46.25 (6), 46.25 (7m), 46.253
11 (2), 46.258 (1), 46.258 (2) (a) 1., 46.40 (1) (a), 46.45 (intro.), 46.45 (6), 46.62 (2),
12 46.979 (1), 46.979 (2) (a), 46.979 (2) (c) (intro.), 46.98 (1) (b), 46.98 (2) (a), 46.98
13 (2m) (a), 46.98 (3) (c), 46.98 (4) (a) 2., 46.98 (4) (b), 46.98 (4) (d), 46.98 (4g) (b),
14 46.986 (1) (b), 46.986 (1) (m), 46.987 (1) (a), 46.987 (2) (a), 46.995 (2) (c), 48.427
15 (3) (a) 5., 48.428 (2), 48.428 (4), 48.651 (1) (intro.), 48.981 (2), 49.015 (2), 49.125
16 (1), 49.181 (1) (intro.), (a), (c), (d), (f) and (g) and (2), 49.19 (4e) (a), 49.19 (11) (a)

1 1. a. (intro.), 49.191 (2), 49.193 (2) (a), 49.193 (4) (g), 49.193 (6) (c), 49.193 (8)
2 (a), 49.193 (8) (bm), 49.193 (10m), 49.195 (title), 49.195 (1), 49.195 (3), 49.197
3 (1m), 49.197 (3), 49.197 (4), 49.20 (3), 49.26 (title), 49.26 (1) (e), 49.26 (1) (g)
4 (intro.), 49.26 (1) (g) 1., 49.26 (1) (gm) (intro.), 49.26 (1) (h) 1. a., 49.26 (1) (hm),
5 49.26 (1) (hr), 49.27 (6) (c), 49.30 (1) (intro.), 49.32 (7) (a), 49.32 (9) (a), 49.32 (9)
6 (b), 49.32 (10) (title), 49.33 (1) (b), 49.33 (1) (c), 49.33 (9), 49.36 (title), 49.36 (3)
7 (a), 49.36 (3) (g), 49.36 (4), 49.36 (5), 49.36 (6), 49.36 (7), 49.45 (6m) (br) 1., 49.46
8 (1) (a) 1., 49.46 (1) (a) 1m., 49.46 (1) (a) 5., 49.46 (1) (a) 6., 49.46 (1) (a) 9., 49.46
9 (1) (a) 10., 49.46 (1) (a) 11., 49.46 (1) (a) 12., 49.46 (1) (a) 13., 49.46 (1) (cg), 49.46
10 (1) (cs), 49.46 (1) (d) 1., 49.47 (4) (a) (intro.), 49.50 (6g), 49.50 (6k) (a), 49.50 (6k)
11 (b), 49.50 (7) (e), 49.52 (1) (ad) 1., 49.52 (1) (am), 49.52 (1) (d), 49.52 (5), 49.83,
12 49.84 (5), 49.85 (1), 49.85 (2) (b) and (3) (b) 1., 49.95 (4m) (a), 49.95 (11), 49.96,
13 59.07 (97), 60.23 (25), 66.184, 71.54 (2) (a) (intro.), 106.21 (1) (g), 106.215 (1)
14 (fm), 111.70 (1) (a), 115.347, 115.40 (4) (b), 115.40 (4) (c) 1., 115.45 (3m) (a) 2.,
15 119.82 (1) (a) 2., 120.13 (2) (g), 120.13 (27m), 185.981 (4t), 185.983 (1) (intro.),
16 230.04 (13) (a) and (e) 1. and 2., 230.147 (1), 230.147 (2), 230.147 (3), 600.01 (2)
17 (b), 628.34 (3) (a), 628.34 (3) (b), 632.76 (2) (a), 632.896 (4), 767.045 (1) (c) 1.,
18 767.075 (1) (c), 767.077 (intro.), 767.078 (1) (a) 2., 767.15 (1), 767.24 (6) (c),
19 767.29 (1m) (c), 767.29 (2), 767.29 (4), 767.32 (1) (a), 767.32 (1) (b) 1., 767.47 (6)
20 (a) and (b), 814.61 (13) and 948.22 (4) (b); **to repeal and recreate** 13.101 (6)
21 (a), 46.032, 46.495 (1) (am), 49.124 (3), 49.19 (11) (a) 1. a. (intro.), 49.191 (1),
22 49.191 (3) (a) and (b), 49.193 (8) (bm), 49.193 (10m), 49.197 (1m), 49.197 (4),
23 49.20 (3), 49.26 (2) (b), 49.33 (2), 49.33 (8) (a), 49.36 (2) and 49.45 (6m) (br) 1.;
24 and **to create** 16.39 (4) (bm), 16.75 (6) (bm), 16.841 (1) (b), 20.435 (4) (dz), 20.445
25 (3) (jm), 40.51 (8m), 46.98 (1) (ar), 46.98 (1) (bd) and (bf), 46.98 (4) (dg) and (dm),

1 46.98 (6), 48.40 (1m), 48.57 (3m), 48.57 (3p), 48.651 (1) (a) and (b), 48.651 (2),
2 49.001 (9), 49.124 (1m) (b), 49.124 (1m) (c), 49.141, 49.143, 49.145, 49.146,
3 49.147, 49.148, 49.149, 49.151, 49.152, 49.153, 49.155, 49.157, 49.159, 49.161,
4 49.181, 49.19 (4e) (c), 49.19 (20) (b), 49.193 (2) (am), 49.193 (4) (k) 1m., 49.193
5 (4m), 49.193 (6) (e), 49.193 (9m) (ag), 49.193 (12), 49.21 (1) (c), 49.25 (10), 49.27
6 (13), 49.32 (10) (b), 49.46 (1) (a) 4m., 49.46 (1) (a) 6m., 49.46 (1) (a) 16., 49.46 (1)
7 (am) 3., 49.46 (1) (cb), 49.46 (1) (co) 4., 49.46 (1) (cr) 2., 49.46 (1) (e) 2., 49.465
8 (7), 49.47 (4) (ag), 49.47 (4) (an), 49.77 (3v), 102.07 (17), 102.07 (18), 102.29 (8),
9 111.70 (4) (n), 111.91 (2) (k), 227.01 (13) (zr), 227.01 (13) (zs), 227.01 (13) (zt),
10 632.745, 632.747, 632.749 and 767.075 (1) (cm) of the statutes; **relating to:**
11 creating a new public assistance program for families with dependent children,
12 modifying the sunset of the aid to families with dependent children program,
13 modifying administration of the food stamp program, modifying the eligibility
14 requirements of certain recipients of medical assistance, creating a program to
15 provide payment to a relative, other than a parent, who is providing care and
16 maintenance for a child, eliminating postsecondary education and vocational
17 skills training from the job opportunities and basic skills program, applying the
18 learnfare provisions statewide to certain individuals who are 6 to 19 years of
19 age, eliminating child care funded under community aids, modifying eligibility
20 requirements for low-income and at-risk child care, group health insurance
21 reform, creating a tax exemption, making modifications to the job opportunities
22 and basic skills program, making modifications to the food stamp employment
23 and training program, consolidating state general purpose revenue
24 appropriations for public assistance and local aid, providing an exemption from
25 emergency rule procedures, providing an exemption from rule-making

1 procedures, granting rule-making authority, making appropriations and
2 providing penalties.

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

3 **SECTION 1.** 13.101 (6) (a) of the statutes is amended to read:

4 13.101 (6) (a) As an emergency measure necessitated by decreased state
5 revenues and to prevent the necessity for a state tax on general property, the
6 committee may reduce any appropriation made to any board, commission,
7 department, the university of Wisconsin system or to any other state agency or
8 activity by such amount as it deems feasible, not exceeding 25% of the
9 appropriations, except appropriations made by ss. 20.255 (2) (ac), (bc), (bh), (bm), (cg)
10 and (cr), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)
11 and (ar), 20.435 (4) (a), ~~(d)~~ (dz) and (e), (6) (a) and (7) (da) or for forestry purposes
12 under s. 20.370 (1), or any other moneys distributed to any county, city, village, town
13 or school district. Appropriations of receipts and of a sum sufficient shall for the
14 purposes of this section be regarded as equivalent to the amounts expended under
15 such appropriations in the prior fiscal year which ended June 30. All functions of
16 said state agencies shall be continued in an efficient manner, but because of the
17 uncertainties of the existing situation no public funds should be expended or
18 obligations incurred unless there shall be adequate revenues to meet the
19 expenditures therefor. For such reason the committee may make reductions of such
20 appropriations as in its judgment will secure sound financial operations of the
21 administration for said state agencies and at the same time interfere least with their
22 services and activities.

1 **SECTION 2.** 13.101 (6) (a) of the statutes, as affected by 1995 Wisconsin Acts 27
2 and (this act), is repealed and recreated to read:

3 13.101 **(6)** (a) As an emergency measure necessitated by decreased state
4 revenues and to prevent the necessity for a state tax on general property, the
5 committee may reduce any appropriation made to any board, commission,
6 department, the university of Wisconsin system or to any other state agency or
7 activity by such amount as it deems feasible, not exceeding 25% of the
8 appropriations, except appropriations made by ss. 20.255 (2) (ac), (bc), (bh), (bm), (cg)
9 and (cr), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)
10 and (ar), 20.435 (1) (c), (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry
11 purposes under s. 20.370 (1), or any other moneys distributed to any county, city,
12 village, town or school district. Appropriations of receipts and of a sum sufficient
13 shall for the purposes of this section be regarded as equivalent to the amounts
14 expended under such appropriations in the prior fiscal year which ended June 30.
15 All functions of said state agencies shall be continued in an efficient manner, but
16 because of the uncertainties of the existing situation no public funds should be
17 expended or obligations incurred unless there shall be adequate revenues to meet the
18 expenditures therefor. For such reason the committee may make reductions of such
19 appropriations as in its judgment will secure sound financial operations of the
20 administration for said state agencies and at the same time interfere least with their
21 services and activities.

22 **SECTION 3.** 16.39 (4) (bm) of the statutes is created to read:

23 16.39 **(4)** (bm) A Wisconsin works group, as defined in s. 49.141 (1) (s), in which
24 one member is a participant under s. 49.147 (3) to (5).

25 **SECTION 4.** 16.75 (6) (bm) of the statutes is created to read:

1 16.75 (6) (bm) If the secretary determines that it is in the best interest of this
2 state to do so, he or she may waive any requirement under subs. (1) to (5) and ss.
3 16.705 and 16.72 (2) (e) and (f) and (5) with respect to any contract entered into by
4 the department of health and social services under s. 49.143, if the department of
5 health and social services presents the secretary with a process for the procurement
6 of contracts under s. 49.143 and the secretary approves the process.

7 **SECTION 5.** 16.75 (6) (bm) of the statutes, as created by 1995 Wisconsin Act ...
8 (this act), is amended to read:

9 16.75 (6) (bm) If the secretary determines that it is in the best interest of this
10 state to do so, he or she may waive any requirement under subs. (1) to (5) and ss.
11 16.705 and 16.72 (2) (e) and (f) and (5) with respect to any contract entered into by
12 the department of ~~health and social services~~ industry, labor and job development
13 under s. 49.143, if the department of ~~health and social services~~ industry, labor and
14 job development presents the secretary with a process for the procurement of
15 contracts under s. 49.143 and the secretary approves the process.

16 **SECTION 6.** 16.841 (1) of the statutes is renumbered 16.841 (1) (intro.) and
17 amended to read:

18 16.841 (1) (intro.) In this section, “agency”:

19 (a) “Agency” has the meaning given in s. 16.70 (1).

20 **SECTION 7.** 16.841 (1) (b) of the statutes is created to read:

21 16.841 (1) (b) “Child care provider” means a provider licensed under s. 48.65,
22 certified under s. 48.651 or established or contracted for under s. 120.13 (14).

23 **SECTION 8.** 16.841 (2) of the statutes is amended to read:

24 16.841 (2) The department shall contract with one or more child care providers,
25 ~~as defined in s. 46.98 (1) (am),~~ to supplement the cost of providing suitable space for

1 child care services to be offered to the children of employes of agencies whose work
2 stations are located in an area designated by the department comprising the central
3 portion of the city of Madison.

4 **SECTION 9.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
5 the following amounts for the purposes indicated:

6 **1995-96** **1996-97**

7 **20.435 Health and social services, department**
8 **of**

9 (4) ECONOMIC SUPPORT

10 (dz) Public assistance and local assis-

11 tance aids GPR B 207,750,600 -0-

12 **SECTION 10.** 20.435 (1) (b) of the statutes, as affected by 1995 Wisconsin Act 27,
13 section 808, is amended to read:

14 20.435 (1) (b) *Medical assistance program benefits.* Biennially, the amounts in
15 the schedule to provide the state share of medical assistance program benefits
16 administered under s. 49.45, to provide medical assistance program benefits
17 administered under s. 49.45 that are not also provided under par. (o), to provide
18 health care coverage under s. 49.153 and to fund the pilot project under s. 46.27 (9)
19 and (10). Notwithstanding s. 20.002 (1), the department may transfer from this
20 appropriation to the appropriation under sub. (3) (kb) funds in the amount of and for
21 the purposes specified in s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1),
22 the department may credit or deposit into this appropriation and may transfer
23 between fiscal years funds that it transfers from the appropriation under sub. (3) (kb)
24 for the purposes specified in s. 46.485 (3r).

SECTION 11

1 **SECTION 11.** 20.435 (1) (bm) of the statutes is amended to read:

2 20.435 (1) (bm) *Medical assistance administration.* Biennially, the amounts
3 in the schedule to provide the state share of administrative contract costs for the
4 medical assistance program under s. 49.45 and health care coverage under s. 49.153
5 and to reimburse insurers for their costs under s. 49.475. No state positions may be
6 funded in the department of health and social services from this appropriation,
7 except positions for the performance of duties under a contract in effect before
8 January 1, 1987, related to the administration of the medical assistance program
9 between the subunit of the department primarily responsible for administering the
10 medical assistance program and another subunit of the department.

11 **SECTION 12.** 20.435 (1) (o) of the statutes is amended to read:

12 20.435 (1) (o) *Federal aid; medical assistance.* All federal moneys received for
13 meeting costs of medical assistance administered under s. 49.45 and for meeting the
14 costs of health care coverage under s. 49.153.

15 **SECTION 13.** 20.435 (4) (a) of the statutes is amended to read:

16 20.435 (4) (a) *General program operations.* ~~The~~ Biennially, the amounts in the
17 schedule for general program operations relating to economic support, including
18 field services and administrative services.

19 **SECTION 14.** 20.435 (4) (cn) of the statutes is repealed.

20 **SECTION 15.** 20.435 (4) (d) of the statutes, as affected by 1995 Wisconsin Act 27,
21 section 848, is repealed.

22 **SECTION 16.** 20.435 (4) (dc) of the statutes is repealed.

23 **SECTION 17.** 20.435 (4) (de) of the statutes is repealed.

24 **SECTION 18.** 20.435 (4) (df) of the statutes, as affected by 1995 Wisconsin Act
25 27, section 853, is repealed.

1 **SECTION 19.** 20.435 (4) (dg) of the statutes is repealed.

2 **SECTION 20.** 20.435 (4) (dz) of the statutes is created to read:

3 20.435 (4) (dz) *Public assistance and local assistance aids.* Biennially, the
4 amounts in the schedule to be allocated under s. 49.181 for paying child care costs
5 of individuals who secure unsubsidized employment and lose eligibility for aid to
6 families with dependent children as provided under s. 49.50 (6g); for child care and
7 related transportation costs under s. 49.50 (7) (e); for child care costs under ss. 46.98
8 (2m) and (3), 49.193 (8) and 49.50 (6e) and, with the approval of the department, child
9 care costs under s. 49.50 (6k) (b); for county administered public assistance benefits
10 under s. 49.52; for payment distribution under s. 49.52 (1) for county administration
11 of public assistance benefits and medical assistance eligibility determination and
12 payments to American Indian tribes for administration of public assistance
13 programs; for the cost of foster care and treatment foster care provided by nonlegally
14 responsible relatives under state or county administered programs, if the relatives
15 are licensed to operate foster homes or treatment foster homes under s. 48.62; for
16 emergency assistance for families with needy children under s. 49.19 (11) (b); for
17 funeral expenses under 49.30; for the learnfare program under s. 49.50 (7) and for
18 case management services for learnfare pupils under s. 46.62; for the job
19 opportunities and basic skills program under s. 49.193; for the work experience and
20 job training program under s. 46.253; for the food stamp employment and training
21 project under s. 49.124; for aid to 18-year-old students under s. 49.20; for the
22 parental responsibility pilot program under s. 49.25; and for the work-not-welfare
23 pilot program under s. 49.27. Moneys appropriated under this paragraph may be
24 used to match federal funds received under par. (ps). Payments may be made from

1 this appropriation to counties for fraud investigation and error reduction under s.
2 49.197 (1m) and (4).

3 **SECTION 21.** 20.435 (4) (dz) of the statutes, as created by 1995 Wisconsin Act
4 (this act), is renumbered 20.445 (3) (dz) and amended to read:

5 20.445 (3) (dz) *Public assistance and local assistance aids.* Biennially, the
6 amounts in the schedule to be allocated under s. 49.181 for paying child care costs
7 of individuals who secure unsubsidized employment and lose eligibility for aid to
8 families with dependent children as provided under s. ~~49.50 (6g)~~ 49.191 (2); for child
9 care and related transportation costs under s. ~~49.50 (7) (e)~~ ss. 49.155, 49.157 and
10 49.26 (1) (e); for child care costs under ss. 46.98 (2m) and (3), 49.191 (1) and 49.193
11 (8) and 49.50 (6e) and, with the approval of the department, child care costs under
12 s. ~~49.50 (6k) (b)~~ 49.191 (3) (b); for county administered public assistance benefits
13 under s. ~~49.52 49.33~~; for payment distribution under s. ~~49.52 (1) 49.33~~ for county
14 administration of public assistance benefits and medical assistance eligibility
15 determination and payments to American Indian tribes for administration of public
16 assistance programs; for payments to Wisconsin works agencies for the Wisconsin
17 works program under ss. 49.147 to 49.151 and 49.155 to 49.161 and for Wisconsin
18 works health coverage eligibility determination under s. 49.153 (3); for the cost of
19 foster care and treatment foster care provided by nonlegally responsible relatives
20 under state or county administered programs, if the relatives are licensed to operate
21 foster homes or treatment foster homes under s. 48.62, or for the cost of kinship care
22 under s. 48.57 (3m), including assessments under s. 48.57 (3m) (a) 3. and background
23 investigations under s. 48.57 (3m) (a) 4.; for emergency assistance for families with
24 needy children under s. 49.19 (11) (b); for funeral expenses under 49.30; for the
25 learnfare program under s. ~~49.50 (7)~~ 49.26 (1) and for case management services for

1 learnfare pupils under s. ~~46.62~~ 49.26 (2); for the job opportunities and basic skills
2 program under s. 49.193; for the work experience and job training program under s.
3 ~~46.253~~ 49.36; for the food stamp employment and training project under s. 49.124;
4 ~~for aid to 18-year-old students under s. 49.20~~; for the parental responsibility pilot
5 program under s. 49.25; and for the work-not-welfare pilot program under s. 49.27.
6 Moneys appropriated under this paragraph may be used to match federal funds
7 received under par. (ps). Payments may be made from this appropriation to counties
8 and Wisconsin works agencies for fraud investigation and error reduction under s.
9 49.197 (1m) and (4).

10 **SECTION 22.** 20.445 (3) (jm) of the statutes is created to read:

11 20.445 (3) (jm) *Wisconsin works fees.* All moneys received from fees and other
12 payments under ss. 49.141 to 49.161 for the purposes of the Wisconsin works
13 program.

14 **SECTION 23.** 20.445 (3) (L) of the statutes, as affected by 1995 Wisconsin Act
15 27, section 878, is amended to read:

16 20.445 (3) (L) *Welfare fraud and error reduction; state operations.* From the
17 moneys received as the state's share of the recovery of overpayments and incorrect
18 payments under ss. 49.125 (2), 49.191 (3) (c), 49.195 and 49.497 (1), the amounts in
19 the schedule for the department's activities to reduce error and fraud in the food
20 stamp, aid to families with dependent children, Wisconsin works program and
21 medical assistance programs.

22 **SECTION 24.** 20.445 (3) (Lm) of the statutes, as affected by 1995 Wisconsin Act
23 27, section 880, is amended to read:

24 20.445 (3) (Lm) *Welfare fraud and error reduction; local assistance.* From the
25 moneys received as the state's share of the recovery of overpayments and incorrect

1 payments under ss. 49.125 (2), 49.191 (3) (c), 49.195 and 49.497 (1), all moneys not
2 appropriated under par. (L) for county and tribal activities to reduce error and fraud
3 in the food stamp, aid to families with dependent children, Wisconsin works program
4 and medical assistance program.

5 **SECTION 25.** 40.51 (8) of the statutes is amended to read:

6 40.51 (8) Every health care coverage plan offered by the state under sub. (6)
7 shall comply with ss. 631.89, 631.90, 631.93 (2), 632.72 (2), 632.745 (1) to (3) and (5),
8 632.747, 632.87 (3) to (5), 632.895 (5m) and (8) to (10) and 632.896.

9 **SECTION 26.** 40.51 (8m) of the statutes is created to read:

10 40.51 (8m) Every health care coverage plan offered by the group insurance
11 board under sub. (7) shall comply with ss. 632.745 (1) to (3) and (5) and 632.747.

12 **SECTION 27.** 46.03 (21) of the statutes is amended to read:

13 46.03 (21) DAY CARE STANDARDS. Promulgate rules establishing standards for
14 the certification of day care providers under s. 48.651. In establishing standards for
15 certification under s. 48.651 (1) (b), the department may not include a requirement
16 for training for child care providers certified under s. 48.651 (1) (b).

17 **SECTION 28.** 46.032 of the statutes is amended to read:

18 **46.032 Income maintenance administration.** County departments under
19 ss. 46.215, 46.22 and 46.23 shall annually enter into a contract with the department
20 detailing the reasonable cost of administering the income maintenance programs
21 under ss. 49.046, 49.19, 49.45 to 49.47 and 49.50 (7) and the food stamp program
22 under 7 USC 2011 to 2029 when so appointed by the department. Contracts created
23 under this section control the distribution of payments under s. 20.435 (4) (~~de~~) (dz)
24 and (nL) in accordance with the reimbursement method established under s. 49.52
25 (1) (ad). The department may reduce its payment to any county under s. 20.435 (4)

1 ~~(de)~~ (dz) and (nL) if federal reimbursement is withheld due to audits, quality control
2 samples or program reviews.

3 **SECTION 29.** 46.032 of the statutes, as affected by 1995 Wisconsin Acts 27,
4 section 2042, and (this act), is repealed and recreated to read:

5 **46.032 Income maintenance administration.** County departments under
6 ss. 46.215, 46.22 and 46.23 shall annually enter into a contract with the department
7 detailing the reasonable cost of administering the income maintenance programs
8 under ss. 49.19, 49.45 to 49.47 and 49.50 (7) and the food stamp program under
9 USC 2011 to 2029 when so appointed by the department. Contracts created under
10 this section control the distribution of payments under s. 20.435 (4) (dz) and (nL) in
11 accordance with the reimbursement method established under s. 49.52 (1) (ad). The
12 department may reduce its payment to any county under s. 20.435 (4) (dz) and (nL)
13 if federal reimbursement is withheld due to audits, quality control samples or
14 program reviews.

15 **SECTION 30.** 46.215 (1) (k) of the statutes is amended to read:

16 46.215 (1) (k) To certify eligibility for and issue food coupons to needy
17 households in conformity with the federal food stamp act of 1964 as amended, if the
18 county accepts a contract to do so, and, in addition, the county department of social
19 services may certify eligibility for and distribute surplus commodities and food
20 stuffs.

21 **SECTION 31.** 46.22 (1) (b) 2. a. of the statutes, as created by 1995 Wisconsin Act
22 27, is amended to read:

23 46.22 (1) (b) 2. a. To administer aid to families with dependent children under
24 s. 49.19. This subdivision paragraph does not apply beginning on the first day of the
25 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

1 **SECTION 32.** 46.22 (1) (b) 2. d. of the statutes, as created by 1995 Wisconsin Act
2 27, is amended to read:

3 46.22 (1) (b) 2. d. To certify eligibility for and issue food coupons to needy
4 households in conformity with 7 USC 2011 to 2029, if the county accepts a contract
5 to do so.

6 **SECTION 33.** 46.25 (6) of the statutes is amended to read:

7 46.25 (6) The department shall establish, pursuant to federal and state laws,
8 rules and regulations, a uniform system of fees for services provided under this
9 section to individuals not receiving aid under s. 49.19 or 49.47 or benefits under s.
10 49.148, 49.153 or 49.155 and to individuals receiving kinship care payments under
11 s. 48.57 (3m). The system of fees may take into account an individual's ability to pay.
12 Any fee paid and collected under this subsection may be retained by the county
13 providing the service except for the fee specified in 42 USC 653 (e) (2) for federal
14 parent locator services.

15 **SECTION 34.** 46.25 (7m) of the statutes, as affected by 1995 Wisconsin Act 27,
16 is amended to read:

17 46.25 (7m) The department may contract with or employ a collection agency
18 or other person to enforce a support obligation of a parent who is delinquent in
19 making support payments and may contract with or employ an attorney to appear
20 in an action in state or federal court to enforce such an obligation. To pay for the
21 department's administrative costs of implementing this subsection, the department
22 may charge a fee to counties, retain up to 50% of any incentive payment made to this
23 state under 42 USC 658 for a collection under this subsection, and retain 30% of this
24 state's share of a collection made under this subsection on behalf of a recipient of aid

1 to families with dependent children or a recipient of kinship care payments under
2 s. 48.57 (3m).

3 **SECTION 35.** 46.253 (2) of the statutes is amended to read:

4 46.253 (2) The department may contract with any county to administer a work
5 experience and job training program for parents who are not custodial parents and
6 who fail to pay child support or to meet their children's needs for support as a result
7 of unemployment or underemployment. The program may provide the kinds of work
8 experience and job training services available from the program under s. 49.193. The
9 department shall fund the program from the appropriation under s. 20.435 (4) ~~(df)~~
10 (dz).

11 **SECTION 36.** 46.258 (1) of the statutes, as affected by 1995 Wisconsin Act 27,
12 section 2158b, is amended to read:

13 46.258 (1) From the appropriation under s. 20.435 (3) (cb), the department
14 shall award grants to counties for programs to revise child support orders. Each
15 county receiving a grant shall review child support orders awarded to persons who
16 receive benefits under s. 48.57 (3m) or 49.148 or whose children receive benefits
17 under s. 49.19 and to persons who do not receive benefits under s. 48.57 (3m) or
18 49.148 and whose children do not receive benefits under s. 49.19 and shall initiate
19 actions to revise the orders based on that review. Each county receiving a grant shall
20 review child support orders awarded to persons who receive benefits under s. 48.57
21 (3m) or 49.148 or whose children receive benefits under s. 49.19 and child support
22 orders awarded to persons who do not receive benefits under s. 48.57 (3m) or 49.148
23 and whose children do not receive benefits under s. 49.19 in proportion to the number
24 of those 2 categories of orders in the county's child support case load. Before a county
25 may initiate an action to revise a child support order under this subsection for a

1 person who does not receive benefits under s. 48.57 (3m) or 49.148 and whose
2 children do not receive benefits under s. 49.19, the custodial parent of the children
3 must voluntarily consent to the revision.

4 **SECTION 37.** 46.258 (2) (a) 1. of the statutes is amended to read:

5 46.258 (2) (a) 1. Provides an incentive for a county to increase its child support
6 collections for persons who receive benefits under s. 48.57 (3m) or 49.148 or whose
7 children receive benefits under s. 49.19 as well as for persons who do not receive
8 benefits under s. 48.57 (3m) or 49.148 and whose children do not receive benefits
9 under s. 49.19.

10 **SECTION 38.** 46.40 (1) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
11 is amended to read:

12 46.40 (1) (a) Within the limits of available federal funds and of the
13 appropriations under s. 20.435 (7) (b) and (o), the department shall distribute funds
14 for community social, mental health, developmental disabilities and alcohol and
15 other drug abuse services and for services under ss. 46.51, 46.87, 46.98 (2m), (3) and
16 (4g), 46.985 and 51.421 to county departments under ss. 46.215, 46.22, 46.23, 51.42
17 and 51.437, and to county aging units and to private nonprofit organizations as
18 authorized under s. 46.98 (2) (a), as provided in subs. (2) to (8).

19 **SECTION 39.** 46.40 (4m) of the statutes, as created by 1995 Wisconsin Act 27,
20 is repealed.

21 **SECTION 40.** 46.45 (intro.) of the statutes is amended to read:

22 **46.45 Carry-over of community aids funds.** (intro.) Funds allocated by
23 the department under ss. 46.87 (3) (c) 4. and (4), ~~46.98 (2) (a)~~, 49.52 (1) (d) and 51.423
24 (2) but not spent or encumbered by counties, governing bodies of federally recognized
25 American Indian tribes or private nonprofit organizations by December 31 of each

1 year and funds recovered under ss. 49.52 (2) (b) and 51.423 (15) and deposited in the
2 appropriation under s. 20.435 (7) (b) lapse to the general fund on the succeeding
3 January 1 unless carried forward to the next calendar year under s. 20.435 (7) (b) or
4 as follows:

5 **SECTION 41.** 46.45 (1) of the statutes is repealed.

6 **SECTION 42.** 46.45 (6) of the statutes is amended to read:

7 46.45 (6) The department may carry forward 10% of any funds not carried
8 forward under ~~subs. (1) and sub.~~ (3) for emergencies, for justifiable unit services costs
9 above planned levels and to provide compensation for increased costs due to
10 population shifts.

11 **SECTION 43.** 46.495 (1) (am) of the statutes, as affected by 1995 Wisconsin Act
12 27, section 3132, is repealed and recreated to read:

13 46.495 (1) (am) The department shall reimburse each county from the
14 appropriations under s. 20.435 (7) (b) and (o) for social services as approved by the
15 department under ss. 46.215 (1), (2) (c) 1. and (3) and 46.22 (1) (b) 1. d. and (e) 3. a.
16 except that no reimbursement may be made for the administration of or aid granted
17 under s. 49.02.

18 **SECTION 44.** 46.62 (2) of the statutes is amended to read:

19 46.62 (2) From the appropriation under s. 20.435 (4) (~~dg~~) (dz), the department
20 shall allocate funds to county departments for the provision of case management
21 services to individuals who are required to attend school under s. 49.50 (7) (g) and
22 their families to improve the school attendance and achievement of those
23 individuals. At least 75% of the funds that the department allocates under this
24 subsection to provide case management services to individuals who are 13 to 19 years
25 of age shall be allocated to a county department of a county with a population of

1 500,000 or more. A county department is eligible to receive funds under this section
2 to provide case management services to individuals who are 13 to 19 years of age in
3 a year if 35 or more individuals, 13 to 19 years of age, residing in the county were
4 sanctioned under s. 49.50 (7) (h) or were subject to the monthly attendance
5 requirement under s. HSS 201.195 (4) (b) 2., Wis. adm. code, in any month during the
6 previous year.

7 **SECTION 45.** 46.979 (1) of the statutes is amended to read:

8 46.979 (1) In this section, “child care provider” ~~has the meaning given in s.~~
9 46.98 (1) (am) means a provider licensed under s. 48.65, certified under s. 48.651 or
10 established or contracted for under s. 120.13 (14).

11 **SECTION 46.** 46.979 (2) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
12 is amended to read:

13 46.979 (2) (a) From the appropriation under s. 20.435 (7) (o), ~~as allocated in s.~~
14 ~~46.40 (2m) (c),~~ distribute \$9,998,500 in fiscal year 1995-96 ~~and \$10,099,200 in fiscal~~
15 ~~year 1996-97~~ for child day care services under s. 46.98 (2m) and (3).

16 **SECTION 47.** 46.979 (2) (a) of the statutes, as affected by 1995 Wisconsin Acts
17 27 and (this act), is repealed.

18 **SECTION 48.** 46.979 (2) (c) (intro.) of the statutes, as affected by 1995 Wisconsin
19 Act 27, is amended to read:

20 46.979 (2) (c) (intro.) From the appropriation under s. 20.435 (3) (ky), distribute
21 as follows the federal child care and development block grant funds that are received
22 under 42 USC 9858 and that are not distributed under par. ~~(a)~~ or (b):

23 **SECTION 49.** 46.98 (1) (ar) of the statutes is created to read:

24 46.98 (1) (ar) “Department” means the department of industry, labor and job
25 development.

1 **SECTION 50.** 46.98 (1) (b) of the statutes is amended to read:

2 46.98 (1) (b) “Gainfully employed” means working, or seeking employment or
3 participating in a training or educational program designed to lead directly to paid
4 employment.

5 **SECTION 51.** 46.98 (1) (bd) and (bf) of the statutes are created to read:

6 46.98 (1) (bd) “Level I day care provider” means a day care provider certified
7 under s. 48.651 (1) (a).

8 (bf) “Level II day care provider” means a day care provider certified under s.
9 48.651 (1) (b).

10 **SECTION 52.** 46.98 (2) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
11 is amended to read:

12 46.98 (2) (a) The department shall distribute the funds allocated under s. 46.40
13 (1) ~~and (2m) (e)~~ for ~~at-risk, low-income and~~ respite child care services under ~~subs.~~
14 ~~(2m) and sub. (4g)~~ to private nonprofit child care providers that provide child care
15 for the children of migrant workers and to county departments under s. 46.215, 46.22
16 or 46.23. In addition, the department shall distribute the funds allocated under s.
17 46.40 (1), ~~(2m) (e) and (4m)~~ 49.181 (1) (b) for low-income and respite at-risk child
18 care services under sub. ~~subs. (2m) and~~ (3) to ~~private nonprofit child care providers~~
19 ~~who provide child care for the children of migrant workers~~ county departments
20 under s. 46.215, 46.22 or 46.23.

21 **SECTION 53.** 46.98 (2m) (a) of the statutes, as affected by 1995 Wisconsin Act
22 27, is amended to read:

23 46.98 (2m) (a) Except as provided in sub. (2) (c), funds distributed under sub.
24 (2) for at-risk child care may only be used for the purposes specified in this
25 paragraph. The funds shall be used to provide care for all or part of a day for children

1 under age 13 of persons who need child care to be able to work, who are not receiving
2 aid to families with dependent children and who are at risk of becoming eligible for
3 aid to families with dependent children if child care under this subsection is not
4 provided. No funds distributed under sub. (2) may be used to provide care for a child
5 by a person who resides with the child.

6 **SECTION 54.** 46.98 (3) (c) of the statutes is amended to read:

7 46.98 (3) (c) From the funds distributed under sub. (2) for low-income child
8 care, a county may provide day care services itself or it may purchase day care
9 services from a child care provider. In addition, from the funds distributed under
10 sub. (2) for low-income child care, each county shall, subject to the availability of
11 funds, provide day care by offering to each eligible parent a voucher for the payment
12 of day care services provided by a child care provider. Each county shall allocate all
13 or a portion of its day care funding for payment of vouchers. An eligible parent may
14 choose whether the care will be provided by a Level I day care provider or a Level II
15 day care provider or in a day care center, in the home of another person or, subject
16 to the county's approval, in the parent's home. A parent who uses vouchers for the
17 payment of day care services may supplement the maximum rate for day care
18 services set under sub. (4) (d), (dg) or (dm) or, if a higher rate for day care services
19 is set under sub. (4) (e), the rate set under sub. (4) (e), whichever is applicable.

20 **SECTION 55.** 46.98 (4) (a) 2. of the statutes is amended to read:

21 46.98 (4) (a) 2. A parent who is gainfully employed, who is in need of child care
22 services and whose family income is equal to or less than ~~75%~~ 165% of the state
23 median income. ~~The department shall annually determine the state median income~~
24 poverty line, as defined in s. 46.30 (1) (c).

25 **SECTION 56.** 46.98 (4) (b) of the statutes is amended to read:

1 46.98 (4) (b) Parents receiving aid under sub. (3) ~~whose family income is equal~~
2 ~~to or greater than 50% of the state median income~~ are liable for a percentage of the
3 cost of child care received, payable in accordance with a schedule developed by the
4 department based on ability to pay and the cost of the child care.

5 **SECTION 57.** 46.98 (4) (d) of the statutes is amended to read:

6 46.98 (4) (d) Each county shall annually set a maximum rate that it will pay
7 for licensed day care services provided to eligible parents, other than licensed day
8 care services for which a rate, if any, is established under par. (e). A county shall set
9 its maximum rate under this paragraph so that at least 75% of the number of places
10 for children within the licensed ~~or certified~~ capacity of all child care providers in that
11 county can be purchased at or below that maximum rate. The department shall
12 annually review each county's rate and shall approve it if the department finds that
13 the rate is set at a reasonable and customary level which does not preclude an eligible
14 parent from having a reasonable selection of child care providers. The department
15 shall promulgate by rule a procedure and criteria for approving county rates.

16 **SECTION 58.** 46.98 (4) (dg) and (dm) of the statutes are created to read:

17 46.98 (4) (dg) Each county shall set a maximum rate that it will pay for Level
18 I day care providers for services provided to eligible parents. The maximum rate set
19 under this paragraph may not exceed 75% of the rate established under par. (d).

20 (dm) Each county shall set a maximum rate that it will pay for Level II day care
21 providers for services provided to eligible parents. The maximum rate set under this
22 paragraph may not exceed 50% of the rate established under par. (d).

23 **SECTION 59.** 46.98 (4g) (b) of the statutes is amended to read:

24 46.98 (4g) (b) From the funds distributed under sub. (2) for respite child care,
25 a county may provide child care services itself or it may purchase child care services

1 from a child care provider. In addition, from the funds distributed under sub. (2) for
2 respite child care, each county shall, subject to the availability of funds, provide child
3 care by offering to each eligible parent a voucher for the payment of child care
4 services provided by a child care provider. Each county shall allocate all or a portion
5 of its child care funding for payment of vouchers. A parent who uses vouchers for the
6 payment of child care services may supplement the maximum rate for child care
7 services set under sub. (4) (d), (dg) or (dm) or, if a higher rate for child care services
8 is set under sub. (4) (e), the rate set under sub. (4) (e), whichever is applicable. The
9 county may choose the child care provider for a child whose child care is funded under
10 par. (a).

11 **SECTION 60.** 46.98 (6) of the statutes is created to read:

12 46.98 (6) SUNSET. This section does not apply beginning on the first day of the
13 6th month beginning after the date specified in the notice under s. 49.141 (2) (d).

14 **SECTION 61.** 46.986 (1) (b) of the statutes is amended to read:

15 46.986 (1) (b) “Child care provider” has the meaning given in s. 46.98 (1) ~~(am)~~
16 means a provider licensed under s. 48.65, certified under s. 48.651 or established or
17 contracted for under s. 120.13 (14).

18 **SECTION 62.** 46.986 (1) (m) of the statutes is amended to read:

19 46.986 (1) (m) “Parent” ~~has the meaning given in s. 46.98 (1) (e)~~ means a parent,
20 guardian, foster parent, treatment foster parent, legal custodian or a person acting
21 in the place of a parent.

22 **SECTION 63.** 46.987 (1) (a) of the statutes is amended to read:

23 46.987 (1) (a) “Child care provider” has the meaning given in s. 46.98 (1) ~~(am)~~
24 means a provider licensed under s. 48.65, certified under s. 48.651 or established or
25 contracted for under s. 120.13 (14).

1 **SECTION 64.** 46.987 (2) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
2 is amended to read:

3 46.987 (2) (a) From the allocation under s. 46.979 (2) (c) 4. the department may
4 award grants to child care providers that meet the quality of care standards
5 established under s. 46.98 (4) (e) or 49.155 (6) to improve the retention of skilled and
6 experienced child care staff. In awarding grants under this subsection, the
7 department shall consider the applying child care provider's total enrollment of
8 children and average enrollment of children who receive or are eligible for publicly
9 funded care from the child care provider.

10 **SECTION 65.** 46.995 (2) (c) of the statutes is amended to read:

11 46.995 (2) (c) Highest rate, by county population, of participation in the aid to
12 families with dependent children program under s. 49.19 or the Wisconsin works
13 program under s. 49.147 (3) to (5).

14 **SECTION 66.** 48.40 (1m) of the statutes is created to read:

15 48.40 (1m) "Kinship care relative" means a person receiving payments under
16 s. 48.57 (3m) (a) for providing care and maintenance for a child.

17 **SECTION 67.** 48.427 (3) (a) 5. of the statutes is amended to read:

18 48.427 (3) (a) 5. A relative with whom the child resides, if the relative has filed
19 a petition to adopt the child or if the relative is a kinship care relative.

20 **SECTION 68.** 48.428 (2) of the statutes is amended to read:

21 48.428 (2) When a court places a child in sustaining care after an order under
22 s. 48.427, the court shall transfer legal custody of the child to the county department
23 or a licensed child welfare agency, transfer guardianship of the child to an agency
24 listed in s. 48.427 (3) (a) 1. to 4. and place the child in the home of a licensed foster
25 parent ~~or~~, licensed treatment foster parent or kinship care relative with whom the

1 child has resided for 6 months or longer. Pursuant to such a placement, this licensed
2 foster parent ~~or~~, licensed treatment foster parent or kinship care relative shall be a
3 sustaining parent with the powers and duties specified in sub. (3).

4 **SECTION 69.** 48.428 (4) of the statutes is amended to read:

5 48.428 (4) Before a licensed foster parent ~~or~~, licensed treatment foster parent
6 or kinship care relative may be appointed as a sustaining parent, the foster parent
7 ~~or~~, treatment foster parent or kinship care relative shall execute a contract with the
8 agency responsible for providing services to the child, in which the foster parent ~~or~~,
9 treatment foster parent or kinship care relative agrees to provide care for the child
10 until the child's 18th birthday unless the placement order is changed by the court
11 because the court finds that the sustaining parents are no longer able or willing to
12 provide the sustaining care or the court finds that the behavior of the sustaining
13 parents toward the child would constitute grounds for the termination of parental
14 rights if the sustaining parent was the birth parent of the child.

15 **SECTION 70.** 48.57 (3m) of the statutes is created to read:

16 48.57 (3m) (a) Within the limits of the funding received from the appropriation
17 under s. 20.445 (3) (dz), a county department shall make payments, as determined
18 by the department under par. (e), to a nonlegally responsible relative, by
19 consanguinity or by direct affinity, of a dependent child, as defined in s. 49.19 (1) (a),
20 who is providing care and maintenance for the child if all of the following conditions
21 are met:

22 1. The relative applies to the county department for payments under this
23 subsection and the county department determines that there is a need for the child
24 to be placed with the relative and that the placement with the relative benefits the
25 child.

1 2. The county department determines that the child meets one or more of the
2 criteria specified in s. 48.13 (1) to (13) or 938.13 (4) to (14) or that the child would be
3 at risk of meeting one or more of those criteria if the child were to remain in his or
4 her home.

5 3. The county department determines, through an assessment, that the child
6 will be safe in the relative's home.

7 4. The county department conducts a background investigation under sub. (3p)
8 of the relative and any other adult resident of the relative's home to determine if the
9 relative or adult resident has any arrests or convictions that could adversely affect
10 the child or the relative's ability to care for the child.

11 5. The relative cooperates with the county department in the application
12 process, including applying for other forms of assistance for which the relative may
13 be eligible.

14 (b) 1. The county department shall refer to the attorney responsible for support
15 enforcement under s. 59.458 (1) the name of the parent or parents of a child for whom
16 a payment is made under par. (a).

17 2. When any relative of a child applies for or receives payments under this
18 subsection, any right of the child or the child's parent to support or maintenance from
19 any other person, including any right to unpaid amounts accrued at the time of
20 application and any right to amounts accruing during the time that payments are
21 made under this subsection, is assigned to the state. If a child who is the beneficiary
22 of a payment under this subsection is also the beneficiary of support under a
23 judgment or order that includes support for one or more children who are not the
24 beneficiaries of payments under this subsection, any support payment made under
25 the judgment or order is assigned to the state in the amount that is the proportionate

1 share of the child who is the beneficiary of the payment made under this subsection,
2 except as otherwise ordered by the court on the motion of a party.

3 (c) The county department shall require the parent or parents of a child for
4 whom a payment is made under par. (a) to initiate or continue health care insurance
5 coverage for the child.

6 (cm) A relative who receives a payment under par. (a) is not eligible to receive
7 a payment under s. 48.62 (4).

8 (d) A county department shall review a placement of a child for which the
9 county department makes payments under par. (a) not less than every 12 months
10 after the county department begins making those payments to determine whether
11 the conditions specified in par. (a) continue to exist. If those conditions do not
12 continue to exist, the county department shall discontinue making those payments.

13 (e) The department shall determine all of the following:

14 1. The amount and effective date of any payment under par. (a). In determining
15 the amount of a payment under par. (a), the department shall consider any income
16 of the child, other than earned income as defined in 26 USC 32 (c) (2).

17 2. Whether the child is eligible for medical assistance under ss. 49.43 to 49.47,
18 if no other health care insurance coverage is available to the child.

19 **SECTION 71.** 48.57 (3p) of the statutes is created to read:

20 48.57 (3p) (a) In this subsection, “adult resident” means a person 18 years of
21 age or over who lives at the home of a person who has applied for or is receiving
22 payments under sub. (3m) with the intent of making that home his or her home or
23 who lives for more than 30 days cumulative in any 6-month period at the home of
24 a person who has applied for or is receiving payments under sub. (3m).

1 (b) 1. After receipt of an application for payments under sub. (3m), the county
2 department, with the assistance of the department of justice, shall conduct a
3 background investigation of the applicant.

4 2. The county department, with the assistance of the department of justice,
5 may conduct a background investigation of any person who is receiving payments
6 under sub. (3m) at the time of review under sub. (3m) (d) or at any other time that
7 the county department considers to be appropriate.

8 (c) 1. After receipt of an application for payments under sub. (3m), the county
9 department, with the assistance of the department of justice, shall, in addition to the
10 investigation under par. (b), conduct a background investigation of each employe and
11 prospective employe of the applicant and of each adult resident.

12 2. The county department, with the assistance of the department of justice,
13 may conduct a background investigation of any employe, prospective employe or
14 adult resident of the home of any person who is receiving payments under sub. (3m)
15 at the time of review under sub. (3m) (d) or at any other time that the county
16 department considers to be appropriate.

17 3. Before a person that is receiving payments under sub. (3m) may employ any
18 person or permit any person to be an adult resident, the county department, with the
19 assistance of the department of justice, shall conduct a background investigation of
20 the prospective employe or prospective adult resident unless that person has already
21 been investigated under subd. 1. or 2.

22 (d) If the person being investigated under par. (b) or (c) is a nonresident, or at
23 any time within the 5 years preceding the date of the application has been a
24 nonresident, or if the county department determines that the person's employment,
25 licensing or state court records provide a reasonable basis for further investigation,

1 the county department shall require the person to be photographed and
2 fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's
3 fingerprints. The department of justice may provide for the submission of the
4 fingerprint cards to the federal bureau of investigation for the purposes of verifying
5 the identity of the person fingerprinted and obtaining records of his or her criminal
6 arrest and conviction.

7 (e) Upon request, a person being investigated under par. (b) or (c) shall provide
8 the county department with all of the following information:

9 1. The person's name.

10 2. The person's social security number.

11 3. Other identifying information, including the person's birthdate, gender, race
12 and any identifying physical characteristics.

13 4. Information regarding the conviction record of the person under the law of
14 this state or any other state or under federal law. This information shall be provided
15 on a notarized background verification form that the department shall provide by
16 rule.

17 (f) 1. The county department may not make payments under sub. (3m) unless
18 the county department receives information from the department of justice
19 indicating that the conviction record of the applicant under the law of this state is
20 satisfactory according to the criteria specified in par. (g) 1. to 3. The department may
21 make payments under sub. (3m) conditioned on the receipt of information from the
22 federal bureau of investigation indicating that the person's conviction record under
23 the law of any other state or under federal law is satisfactory according to the criteria
24 specified in par. (g) 1. to 3.

1 2. A person receiving payments under sub. (3m) may not employ a person or
2 permit a person to be an adult resident until the county department receives
3 information from the department of justice indicating that the person's conviction
4 record under the law of this state is satisfactory according to the criteria specified in
5 par. (g) 1. to 3. and the county department so advises the person receiving payments
6 under sub. (3m). A person receiving payments under sub. (3m) may employ a person
7 or permit a person to be an adult resident conditioned on the receipt of information
8 from the federal bureau of investigation indicating that the person's conviction
9 record under the law of any other state or under federal law is satisfactory according
10 to the criteria specified in par. (g) 1. to 3.

11 (g) Subject to par. (h), the county department may not make payments to a
12 person applying for payments under sub. (3m) and a person receiving payments
13 under sub. (3m) may not employ a person or permit a person to be an adult resident
14 if any of the following applies:

15 1. The applicant or other person has been convicted of a violation of ch. 161 that
16 is punishable as a felony or of a violation of the law of any other state or federal law
17 that would be a violation of ch. 161 that is punishable as a felony if committed in this
18 state.

19 2. The applicant or other person has had imposed on him or her a penalty
20 specified in s. 939.62, 939.621, 939.63, 939.64, 939.641 or 939.645 or has been
21 convicted of a violation of the law of any other state or federal law under
22 circumstances under which the applicant or other person would be subject to a
23 penalty specified in any of those sections if convicted in this state.

24 3. The applicant or other person has been convicted of a violation of ch. 940, 944
25 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70,

1 or of a violation of the law of any other state or federal law that would be a violation
2 of ch. 940, 944 or 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45,
3 948.63 or 948.70, if committed in this state, except that the county department may
4 make payments to a person applying for payments under sub. (3m) and a person
5 receiving payments under sub. (3m) may employ or permit to be an adult resident
6 a person who has been convicted of a violation of s. 944.30, 944.31 or 944.33 or of a
7 violation of the law of any other state or federal law that would be a violation of s.
8 944.30, 944.31 or 944.33 if committed in this state, if that violation occurred 20 years
9 or more before the date of the investigation.

10 (h) Notwithstanding par. (g), a person whose application to a county
11 department for payments under sub. (3m) has been denied on one of the grounds
12 specified in par. (g) 1. to 3. may petition the department for a review of that denial.
13 If the department determines that making those payments would be in the best
14 interests of a child, the department shall order that those payments be made. The
15 department shall promulgate rules to provide standards under which to review a
16 petition under this paragraph.

17 (i) The county department shall keep confidential all information received
18 under this subsection from the department of justice or the federal bureau of
19 investigation, except that the county department may disclose any information
20 obtained under this subsection to any other county department conducting an
21 investigation under this subsection. Such information is not subject to inspection or
22 copying under s. 19.35.

23 (j) The county department may charge a fee for conducting a background
24 investigation under this subsection. The fee may not exceed the reasonable cost of
25 conducting the investigation.

1 **SECTION 72.** 48.651 of the statutes is renumbered 48.651 (1) (intro.) and
2 amended to read:

3 48.651 (1) (intro.) Each county department shall certify, according to the
4 standards adopted by the department under s. 46.03 (21), each day care provider
5 ~~from whom it purchases services under s. 46.036 on or after January 1, 1985, and~~
6 ~~each day care provider that provides day care services to parents pursuant to a~~
7 ~~voucher provided under s. 46.98 (3) (c) on or after January 1, 1985~~ reimbursed for
8 child care services provided to families determined eligible under s. 46.98 (2r) and
9 (4), unless the provider is a day care center licensed under s. 48.65 or is established
10 or contracted for under s. 120.13 (14). Each county may charge a fee to cover the costs
11 of certification. The county shall certify the following categories of day care
12 providers:

13 **SECTION 73.** 48.651 (1) (intro.) of the statutes, as affected by 1995 Wisconsin
14 Act (this act), is amended to read:

15 48.651 (1) (intro.) Each county department shall certify, according to the
16 standards adopted by the department under s. 46.03 (21), each day care provider
17 reimbursed for child care services provided to families determined eligible under ss.
18 46.98 (2r) and (4) and 49.155 (1m), unless the provider is a day care center licensed
19 under s. 48.65 or is established or contracted for under s. 120.13 (14). Each county
20 may charge a fee to cover the costs of certification. The county shall certify the
21 following categories of day care providers:

22 **SECTION 74.** 48.651 (1) (a) and (b) of the statutes are created to read:

23 48.651 (1) (a) Level I day care providers, as established by the department
24 under s. 46.03 (21). No county may certify a provider under this paragraph if the
25 provider is a relative of all of the children for whom he or she provides care.

1 (b) Level II day care providers, as established by the department under s. 46.03
2 (21). In establishing the requirements for certification under this paragraph, the
3 department may not include a requirement for training for providers.

4 **SECTION 75.** 48.651 (2) of the statutes is created to read:

5 48.651 (2) (a) In this subsection, “adult resident” means a person 18 years of
6 age or over who lives at the home of a person who is a day care provider certified
7 under this section with the intent of making that home his or her home or who lives
8 for more than 30 days cumulative in any 6-month period at the home of a person who
9 is a day care provider certified under this section.

10 (b) 1. Before initially certifying a Level I day care provider under sub. (1) (a)
11 or a Level II day care provider under sub. (1) (b), the county department, with the
12 assistance of the department of justice, shall conduct a background investigation of
13 the certification applicant.

14 2. The county department, with the assistance of the department of justice,
15 shall conduct a background investigation of any person who, on the effective date of
16 this subdivision [revisor inserts date], is a day care provider certified under this
17 section or who, on the effective date of this subdivision [revisor inserts date], has
18 an application for certification pending, within 6 months after the effective date of
19 this subdivision [revisor inserts date], or on the person’s application for renewal,
20 whichever is earlier.

21 3. Subject to subd. 2., the county department may, at the time of renewal of the
22 certification of a day care provider certified under this section, or at any other time
23 that the county department considers to be appropriate, conduct, with the assistance
24 of the department of justice, a background investigation of that day care provider.

1 (c) 1. Before initially certifying a Level I day care provider under sub. (1) (a) or
2 a Level II day care provider under sub. (1) (b), the county department, with the
3 assistance of the department of justice, shall, in addition to the investigation under
4 par. (b), conduct a background investigation of each employe and prospective
5 employe of the certification applicant and of each adult resident.

6 2. The county department, with the assistance of the department of justice,
7 shall conduct a background investigation of each employe, prospective employe and
8 adult resident of a person who, on the effective date of this subdivision [revisor
9 inserts date], is certified under this section or who, on the effective date of this
10 subdivision [revisor inserts date], has an application for certification pending,
11 within 6 months after that date or on the person's application for renewal, whichever
12 is earlier.

13 3. Subject to subd. 2., the county department may, at the time of renewal of the
14 certification of a day care provider certified under this section or at any other time
15 that the county department considers to be appropriate, conduct, with the assistance
16 of the department of justice, a background investigation of any employe, prospective
17 employe or adult resident of the day care provider.

18 4. Before a day care provider that is certified under this section may employ
19 any person or permit any person to be an adult resident, the county department, with
20 the assistance of the department of justice, shall conduct a background investigation
21 of the prospective employe or prospective adult resident unless that person has
22 already been investigated under subd. 1., 2. or 3.

23 (d) If the person being investigated under par. (b) or (c) is a nonresident, or if
24 at any time within the 5 years preceding the date of the investigation that person has
25 been a nonresident, or if the county department determines that the person's

1 employment, certification or state court records provide a reasonable basis for
2 further investigation, the county department shall require the person to be
3 photographed and fingerprinted on 2 fingerprint cards, each bearing a complete set
4 of the person's fingerprints. The department of justice may provide for the
5 submission of the fingerprint cards to the federal bureau of investigation for the
6 purposes of verifying the identity of the person fingerprinted and obtaining records
7 of his or her criminal arrest and conviction.

8 (e) Upon request, a person being investigated under par. (b) or (c) shall provide
9 the county department with all of the following information:

10 1. The person's name.

11 2. The person's social security number.

12 3. Other identifying information, including the person's birthdate, gender, race
13 and any identifying physical characteristics.

14 4. Information regarding the conviction record of the person under the law of
15 this state or any other state or under federal law. This information shall be provided
16 on a notarized background verification form that the department shall provide by
17 rule promulgated under s. 48.67.

18 (f) 1. A county department may not certify a person as a day care provider under
19 this section until the county department receives information from the department
20 of justice indicating that the person's conviction record under the law of this state is
21 satisfactory according to the criteria specified in par. (g) 1. to 3. A county department
22 may certify a person as a day care provider under this section conditioned on the
23 receipt of information from the federal bureau of investigation indicating that the
24 person's conviction record under the law of any other state or under federal law is
25 satisfactory according to the criteria specified in par. (g) 1. to 3.

1 2. A day care provider that is certified under this section may not employ a
2 person or permit a person to be an adult resident until the county department
3 receives information from the department of justice indicating that the person's
4 conviction record under the law of this state is satisfactory according to the criteria
5 specified in par. (g) 1. to 3. and the county department so advises the day care
6 provider. A day care provider that is certified under this section may employ a person
7 or permit a person to be an adult resident conditioned on the receipt of information
8 from the federal bureau of investigation indicating that the person's conviction
9 record under the law of any other state or under federal law is satisfactory according
10 to the criteria specified in par. (g) 1. to 3.

11 (g) Subject to par. (h), a county department may not certify a person to be a day
12 care provider under this section and a day care provider certified under this section
13 may not employ a person or permit a person to be an adult resident if any of the
14 following applies:

15 1. The person has been convicted of a violation of ch. 161 that is punishable as
16 a felony or of a violation of the law of any other state or federal law that would be a
17 violation of ch. 161 that is punishable as a felony if committed in this state.

18 2. The person has had imposed on him or her a penalty specified in s. 939.62,
19 939.621, 939.63, 939.64, 939.641 or 939.645 or has been convicted of a violation of the
20 law of any other state or federal law under circumstances under which the person
21 would be subject to a penalty specified in any of those sections if convicted in this
22 state.

23 3. The person has been convicted of a violation of ch. 940, 944 or 948, other than
24 a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, or of a violation of
25 the law of any other state or federal law that would be a violation of ch. 940, 944 or

1 948, other than a violation of s. 940.291, 940.34, 944.36, 948.45, 948.63 or 948.70, if
2 committed in this state, except that the county department may certify a person to
3 be a day care provider under this section and a day care provider certified under this
4 section may employ or permit to be an adult resident a person who has been convicted
5 of a violation of s. 944.30, 944.31 or 944.33 or of a violation of the law of any other
6 state or federal law that would be a violation of s. 944.30, 944.31 or 944.33 if
7 committed in this state, if that violation occurred 20 years or more before the date
8 of the investigation.

9 (h) Notwithstanding par. (g), a person whose application for initial certification
10 or renewal of a certification under this section has been denied on one of the grounds
11 specified in par. (g) 1. to 3. may petition the department for a review of that denial.
12 If the department determines that issuing or renewing the certification would be in
13 the best interests of a child, the department shall order that the certification be
14 issued or renewed. The department shall promulgate rules to provide standards
15 under which to review a petition under this paragraph.

16 (i) A county department shall keep confidential all information received under
17 this subsection from the department of justice or the federal bureau of investigation,
18 except that the county department may disclose any information obtained under this
19 subsection to any other county department conducting an investigation under this
20 subsection. Such information is not subject to inspection or copying under s. 19.35.

21 (j) A county department may charge a fee for conducting a background
22 investigation under this subsection. The fee may not exceed the reasonable cost of
23 conducting the investigation.

24 **SECTION 76.** 48.981 (2) of the statutes, as affected by 1993 Wisconsin Act 443,
25 is amended to read:

1 48.981 (2) PERSONS REQUIRED TO REPORT. A physician, coroner, medical
2 examiner, nurse, dentist, chiropractor, optometrist, acupuncturist, other medical or
3 mental health professional, social worker, marriage and family therapist,
4 professional counselor, public assistance worker, including a financial and
5 employment planner, as defined in s. 49.141 (1) (d), school teacher, administrator or
6 counselor, mediator under s. 767.11, child care worker in a day care center or child
7 caring institution, day care provider, alcohol or other drug abuse counselor, member
8 of the treatment staff employed by or working under contract with a county
9 department under s. 46.23, 51.42 or 51.437, physical therapist, occupational
10 therapist, dietitian, speech-language pathologist, audiologist, emergency medical
11 technician or police or law enforcement officer having reasonable cause to suspect
12 that a child seen in the course of professional duties has been abused or neglected
13 or having reason to believe that a child seen in the course of professional duties has
14 been threatened with abuse or neglect and that abuse or neglect of the child will occur
15 shall, except as provided under sub. (2m), report as provided in sub. (3). Any other
16 person, including an attorney, having reason to suspect that a child has been abused
17 or neglected or reason to believe that a child has been threatened with abuse or
18 neglect and that abuse or neglect of the child will occur may make such a report. No
19 person making a report under this subsection may be discharged from employment
20 for so doing.

21 **SECTION 77.** 49.001 (9) of the statutes is created to read:

22 49.001 (9) "Wisconsin works agency" means a person under contract under s.
23 49.143 to administer Wisconsin works under ss. 49.141 to 49.161. If no contract is
24 awarded under s. 49.143, "Wisconsin works agency" means the department of
25 industry, labor and job development.

1 **SECTION 78.** 49.015 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
2 is amended to read:

3 49.015 (2) RECIPIENTS OF OTHER AID. Except as provided in sub. (3), an
4 individual is not eligible for relief for a month in which the individual has received
5 aid to families with dependent children under s. 49.19 or supplemental security
6 income under 42 USC 1381 to 1383c or has participated in a Wisconsin works
7 employment position under s. 49.147 (3) to (5) or in which aid to families with
8 dependent children or, supplemental security income benefits are or a Wisconsin
9 works employment position is immediately available to the individual.

10 **SECTION 79.** 49.124 (1m) of the statutes, as affected by 1995 Wisconsin Act 27,
11 is renumbered 49.124 (1m) (a) and amended to read:

12 49.124 (1m) (a) The department shall administer an employment and training
13 program for recipients under the food stamp program. The department may contract
14 with a Wisconsin works agency to administer the employment and training program
15 under this section. Except as provided in par. (b), and to the extent permitted by
16 federal law or waiver, the department may require able-bodied individuals who are
17 18 to 64 years of age who are eligible for a Wisconsin works employment position
18 under s. 49.147 (3) to (5) to participate in a Wisconsin works employment position,
19 in lieu of the program under this section, as a condition of receiving food stamp
20 benefits. Except as provided in par. (b), the department may require able-bodied
21 individuals who are 18 to 64 years of age who are not eligible for a Wisconsin works
22 employment position to participate in the employment and training program under
23 this section. To the extent permitted by federal law or waiver, the department may
24 distribute food stamp benefits on a pay-for-performance basis, as determined under
25 par. (c). The maximum number of hours an individual may be required to work may

1 not exceed the amount of food stamp benefits divided by the applicable federal
2 minimum wage, or 40 hours per week, whichever is less.

3 **SECTION 80.** 49.124 (1m) (b) of the statutes is created to read:

4 49.124 **(1m)** (b) The department may not require an individual who is a
5 recipient under the food stamp program and who is the caretaker of a child who is
6 under the age of 12 weeks to participate in any employment and training program
7 under par. (a).

8 **SECTION 81.** 49.124 (1m) (c) of the statutes is created to read:

9 49.124 **(1m)** (c) The amount of food stamp benefits paid to the recipient in a
10 subsequent month shall be determined as follows:

11 1. The department shall add the recipient's total number of hours of actual
12 participation in the month to the total number of hours in a month for which the
13 recipient had good cause, as defined by the department by rule, for not participating
14 in required activities.

15 2. The department shall subtract the total number of hours determined under
16 subd. 1. from the recipient's total number of hours of required participation in that
17 month.

18 3. The department shall multiply the number of hours determined under subd.
19 2. by the federal minimum hourly wage under 29 USC 206 (a) (1).

20 4. The department shall subtract the dollar amount determined under subd.
21 3. from the amount of food stamp benefits that the recipient's family would have
22 received if he or she had participated for the total number of assigned hours.

23 **SECTION 82.** 49.124 (3) of the statutes, as affected by 1995 Wisconsin Act 27,
24 sections 2792 and 3141, is repealed and recreated to read:

1 49.124 (3) DEDUCTIONS FROM INCOME MAINTENANCE PAYMENTS. The department
2 shall withhold the value of food stamp losses for which a county, Wisconsin works
3 agency or federally recognized American Indian tribe is liable under sub. (2) from the
4 payment to the county, Wisconsin works agency or tribe under s. 20.445 (3) (dz) and
5 (nL) and reimburse the federal government from the funds withheld.

6 **SECTION 83.** 49.125 (1) of the statutes, as affected by 1995 Wisconsin Act 27,
7 is amended to read:

8 49.125 (1) The department, or a county ~~or~~ an elected governing body of a
9 federally recognized American Indian tribe or band or a Wisconsin works agency
10 acting on behalf of the department, may recover overpayments that arise from an
11 overissuance of food coupons under the food stamp program administered under s.
12 46.215 (1) (k) or 46.22 (1) (b) 2. d. Recovery shall be made in accordance with 7 USC
13 2022.

14 **SECTION 84.** 49.141 of the statutes is created to read:

15 **49.141 Wisconsin works; general provisions.** (1) DEFINITIONS. As used in
16 ss. 49.141 to 49.161:

17 (a) “Community service job” means a work component of Wisconsin works
18 administered under s. 49.147 (4).

19 (b) “Custodial parent” means, with respect to a dependent child, a parent who
20 resides with that child and, if there has been a determination of legal custody with
21 respect to the dependent child, has legal custody of that child. For the purposes of
22 this paragraph, “legal custody” has the meaning given in s. 767.001 (2) (a).

23 (c) “Dependent child” means a person who resides with a parent and who is
24 under the age of 18 or, if the person is a full-time student at a secondary school or

1 a vocational or technical equivalent and is reasonably expected to complete the
2 program before attaining the age of 19, is under the age of 19.

3 (d) "Financial and employment planner" means a caseworker employed by a
4 Wisconsin works agency who provides financial or employment counseling services
5 to a participant.

6 (e) "Job access loan" means a loan administered under s. 49.147 (6).

7 (f) "Migrant worker" has the meaning given in s. 103.90 (5).

8 (g) "Minimum wage" means the state minimum hourly wage under ch. 104 or
9 the federal minimum hourly wage under 29 USC 206 (a) (1), whichever is applicable.

10 (h) "Noncustodial parent" means, with respect to a dependent child, a parent
11 who is not the custodial parent.

12 (i) "Nonmarital coparent" means, with respect to an individual and a
13 dependent child, a parent who is not married to the individual, resides with the
14 dependent child and is either an adjudicated parent or a parent who has signed and
15 filed with the state registrar under s. 69.15 (3) (b) 3. a statement acknowledging
16 paternity.

17 (j) "Parent" means either a biological parent, a person who has consented to the
18 artificial insemination of his wife under s. 891.40, or a parent by adoption.

19 (k) "Participant" means an individual who participates in any component of the
20 Wisconsin works program.

21 (L) "Strike" has the meaning provided in 29 USC 142 (2).

22 (m) "Transitional placement" means a work component of Wisconsin works
23 administered under s. 49.147 (5).

24 (n) "Trial job" means a work component of Wisconsin works administered under
25 s. 49.147 (3).

1 (p) "Wisconsin works" means the assistance program for families with
2 dependent children, administered under ss. 49.141 to 49.161.

3 (r) "Wisconsin works employment position" means any job or placement under
4 s. 49.147 (3) to (5).

5 (s) "Wisconsin works group" means an individual who is a custodial parent, all
6 dependent children with respect to whom the individual is a custodial parent and all
7 dependent children with respect to whom the individual's dependent child is a
8 custodial parent. "Wisconsin works group" includes any nonmarital coparent or any
9 spouse of the individual who resides in the same household as the individual and any
10 dependent children with respect to whom the spouse or nonmarital coparent is a
11 custodial parent. "Wisconsin works group" does not include any person who is
12 receiving benefits under s. 49.027 (3) (b).

13 **(2) WAIVERS; LEGISLATION.** (a) If necessary, the department shall request a
14 waiver from the secretaries of the federal department of health and human services,
15 the federal department of agriculture and the federal social security administration
16 or shall seek the passage of federal legislation to permit the department to conduct
17 the Wisconsin works program in lieu of the aid to families with dependent children
18 program under s. 49.19, the job opportunities and basic skills program under s.
19 49.193, the parental responsibility pilot program under s. 49.25 and the
20 work-not-welfare program under s. 49.27 and as part of the food stamp program
21 under 7 USC 2011 to 2029 and the medical assistance program under 42 USC 1396
22 to 1396u.

23 (b) If a waiver is granted and in effect or legislation is enacted, and if the
24 department determines that sufficient funds are available, the department may
25 begin to implement the Wisconsin works program no sooner than July 1, 1996, for

1 selected counties or groups determined by the department and shall implement the
2 Wisconsin works program statewide for all groups no later than September 1, 1997.
3 If a waiver is not granted and in effect or federal legislation is not enacted before
4 March 30, 1997, the department shall implement the Wisconsin works program
5 statewide for all groups no later than 3 months after the necessary waiver has been
6 granted or federal legislation has been enacted.

7 (d) Before implementing the Wisconsin works program, the department shall
8 publish a notice in the Wisconsin Administrative Register that states the date on
9 which the department will begin to implement the Wisconsin works program
10 statewide.

11 (3) APPLICATIONS. Any individual may apply for any component of Wisconsin
12 works. Application for each component of Wisconsin works shall be made on a form
13 prescribed by the department. The individual shall submit a completed application
14 form to a Wisconsin works agency in the geographical area specified by the
15 department under s. 49.143 (6) in which the individual lives and in the manner
16 prescribed by the department.

17 (4) NONENTITLEMENT. Notwithstanding fulfillment of the eligibility
18 requirements for any component of Wisconsin works, an individual is not entitled to
19 services or benefits under Wisconsin works.

20 (5) NONSUPPLANT. No Wisconsin works employment position may be operated
21 so as to do any of the following:

22 (a) Have the effect of filling a vacancy created by an employer terminating a
23 regular employe or otherwise reducing its work force for the purpose of hiring an
24 individual under s. 49.147 (3), (4) or (5).

1 (b) Fill a position when any other person is on layoff or strike from the same
2 or a substantially equivalent job within the same organizational unit.

3 (c) Fill a position when any other person is engaged in a labor dispute regarding
4 the same or a substantially equivalent job within the same organizational unit.

5 **SECTION 85.** 49.143 of the statutes is created to read:

6 **49.143 Wisconsin works; agency contracts. (1) AWARDING CONTRACTS.** (a)
7 Except as provided in par. (am), the department may contract with any person to
8 administer Wisconsin works in a geographical area determined by the department
9 under sub. (6). The department may award a contract under this section on the basis
10 of a competitive process approved by the secretary of administration, or, if the
11 secretary of administration determines that it is in the best interest of the state to
12 do so, on the basis of a noncompetitive process.

13 (am) The department may contract with a county department under s. 46.215,
14 46.22 or 46.23 or with a tribal governing body to administer Wisconsin works in that
15 county or on that tax-free land if the county department or tribal governing body has
16 met the aid to families with dependent children caseload performance standards
17 established by the department and has submitted an acceptable proposal.

18 (b) If no acceptable provider in a geographical area is selected under par. (a) or
19 (am), the department may administer Wisconsin works directly in that geographical
20 area, or, for a period of up to 12 months succeeding the statewide implementation of
21 Wisconsin works, may require the county or counties that comprise that
22 geographical area to administer Wisconsin works. A county that is required under
23 this paragraph to administer Wisconsin works may contract with any person without
24 competitive bidding or competitive sealed proposals to administer Wisconsin works.

1 **(2) CONTRACT REQUIREMENTS.** Each contract under sub. (1) shall contain
2 performance-based incentives established by the department. The contract shall
3 require a Wisconsin works agency to do all of the following:

4 (a) Establish a community steering committee. The Wisconsin works agency
5 shall recommend the members of the committee to the chief executive officer of each
6 county served by the Wisconsin works agency. The chief executive officer of each
7 county shall appoint the members of the committee. The number of members that
8 each chief executive officer appoints to the committee shall be in proportion to the
9 population of that officer's county relative to the population of each other county
10 served by the Wisconsin works agency, except that the chief executive officer of a
11 county that is not a Wisconsin works agency shall appoint the director of the county
12 department under s. 46.215, 46.22 or 46.23, or his or her designee, and one other
13 representative of the county department under s. 46.215, 46.22 or 46.23. The
14 committee shall consist of at least 12 members, but not more than 15 members. The
15 members of the committee shall appoint a chairperson who shall be a person who
16 represents business interests. The committee shall do all of the following:

17 1. Advise the Wisconsin works agency concerning employment and training
18 activities.

19 2. Identify and encourage employers to provide permanent jobs for persons who
20 are eligible for trial jobs or community service jobs.

21 3. Create, and encourage others to create, subsidized jobs for persons who are
22 eligible for trial jobs or community service jobs.

23 4. Create, and encourage others to create, on-the-job training sites for persons
24 who are eligible for trial jobs or community service jobs.

1 5. Foster and guide the entrepreneurial efforts of participants who are eligible
2 for trial jobs or community service jobs.

3 6. Provide mentors, both from its membership and from recruitment of
4 members of the community, to provide job-related guidance, including assistance in
5 resolving job-related issues and the provision of job leads or references, to persons
6 who are eligible for trial jobs or community service jobs.

7 7. Coordinate with the governor’s council on workforce excellence under s.
8 106.115 to ensure compatibility of purpose and no duplication of effort.

9 8. Work with participants, employers, child care providers and the community
10 to identify child care needs, improve access to child care and expand availability of
11 child care.

12 (b) Establish a children’s services network. The children’s services network
13 shall provide information about community resources available to the dependent
14 children in a Wisconsin works group, including charitable food and clothing centers;
15 subsidized and low-income housing; transportation subsidies; the state
16 supplemental food program for women, infants and children under s. 253.06; and
17 child care programs.

18 (c) Employ at least one financial and employment planner. The financial and
19 employment planner shall work with a participant to facilitate the participant’s
20 achievement of the maximum degree of self-sufficiency. The department shall
21 ensure that a financial and employment planner employed by a Wisconsin works
22 agency meets certification and training requirements established by the department
23 by rule and that appropriate training is provided by a Wisconsin works agency.

1 (cg) Employ staff, if necessary, to meet the needs of participants who are
2 refugees and who have cultural or linguistic barriers to participation in Wisconsin
3 works.

4 (cm) If a significant proportion of the population served by the Wisconsin works
5 agency is comprised of a refugee group, employ staff that is proficient in the language
6 of the refugee group to aid the financial and employment planner in locating
7 appropriate employment opportunities that do not require English proficiency for
8 participants who are members of that refugee group.

9 (d) If the Wisconsin works agency is not a county department under s. 46.215,
10 46.22 or 46.23 or tribal governing body, cooperate with the county department or
11 tribal governing body to ensure that services delivered under Wisconsin works, the
12 food stamp program and medical assistance are coordinated with the county or tribal
13 governing body in a manner that most effectively serves the recipients of those
14 services.

15 (e) Certify eligibility for and issue food coupons in conformity with 7 USC 2011
16 to 2029. If the Wisconsin works agency is not a county department under s. 46.215,
17 46.22 or 46.23 or tribal governing body, the agency shall certify eligibility for and
18 issue food coupons only if the county department or tribal governing body has elected
19 not to certify eligibility for and issue food coupons.

20 (em) Determine eligibility for child care assistance under s. 49.155 and refer
21 eligible families to county departments under s. 46.215, 46.22 or 46.23 for child care
22 services.

23 (f) Perform any other tasks specified by the department in the contract that the
24 department determines are necessary for the administration of Wisconsin works.

1 **(3) PERFORMANCE STANDARDS.** The department shall establish performance
2 standards for the administration of Wisconsin works. If a Wisconsin works agency
3 does not meet the standards established under this subsection, the department may
4 withhold any or all payment from the Wisconsin works agency.

5 **(4) AUDITS.** The department may require a Wisconsin works agency to submit
6 to an independent annual audit paid for by the Wisconsin works agency.

7 **(5) REQUESTS FOR INFORMATION.** (a) In accordance with rules promulgated by
8 the department, a Wisconsin works agency may request from any person any
9 information that it determines appropriate and necessary for the administration of
10 Wisconsin works. Any person in this state shall provide this information within 7
11 days after receiving a request under this paragraph. The Wisconsin works agency
12 may disclose information obtained under this paragraph only in the administration
13 of Wisconsin works.

14 (b) The department may request from any Wisconsin works agency any
15 information that the department determines appropriate and necessary for the
16 overall administration of Wisconsin works. A Wisconsin works agency shall provide
17 the department with the requested information in the manner prescribed by the
18 department by rule.

19 (c) The department may inspect at any time any Wisconsin works agency's
20 records as the department determines is appropriate and necessary for the overall
21 administration of Wisconsin works.

22 **(6) GEOGRAPHICAL AREAS.** The department shall determine the geographical
23 area for which a Wisconsin works agency will administer Wisconsin works. Except
24 on tax-free lands and in counties with a population of 500,000 or more, no
25 geographical area may be smaller than one county. A geographical area may include

1 more than one county. The department need not establish the geographical areas by
2 rule.

3 **SECTION 86.** 49.145 of the statutes is created to read:

4 **49.145 Wisconsin works; eligibility for employment positions. (1)**

5 GENERAL ELIGIBILITY. In order to be eligible for Wisconsin works employment
6 positions and job access loans for any month, an individual shall meet the eligibility
7 requirements under subs. (2) and (3). The department may promulgate rules
8 establishing additional eligibility criteria and specifying how eligibility criteria are
9 to be administered. The department may promulgate rules establishing payment
10 and reporting periods as needed to administer this subsection.

11 **(2) NONFINANCIAL ELIGIBILITY REQUIREMENTS.** An individual is eligible for a
12 Wisconsin works employment position and a job access loan in a month only if all of
13 the following nonfinancial eligibility requirements are met:

14 (a) The individual is a custodial parent.

15 (b) The individual has attained the age of 18.

16 (c) The individual is a U.S. citizen or a qualifying alien, as defined by the
17 department by rule.

18 (d) The individual has resided in this state for at least 60 consecutive days prior
19 to applying under s. 49.141 (3) and, unless the person is a migrant worker, has
20 demonstrated an intent to continue to reside in this state.

21 (f) The individual fully cooperates in efforts directed at establishing the
22 paternity of the dependent child and obtaining support payments or any other
23 payments or property to which that individual and the dependent child may have
24 rights. Such cooperation shall be in accordance with federal law and regulations and

1 rules promulgated by the department applicable to paternity establishment and
2 collection of support payments.

3 (g) The individual furnishes the Wisconsin works agency with any relevant
4 information that the Wisconsin works agency determines is necessary, consistent
5 with rules promulgated by the department, within 7 working days after receiving a
6 request for the information from the Wisconsin works agency.

7 (h) The individual has made a good faith effort, as determined by the Wisconsin
8 works agency on a case-by-case basis, to obtain employment and has not refused any
9 bona fide offer of employment within the 180 days immediately preceding
10 application.

11 (hm) If the individual has applied for Wisconsin works within the 180 days
12 immediately preceding the current application, the individual has cooperated with
13 the efforts of a Wisconsin works agency to assist the individual in obtaining
14 employment.

15 (i) The individual is not receiving supplemental security income under 42 USC
16 1381 to 1383c or state supplemental payments under s. 49.77.

17 (j) On the last day of the month, the individual is not participating in a strike.

18 (k) The individual applies for or provides a social security account number as
19 required by the department.

20 (L) The individual satisfies other eligibility criteria established by the
21 department.

22 (m) The individual reports any change in circumstances that may affect his or
23 her eligibility to the Wisconsin works agency within 10 days after the change.

24 (n) Beginning on the date on which the individual has attained the age of 18,
25 the total number of months in which the individual has actively participated in the

1 job opportunities and basic skills program under s. 49.193 or has participated in a
2 Wisconsin works employment position or both does not exceed 60 months. The
3 months need not be consecutive. Participation in the job opportunities and basic
4 skills program under s. 49.193 counts toward the 60-month limit beginning on the
5 effective date of this paragraph [revisor inserts date]. A Wisconsin works agency
6 may waive the requirements under this paragraph if the Wisconsin works agency
7 determines, in accordance with rules promulgated by the department, that unusual
8 circumstances exist that warrant an extension of the participation period.

9 (q) No other individual in the Wisconsin works group is a participant in a
10 Wisconsin works employment position. This paragraph does not apply to an
11 individual applying for a job access loan.

12 **(3) FINANCIAL ELIGIBILITY REQUIREMENTS.** An individual is eligible for a
13 Wisconsin works employment position and a job access loan only if all of the following
14 financial eligibility requirements are met:

15 (a) *Resource limitations.* The individual is a member of a Wisconsin works
16 group whose assets do not exceed \$2,500 in combined equity value. In determining
17 the combined equity value of assets, the Wisconsin works agency shall exclude the
18 equity value of vehicles up to a total equity value of \$10,000, and one home that
19 serves as the homestead for the Wisconsin works group.

20 (b) *Income limitations.* The individual is a member of a Wisconsin works group
21 whose gross income is at or below 115% of the poverty line. In calculating gross
22 income under this paragraph, the Wisconsin works agency shall include all of the
23 following:

24 1. All earned and unearned income of the individual, except any amount
25 received under section 32 of the internal revenue code, as defined in s. 71.01 (6), any

1 amount received under s. 71.07 (9e), any payment made by an employer under
2 section 3507 of the internal revenue code, as defined in s. 71.01 (6), and any
3 assistance received under s. 49.148.

4 2. Child support payments received on behalf of a child who is a member of the
5 Wisconsin works group.

6 3. The income of a nonmarital coparent or of the individual's spouse, if the
7 spouse resides in the same home as the dependent child.

8 (4) REVIEW OF ELIGIBILITY. A Wisconsin works agency shall periodically review
9 an individual's eligibility. The individual remains eligible under sub. (3) until the
10 Wisconsin works group's assets exceed the asset limits for at least 2 months or until
11 the income of the Wisconsin works group is expected to exceed the income limits for
12 at least 2 consecutive months.

13 **SECTION 87.** 49.146 of the statutes is created to read:

14 **49.146 Employer criteria.** The department shall establish by rule criteria
15 that an employer providing a Wisconsin works employment position must meet in
16 order to employ a participant under s. 49.147 (3) to (5). An employer that does not
17 meet the criteria established under this section is ineligible to receive any subsidy
18 for any position provided to a participant.

19 **SECTION 88.** 49.147 of the statutes is created to read:

20 **49.147 Wisconsin works; work programs and job access loans.** (1)
21 GENERAL PROVISIONS. (a) *Definition.* In this section, "unsubsidized employment"
22 means employment for which the Wisconsin works agency provides no wage subsidy
23 to the employer including self-employment and entrepreneurial activities.

24 (b) *Required hours.* The Wisconsin works agency shall determine the
25 maximum number of hours a participant may be required to work in a community

1 service job or transitional placement in accordance with criteria established by the
2 department by rule, not to exceed 40 hours per week.

3 **(2) UNSUBSIDIZED EMPLOYMENT.** (a) *Job search, orientation and training*
4 *activities.* 1. An individual who applies for a Wisconsin works employment position
5 may be required by the Wisconsin works agency to search for unsubsidized
6 employment during the period that his or her application is being processed as a
7 condition of eligibility. A participant in a Wisconsin works employment position shall
8 search for unsubsidized employment throughout his or her participation. The
9 department shall define by rule satisfactory search efforts for unsubsidized
10 employment.

11 2. A Wisconsin works agency may require an applicant for a Wisconsin works
12 employment position to participate in job orientation during the period that his or
13 her application is being processed as a condition of eligibility. A Wisconsin works
14 agency may require a participant in a Wisconsin works employment position to
15 engage in training activities in accordance with rules promulgated by the
16 department as part of the participant's participation requirements.

17 (b) *Job search assistance.* A Wisconsin works agency shall assist a participant
18 in his or her search for unsubsidized employment. In determining an appropriate
19 placement for a participant, a Wisconsin works agency shall give priority to
20 placement in unsubsidized employment over placements under subs. (3) to (5).

21 **(3) TRIAL JOBS.** (a) *Administration.* A Wisconsin works agency shall administer
22 a trial job program as part of its administration of the Wisconsin works program to
23 improve the employability of individuals who are not otherwise able to obtain
24 unsubsidized employment, as determined by the Wisconsin works agency, by
25 providing work experience and training to assist them to move promptly into

1 unsubsidized employment. In determining an appropriate placement for a
2 participant, a Wisconsin works agency shall give priority to placement under this
3 subsection over placements under subs. (4) and (5). The Wisconsin works agency
4 shall pay a wage subsidy to an employer that employs a participant under this
5 subsection and agrees to make a good faith effort to retain the participant as a
6 permanent unsubsidized employe after the wage subsidy is terminated. The
7 department shall promulgate rules establishing standards which must be met in
8 order for an employer to demonstrate a good faith effort to retain the participant as
9 a permanent employe. The wage subsidy may not exceed \$300 per month for
10 full-time employment of a participant. For less than full-time employment of a
11 participant during a month, the wage subsidy may not exceed a dollar amount
12 determined by multiplying \$300 by a fraction, the numerator of which is the number
13 of hours worked by the participant in the month and the denominator of which is the
14 number of hours which would be required for full-time employment in that month.

15 (am) *Education or training activities.* A trial job includes education and
16 training activities, as prescribed by the employer as an integral part of work
17 performed in the trial job employment.

18 (b) *Worker's compensation.* The employer shall provide the participant with
19 worker's compensation coverage.

20 (c) *Time-limited participation.* A participant under this subsection may
21 participate in a trial job for a maximum of 3 months, with an opportunity for a
22 3-month extension under circumstances determined by the Wisconsin works agency.
23 A participant may participate in more than one trial job, but may not exceed a total
24 of 24 months of participation under this subsection. The months need not be
25 consecutive. The department or, with the approval of the department, the Wisconsin

1 works agency may grant an extension of the 24-month limit on a case-by-case basis
2 if the participant has made all appropriate efforts to find unsubsidized employment
3 and has been unable to find unsubsidized employment because local labor market
4 conditions preclude a reasonable job opportunity for that participant, as determined
5 by a Wisconsin works agency and approved by the department.

6 (4) COMMUNITY SERVICE JOB. (a) *Administration.* A Wisconsin works agency
7 shall administer a community service job program as part of its administration of
8 Wisconsin works to improve the employability of individuals who are not otherwise
9 able to obtain employment, as determined by the Wisconsin works agency, by
10 providing work experience and training to assist them to move promptly into
11 unsubsidized public or private employment or a trial job. In determining an
12 appropriate placement for a participant, a Wisconsin works agency shall give
13 placement under this subsection priority over placements under sub. (5).
14 Community service jobs shall be limited to projects that the department determines
15 would serve a useful public purpose or projects the cost of which is partially or wholly
16 offset by revenue generated from such projects. After each 6 months of an
17 individual's participation under this subsection and at the conclusion of each
18 assignment under this subsection, a Wisconsin works agency shall reassess the
19 individual's employability.

20 (am) *Education or training activities.* A community service job includes
21 education and training activities, if the education or training is related to the
22 community service job placement and if the education or training is expected to
23 result in unsubsidized employment.

24 (b) *Time-limited participation.* An individual may participate in a community
25 service job for a maximum of 6 months, with an opportunity for a 3-month extension

1 under circumstances approved by the department. An individual may participate
2 in more than one community service job, but may not exceed a total of 24 months of
3 participation under this subsection. The months need not be consecutive. The
4 department or, with the approval of the department, the Wisconsin works agency
5 may grant an extension to the 24-month limit on a case-by-case basis if the
6 Wisconsin works agency determines that the individual has made all appropriate
7 efforts to find unsubsidized employment and has been unable to find unsubsidized
8 employment because local labor market conditions preclude a reasonable
9 employment opportunity in unsubsidized employment for that participant, as
10 determined by a Wisconsin works agency and approved by the department, and if the
11 Wisconsin works agency determines, and the department agrees, that no trial job
12 opportunities are available in the specified local labor market.

13 (c) *Worker's compensation.* A participant under this subsection is an employee
14 of the Wisconsin works agency for purposes of worker's compensation coverage,
15 except to the extent that the person for whom the participant is performing work
16 agrees to provide worker's compensation coverage.

17 (5) TRANSITIONAL PLACEMENT. (a) *Additional eligibility criteria.* An individual
18 is eligible to participate in a transitional placement under this subsection if, in
19 addition to meeting the eligibility requirements under s. 49.145, any of the following
20 conditions is met with respect to the individual:

21 1. The Wisconsin works agency determines, on the basis of an independent
22 assessment by the division of vocational rehabilitation or similar agency or business,
23 that the individual has been incapacitated, or will be incapacitated, for a period of
24 at least 60 days.

1 2. The Wisconsin works agency determines that the individual is needed in the
2 home because of the illness or incapacity of another member of the Wisconsin works
3 group.

4 3. The Wisconsin works agency determines that the individual is incapable of
5 performing a trial job or community service job.

6 (b) *Administration.* 1. The Wisconsin works agency shall assign a participant
7 under this subsection to work activities such as a community rehabilitation program,
8 as defined by the department, a job similar to a community service job or a volunteer
9 activity. A Wisconsin works agency may require a participant under this subsection
10 to participate in any of the following:

11 a. An alcohol and other drug abuse evaluation, assessment and treatment
12 program.

13 c. Mental health activities, as defined by the department by rule.

14 d. Counseling or physical rehabilitation activities.

15 e. Other activities that the Wisconsin works agency determines are consistent
16 with the capabilities of the individual.

17 2. An individual may participate in a transitional placement for a maximum
18 of 24 months. The months need not be consecutive. This period may be extended on
19 a case-by-case basis by the department or by the Wisconsin works agency with the
20 approval of the department.

21 (bm) *Education or training activities.* Work activities under a transitional
22 placement include education or training activities assigned by the Wisconsin works
23 agency as part of a self-sufficiency plan.

24 (c) *Worker's compensation.* A participant under this subsection is an employe
25 of the Wisconsin works agency for purposes of worker's compensation coverage,

1 except to the extent that the person for whom the participant is performing work
2 agrees to provide worker's compensation coverage.

3 **(6) JOB ACCESS LOAN.** (a) *Additional eligibility criteria.* An individual is eligible
4 to receive a job access loan if, in addition to meeting the eligibility requirements
5 under s. 49.145, all of the following conditions are met with respect to the individual:

6 1. The individual needs the loan to address an immediate and discrete financial
7 crisis. The crisis may not be the result of the individual's failure to accept a bona fide
8 offer of employment or the individual's termination of a job without good cause.

9 2. The individual needs the loan to obtain or continue employment.

10 3. The individual is not in default with respect to the repayment of any previous
11 job access loan or repayment of any grant or wage overpayments under this section.

12 4. The individual is not a migrant worker.

13 (b) *Terms.* The department shall promulgate rules establishing the terms of
14 any job access loan, including all of the following:

15 1. The maximum and minimum loan amounts in any 12-month period.

16 2. The method of loan disbursement.

17 3. The terms and conditions of repayment.

18 (c) *Distribution and administration.* From the appropriation under s. 20.445
19 (3) (dz), the department shall distribute funds for job access loans to a Wisconsin
20 works agency, which shall administer the loans in accordance with rules
21 promulgated by the department.

22 (d) *Minor custodial parents.* An individual who would be eligible for a job access
23 loan under par. (a), except that the individual has not attained the age of 18, is
24 eligible under this paragraph if the individual meets the following requirements:

1 1. The individual is in an out-of-home placement or independent living
2 arrangement supervised by an adult, as defined by the department.

3 2. The individual has graduated from high school or has met the standards
4 established by the secretary of education for the granting of a declaration of
5 equivalency of high school graduation under s. 115.29 (4).

6 3. The individual will be 18 years old within 2 months after applying for the
7 job access loan.

8 **SECTION 89.** 49.148 of the statutes is created to read:

9 **49.148 Wisconsin works; benefits for participants in employment**
10 **positions. (1) BENEFIT LEVELS.** A participant in a Wisconsin works employment
11 position shall receive the following benefits:

12 (a) *Trial jobs.* For a participant in a trial job, the amount established in the
13 contract between the Wisconsin works agency and the trial job employer, but not less
14 than minimum wage for every hour actually worked in the trial job, not to exceed 40
15 hours per week paid by the employer. Hours spent participating in education and
16 training activities under s. 49.147 (3) (am) shall be included in determining the
17 number of hours actually worked.

18 (b) *Community service jobs.* 1. For a participant in a community service job,
19 a monthly grant equal to 75% of the minimum wage computed for one month of
20 full-time employment, paid by the Wisconsin works agency. For every hour that the
21 participant misses work without good cause, the Wisconsin works agency shall
22 reduce the grant amount by an amount equal to 75% of minimum wage computed for
23 one hour. Good cause shall be determined by the financial and employment planner
24 in accordance with rules promulgated by the department.

1 2. A participant who is a custodial parent of a child who is 12 weeks old or less
2 may receive a monthly grant under this paragraph equal to 75% of the minimum
3 wage computed for a month of full-time employment. A Wisconsin works agency
4 may not require a participant under this subdivision to participate in any
5 employment activities.

6 (c) *Transitional placements.* For a participant in a transitional placement, a
7 grant equal to 70% of the minimum wage computed for one month of full-time
8 employment, paid monthly by the Wisconsin works agency. For every hour that the
9 participant fails to participate in any required activity without good cause, including
10 any activity under s. 49.147 (5) (b) 1. a. to e., the Wisconsin works agency shall reduce
11 the grant amount by an amount equal to 70% of minimum wage computed for one
12 hour. No grant may be paid for a month in which the participant participates less
13 than 25% of the required hours without good cause. Good cause shall be determined
14 by the financial and employment planner in accordance with rules promulgated by
15 the department.

16 (2) **BENEFIT REVIEW.** Notwithstanding sub. (1), the department may promulgate
17 rules establishing benefit levels for participants in Wisconsin works employment
18 positions that are different from those specified under sub. (1).

19 (3) **WISCONSIN WORKS HEALTH PLAN.** A participant in a Wisconsin works
20 employment position shall participate in the Wisconsin works health plan under s.
21 49.153. The participant shall pay a premium in an amount and in the manner
22 established under s. 49.153 (4) (d).

23 **SECTION 90.** 49.149 of the statutes is created to read:

24 **49.149 Wisconsin works; education and training.** A Wisconsin works
25 agency shall do all of the following:

1 (1) Establish a referral relationship with other employment and training
2 programs for participants to make use of varied education and training opportunities
3 available through integrated job centers, as defined by the department by rule.

4 (2) Provide participants in a Wisconsin works employment position with
5 soft-skills and life-skills training, as defined by the department by rule.

6 (3) Encourage employers to make training sites available on the business site
7 for participants.

8 (4) Work with the department of commerce to coordinate the provision of
9 training to participants in conjunction with employers eligible for the development
10 zone program under subch. VI of ch. 560.

11 **SECTION 91.** 49.151 of the statutes is created to read:

12 **49.151 Wisconsin works; sanctions.** (1) REFUSAL TO PARTICIPATE. A
13 participant who refuses to participate 3 times in any Wisconsin works employment
14 position component is ineligible to participate in that component. A participant
15 whom the Wisconsin works agency has determined is ineligible under this section for
16 a particular Wisconsin works employment position component may be eligible to
17 participate in any other Wisconsin works employment position component in which
18 the participant has not refused to participate 3 times. A participant refuses to
19 participate in a Wisconsin works employment position component if the participant
20 does any of the following:

21 (a) Expresses verbally or in writing to a Wisconsin works agency that he or she
22 refuses to participate.

23 (b) Fails to appear for an interview with a prospective employer or, if the
24 participant is in a Wisconsin works transitional placement, fails to appear for an

1 assigned activity, including an activity under s. 49.147 (5) (b) 1. a. to e., without good
2 cause, as determined by the Wisconsin works agency.

3 (c) Voluntarily leaves appropriate employment or training without good cause,
4 as determined by the Wisconsin works agency.

5 (d) Loses employment as a result of being discharged for cause.

6 (e) Demonstrates through other behavior or action, as specified by the
7 department by rule, that he or she refuses to participate in a Wisconsin works
8 employment position.

9 **(2) INTENTIONAL PROGRAM VIOLATIONS.** If a court finds or it is determined after
10 an administrative hearing that an individual who is a member of a Wisconsin works
11 group applying for or receiving benefits under ss. 49.141 to 49.161, for the purpose
12 of establishing or maintaining eligibility for those benefits or for the purpose of
13 increasing the value of those benefits, has intentionally violated, on 3 separate
14 occasions, any provision in ss. 49.141 to 49.161 or any rule promulgated under those
15 sections, the Wisconsin works agency may permanently deny benefits under ss.
16 49.141 to 49.161 to the individual.

17 **SECTION 92.** 49.152 of the statutes is created to read:

18 **49.152 Review of agency decisions.** (1) PETITION FOR REVIEW. Any
19 individual whose application for Wisconsin works under s. 49.147 (1) to (5) is not
20 acted upon by the Wisconsin works agency with reasonable promptness after the
21 filing of the application, as defined by the department by rule, or is denied in whole
22 or in part, whose benefit is modified or canceled, or who believes that the benefit was
23 calculated incorrectly, may petition the Wisconsin works agency for a review of such
24 action. Review is unavailable if the action by the Wisconsin works agency occurred
25 more than 45 days prior to submission of the petition for review.

1 **(2) REVIEW.** (a) Upon a timely petition under sub. (1), the Wisconsin works
2 agency shall give the applicant or participant reasonable notice and opportunity for
3 a review. The Wisconsin works agency shall render its decision as soon as possible
4 after the review and shall send a certified copy of its decision to the applicant or
5 participant. The Wisconsin works agency shall deny a petition for a review or shall
6 refuse to grant relief if the petitioner does any of the following:

7 1. Withdraws the petition in writing.

8 2. Abandons the petition. Abandonment occurs if the petitioner fails to appear
9 in person or by representative at a scheduled review without good cause, as defined
10 by the department by rule.

11 (b) The department may review a decision of a Wisconsin works agency under
12 par. (a) if any of the following occurs:

13 1. Within 15 days of receiving the decision of the Wisconsin works agency the
14 applicant or participant petitions the department for a review of that decision.

15 2. The Wisconsin works agency requests the department to review the decision
16 of the Wisconsin works agency.

17 **SECTION 93.** 49.153 of the statutes is created to read:

18 **49.153 Wisconsin works health plan. (1) DEFINITIONS.** In this section:

19 (a) “Employer-subsidized health care coverage” means health care coverage
20 offered by the employer for which the employer pays at least 50% of the cost of
21 coverage for the employe, including dependent coverage, or a higher percentage as
22 determined by the department by rule.

23 (b) “Unsubsidized employer-offered health care coverage” means health care
24 coverage offered by the employer for which the employer pays less than 50% of the
25 cost of coverage for the employe including dependent coverage.

1 **(2) ADMINISTRATION.** The department of health and family services shall
2 provide health services and benefits under sub. (4) to individuals who have been
3 determined by a Wisconsin works agency to be eligible under sub. (3) for such services
4 and benefits. The Wisconsin works agency shall provide the department of health
5 and family services with a list of eligible individuals.

6 **(3) ELIGIBILITY.** (a) *General provisions.* 1. A Wisconsin works agency shall
7 determine eligibility for benefits and services under this section, in accordance with
8 rules promulgated by the department of health and family services in consultation
9 with the department of industry, labor and job development. An individual who
10 applies for and receives benefits and services under this section is considered to have
11 assigned to the state any rights to medical support or other payment of medical
12 expenses from any other person, including rights to unpaid amounts accrued at the
13 time of application for benefits and services under this section and any rights to
14 support accruing during the time for which benefits and services under this section
15 are provided. Eligibility for benefits and services under this section begins on the day
16 on which the department of health and family services or the provider issues a health
17 plan membership card.

18 2. Except as provided in subd. 3. and pars. (em) and (f), an individual who is
19 eligible for the health care coverage under this section remains eligible under this
20 section for 12 consecutive months or until the individual has access to unsubsidized
21 employer-offered health care coverage, whichever is later.

22 3. A Wisconsin works agency shall periodically review an individual's
23 eligibility. The individual remains eligible for benefits and services under this
24 section until any of the following applies:

1 a. The assets of the individual or, if the individual is a member of a Wisconsin
2 works group, the assets of the Wisconsin works group of which the individual is a
3 member, exceed the asset limits for at least 2 months.

4 b. The income of the individual, or, if the individual is a member of a Wisconsin
5 works group, the income of the Wisconsin works group of which the individual is a
6 member, is expected to exceed the income limits for at least 2 consecutive months.

7 (b) *Wisconsin works groups.* Except as provided in pars. (d) and (e), an
8 individual who is a member of a Wisconsin works group is eligible for benefits and
9 services under this section if all of the following conditions apply:

10 1. The individual meets the criteria under s. 49.145 (2) (c), (f), (g), (i), (L) and
11 (m) and resides in this state.

12 2. The Wisconsin works group meets the asset limitation under s. 49.145 (3) (a).

13 3. The gross income of the Wisconsin works group is at or below 165% of the
14 poverty line, or, for a Wisconsin works group that is already receiving health care
15 coverage under this section, the gross income is at or below 200% of the poverty line.
16 In calculating the gross income of the Wisconsin works group, the Wisconsin works
17 agency shall include income described under s. 49.145 (3) (b) 1. to 3.

18 (c) *Pregnant women.* Except as provided in par. (e), a pregnant woman whose
19 pregnancy has been medically verified and who has no dependent children is eligible
20 for benefits and services under this section if she meets the following conditions:

21 1. The woman meets the criteria under s. 49.145 (2) (c), (g), (i), (L) and (m) and
22 resides in this state.

23 2. The woman meets the asset limitation under s. 49.145 (3) (a).

1 3. The gross income of the woman is at or below 165% of the poverty line. In
2 calculating gross income under this subdivision, the Wisconsin works agency shall
3 include income described under s. 49.145 (3) (b) 1. and 3.

4 (d) *Minor parents.* An individual who is a custodial parent and who is under
5 the age of 18, and any dependent children with respect to whom the individual is a
6 custodial parent, are eligible for benefits and services under this section only if the
7 individual meets any of the following conditions:

8 1. The individual resides with his or her custodial parent and the gross income
9 of the Wisconsin works group of which the individual is a member does not exceed
10 165% of the poverty line. In calculating the gross income of the Wisconsin works
11 group, the Wisconsin works agency shall include income described under s. 49.145
12 (3) (b) 1. to 3.

13 2. The individual is in an independent living arrangement supervised by an
14 adult and the gross income of the individual does not exceed 165% of the poverty line.
15 In calculating the gross income of the individual, the Wisconsin works agency shall
16 include income described under s. 49.145 (3) (b) 1. to 3.

17 (e) *Access to employer-subsidized health care coverage.* An individual is eligible
18 for health care coverage under this section only if the individual has not had access
19 to employer-subsidized health care coverage for the 18 months immediately
20 preceding application for health care coverage under this section. This paragraph
21 does not apply to any of the following:

22 1. An individual who has lost access to employer-subsidized health care
23 coverage within the 18 months immediately preceding application for health care
24 coverage under this subsection because of the termination by the employer of the
25 employment relationship for a reason other than misconduct on the part of the

1 employe and who has not had access to employer-subsidized health care coverage
2 since the termination.

3 2. An individual who has lost access to employer-subsidized health care
4 coverage within the 18 months immediately preceding application for health care
5 coverage under this subsection because of the termination by the employe of the
6 employment relationship for just cause.

7 3. A dependent child who has lost eligibility for employer-subsidized health
8 care coverage for any reason.

9 4. A participant in a Wisconsin works employment position.

10 (em) *Continuous coverage requirement.* An individual who withdraws from
11 health care coverage under this section while the individual is still eligible for health
12 care coverage under this section is ineligible for health care coverage under this
13 section for a period of 6 months following the withdrawal. Failure to pay in a timely
14 manner, as defined by the department of industry, labor and job development by rule,
15 the premium established under sub. (4) (d) constitutes withdrawal for purposes of
16 this paragraph.

17 (f) *Ineligibility.* No individual is eligible for health care coverage under this
18 section in a month in which that individual is eligible for employer-subsidized health
19 care coverage.

20 (4) ADMINISTRATION AND BENEFITS. (a) *Health maintenance organization*
21 *contract.* The department of health and family services shall contract with one or
22 more health maintenance organizations or other health care providers to provide
23 health care services under this subsection. Each contract for the provision of health
24 care services entered into by the department of health and family services under this

1 subsection shall be awarded on the basis of a competitive process in accordance with
2 procedures established by the department of health and family services.

3 (b) *Health care services provided.* 1. Except as provided in subd. 2., the
4 Wisconsin works health plan shall cover the care and services specified under s.
5 49.46 (2).

6 2. Except as otherwise required under a federal waiver received under 42 USC
7 1315, the Wisconsin works health plan shall not cover the following goods and
8 services:

9 a. Home care, as defined in s. 632.895 (1) (b), in excess of the minimum required
10 under s. 632.895 (2).

11 b. Skilled nursing care in excess of the minimum required under s. 632.895 (3).

12 c. Over-the-counter drugs.

13 d. Treatment of alcoholism or other drug abuse problems in excess of the
14 minimum coverage required under s. 632.89 (2).

15 e. Services described under 42 USC 1396d (r) (5).

16 (c) *Distribution of payments.* From the appropriations under s. 20.435 (1) (b)
17 and (o), the department of health and family services shall make payments to a
18 health maintenance organization or other health care provider with which the
19 department of health and family services has contracted under par. (a) in accordance
20 with a payment schedule established by contract.

21 (d) *Premiums.* Except as otherwise provided in this paragraph, an individual
22 who receives the Wisconsin works health plan shall pay to the Wisconsin works
23 agency a monthly premium in accordance with criteria based on income and family
24 size and established by the department of health and family services in consultation
25 with the department of industry, labor and job development. The department of

1 industry, labor and job development or the Wisconsin works agency shall deduct the
2 established premium from a trial job participant's wages. The Wisconsin works
3 agency shall deduct the established premium from the monthly grant payment of a
4 participant in a community service job and from the monthly grant of a participant
5 in a transitional placement. The Wisconsin works agency shall remit to the
6 department of industry, labor and job development in the manner prescribed by the
7 department of industry, labor and job development all premium payments that the
8 Wisconsin works agency receives under this paragraph.

9 **(5) PROHIBITED CONDUCT.** No person, in connection with the health care
10 coverage under this section, may:

11 (a) Knowingly and wilfully make or cause to be made any false statement or
12 representation of a material fact in any application for any benefit or payment.

13 (b) Having knowledge of the occurrence of any event affecting the initial or
14 continued eligibility for a benefit or payment under this section, conceal or fail to
15 disclose that event with an intent fraudulently to secure a benefit or payment under
16 this section either in a greater amount or quantity than is due or when no such
17 benefit or payment is authorized.

18 **(6) PENALTIES.** (a) A person who is convicted of violating sub. (5) in connection
19 with the furnishing by that person of items or services for which payment is or may
20 be made under this section may be fined not more than \$25,000 or imprisoned for not
21 more than 5 years or both.

22 (b) A person, other than a person under par. (a), who is convicted of violating
23 sub. (5) may be fined not more than \$10,000 or imprisoned for not more than one year
24 in the county jail or both.

1 **(7) DAMAGES.** If any person is convicted under sub. (5), the state shall have a
2 cause of action for relief against such person in an amount 3 times the amount of
3 actual damages sustained as a result of any excess payments made in connection
4 with the offense for which the conviction was obtained. Proof by the state of a
5 conviction under sub. (5) in a civil action shall be conclusive regarding the state's
6 right to damages and the only issue in controversy shall be the amount, if any, of the
7 actual damages sustained. Actual damages shall consist of the total amount of
8 excess payments, any part of which is paid by state funds. In any such civil action
9 the state may elect to file a motion in expedition of the action. Upon receipt of the
10 motion, the presiding judge shall expedite the action.

11 **(8) KICKBACKS, BRIBES AND REBATES.** (a) Any person who solicits or receives any
12 remuneration in cash or in-kind, in return for referring an individual to a person for
13 the furnishing or arranging for the furnishing of any item or service for which
14 payment may be made in whole or in part under this section, or in return for
15 purchasing, leasing, ordering, or arranging for or recommending purchasing,
16 leasing, or ordering any good, facility, service, or item for which payment may be
17 made in whole or in part under this section, may be fined not more than \$25,000 or
18 imprisoned for not more than 5 years or both.

19 (b) Whoever offers or pays any remuneration in cash or in-kind to any person
20 to induce such person to refer an individual to a person for the furnishing or
21 arranging for the furnishing of any item or service for which payment may be made
22 in whole or in part under this section, or to purchase, lease, order, or arrange for or
23 recommend purchasing, leasing, or ordering any good, facility, service or item for
24 which payment may be made in whole or in part under this section, may be fined not
25 more than \$25,000 or imprisoned for not more than 5 years or both.

1 (c) This subsection does not apply to any of the following:

2 1. A discount or other reduction in price obtained by a provider of services or
3 other entity under chs. 46 to 51 and 58 if the reduction in price is properly disclosed
4 and appropriately reflected in the costs claimed or charges made by the provider or
5 entity under this section.

6 2. Any amount paid by an employer to an employe who has a bona fide
7 employment relationship with such employer for employment in the provision of
8 covered items or services.

9 **(9) PROHIBITED CHARGES.** (a) No provider may knowingly impose upon a
10 recipient charges in addition to payments received for services under this section or
11 knowingly impose direct charges upon a recipient in lieu of obtaining payment under
12 this section unless benefits or services are not provided under sub. (4) and the
13 recipient is advised of this fact prior to receiving the service.

14 (b) A person who violates this subsection may be fined not more than \$25,000
15 or imprisoned not more than 5 years or both.

16 **SECTION 94.** 49.155 of the statutes is created to read:

17 **49.155 Wisconsin works; child care subsidy.** (1) **DEFINITIONS.** In this
18 section:

19 (a) "Level I day care provider" means a day care provider certified under s.
20 48.651 (1) (a).

21 (b) "Level II day care provider" means a day care provider certified under s.
22 48.651 (1) (b).

23 **(1m) ELIGIBILITY.** A Wisconsin works agency shall determine eligibility for a
24 child care subsidy under this section. Under this section, an individual may receive

1 a subsidy for child care for a child who has not attained the age of 13 if the individual
2 meets all of the following conditions:

3 (a) The individual is a custodial parent of a child who is under the age of 13,
4 or is a person who, under s. 48.57 (3m), is providing care and maintenance for a child
5 who is under the age of 13, and child care services for that child are needed in order
6 for the individual to do any of the following:

7 1. Meet the school attendance requirement under s. 49.26 (1) (ge).

8 2. Work in an unsubsidized job, including training provided by an employer
9 during the regular hours of employment.

10 3. Work in a Wisconsin works employment position, including participation in
11 education or training activities under s. 49.147 (3) (am), (4) (am) or (5) (bm).

12 4. Participate in other employment skills training, as defined by the
13 department by rule, if the individual meets any of the following conditions:

14 a. The individual has been employed in unsubsidized employment for 9
15 consecutive months and continues to be so employed.

16 b. The individual is a participant in a Wisconsin works employment position.

17 (b) The individual meets the eligibility conditions under s. 49.145 (2) (c) to (g)
18 and (3) (a), except that an individual may be eligible for a child care subsidy under
19 this section regardless of the number of days the individual has resided in this state
20 prior to applying for the child care subsidy.

21 (c) The gross income of the individual's family is at or below 165% of the poverty
22 line for a family the size of the individual's family. In calculating the gross income
23 of the family, the department shall include income described under s. 49.145 (3) (b)
24 1. to 3.

1 (d) The individual satisfies other eligibility criteria established by the
2 department by rule.

3 **(2) DISTRIBUTION OF CHILD CARE FUNDS.** From the appropriation under s. 20.445
4 (3 (dz), the department shall distribute funds allocated for child care services under
5 this section.

6 **(3) COUNTY ADMINISTRATION.** (a) A Wisconsin works agency shall refer an
7 individual who has been determined eligible under sub. (1m) to a county department
8 under s. 46.215, 46.22 or 46.23 for child care assistance.

9 (b) The county department under s. 46.215, 46.22 or 46.23 shall administer
10 child care assistance under this section. In administering child care assistance
11 under this section, the county department under s. 46.215, 46.22 or 46.23 shall do
12 all of the following:

- 13 1. Determine an individual's liability under sub. (5).
- 14 2. Provide a voucher to an eligible individual for the payment of child care
15 services provided by a child care provider.
- 16 3. Set maximum reimbursement rates as provided under sub. (6) (b).
- 17 4. Reimburse child care providers.
- 18 5. Certify child care providers under s. 48.651.
- 19 6. Assist individuals who are eligible for child care subsidies under this section
20 to identify available child care providers and select appropriate child care
21 arrangements.

22 **(4) CHOICE OF PROVIDER.** An eligible individual shall choose whether the child
23 care will be provided by a day care center licensed under s. 48.65, a Level I day care
24 provider, a Level II day care provider or a day care program provided or contracted
25 for by a school board under s. 120.13 (14).

1 **(5) LIABILITY FOR PAYMENT.** An individual who receives aid under this section
2 is liable for a percentage of the cost of child care received, payable in accordance with
3 a sliding scale formula established by the department that is based on the
4 individual's ability to pay and the cost of the child care.

5 **(6) CHILD CARE RATES AND QUALITY STANDARDS.** (a) The department shall
6 establish the maximum rate that a county department under s. 46.215, 46.22 or
7 46.23 may pay for child care services provided under this section. The department
8 shall set the rate so that at least 75% of the number of places for children within the
9 licensed capacity of all child care providers in each county or in a multicounty area
10 determined by the department can be purchased at or below that maximum rate.

11 (b) The department shall set a maximum rate that a county department under
12 s. 46.215, 46.22 or 46.23 may pay for Level I day care providers for services provided
13 to eligible individuals. The maximum rate set under this paragraph may not exceed
14 75% of the rate established under par. (a).

15 (c) The department shall set a maximum rate that a county department under
16 s. 46.215, 46.22 or 46.23 may pay for Level II day care providers for services provided
17 to eligible individuals. The maximum rate set under this paragraph may not exceed
18 50% of the rate established under par. (a).

19 (d) The department may establish a system of rates for child care programs that
20 exceed the quality of care standards required for licensure under s. 48.65 or for
21 certification under s. 48.651 (1) (a).

22 **(7) REFUSAL TO PAY CHILD CARE PROVIDERS.** The department or the county
23 department under s. 46.215, 46.22 or 46.23 may refuse to pay a child care provider
24 for child care provided under this section if any of the following applies to the child
25 care provider, employe or person living on the premises where child care is provided:

1 (a) The person has been convicted of a felony or misdemeanor that the
2 department or county department determines substantially relates to the care of
3 children.

4 (b) The person is the subject of a pending criminal charge that the department
5 or county department determines substantially relates to the care of children.

6 (c) The person has been determined under s. 48.981 to have abused or neglected
7 a child.

8 **SECTION 95.** 49.157 of the statutes is created to read:

9 **49.157 Wisconsin works; transportation costs. (1) ASSISTANCE.** In
10 accordance with rules promulgated by the department, a Wisconsin works agency
11 may grant financial assistance to a participant for transportation costs.

12 **(2) DISTRIBUTION OF FUNDS.** The department shall distribute to the Wisconsin
13 works agencies the funds allocated under s. 49.181 (1) (h) for transportation
14 assistance provided under sub. (1).

15 **SECTION 96.** 49.159 of the statutes is created to read:

16 **49.159 Wisconsin works; noncustodial and minor and other custodial**
17 **parents. (1) NONCUSTODIAL PARENTS.** An individual who would be eligible under s.
18 49.145 except that the individual is the noncustodial parent of a dependent child, is
19 eligible for services under this subsection if the dependent child's custodial parent
20 is a participant and if the individual pays child support pursuant to a court order.
21 The Wisconsin works agency may provide job search assistance and case
22 management designed to enable eligible noncustodial parents to obtain and retain
23 employment.

24 **(2) MINOR CUSTODIAL PARENTS; FINANCIAL AND EMPLOYMENT COUNSELING.** A
25 custodial parent who is under the age of 18 is eligible, regardless of that individual's

1 or that individual's parent's income or assets, to meet with a financial and
2 employment planner. The financial and employment planner may provide the
3 individual with information regarding Wisconsin works eligibility, available child
4 care services, employment and financial planning, family planning services,
5 community resources, eligibility for food stamps and other food and nutrition
6 programs.

7 **(3) OTHER CUSTODIAL PARENTS.** A custodial parent in a Wisconsin works group
8 in which the other custodial parent is a participant in a Wisconsin works
9 employment position is eligible for employment training and job search assistance
10 services provided by the Wisconsin works agency.

11 **SECTION 97.** 49.161 of the statutes is created to read:

12 **49.161 Wisconsin works; overpayments. (1) TRIAL JOBS OVERPAYMENTS.**
13 Notwithstanding s. 49.96, the department shall recover an overpayment of benefits
14 paid under s. 49.148 (1) (a) from an individual who receives or has received benefits
15 paid under s. 49.148 (1) (a). The value of the benefit liable for recovery under this
16 subsection may include the value of work performed by the individual in a trial job
17 if the person was ineligible to receive the benefit at the time it was paid. The
18 department shall promulgate rules establishing policies and procedures for
19 administering this subsection.

20 **(2) COMMUNITY SERVICE JOBS AND TRANSITIONAL PLACEMENTS OVERPAYMENTS.**
21 Except as provided in sub. (3), the department shall recover an overpayment of
22 benefits paid under s. 49.148 (1) (b) and (c) from an individual who continues to
23 receive benefits under s. 49.148 (1) (b) and (c) by reducing the amount of the
24 individual's benefit payment by no more than 10%.

1 **(3) OVERPAYMENTS CAUSED BY INTENTIONAL PROGRAM VIOLATIONS.** If an
2 overpayment under sub. (1) or (2) is the result of an intentional violation of ss. 49.141
3 to 49.161 or of rules promulgated by the department under those sections, the
4 department shall recover the overpayment by deducting an amount from the benefits
5 received under s. 49.148 (1) (a), (b) or (c), until the overpayment is recovered. The
6 amount to be deducted each month may not exceed the following:

7 (a) For intentional program violations resulting in an overpayment that is less
8 than \$300, 10% of the amount of the monthly benefit payment.

9 (b) For intentional program violations resulting in an overpayment that is at
10 least \$300 but less than \$1,000, \$75.

11 (c) For intentional program violations resulting in an overpayment that is at
12 least \$1,000 but less than \$2,500, \$100.

13 (d) For intentional program violations resulting in an overpayment that is
14 \$2,500 or more, \$200.

15 **SECTION 98.** 49.181 of the statutes is created to read:

16 **49.181 Public assistance and local assistance funding.** (1) FUNDS
17 DISTRIBUTION. Except as provided in subs. (2) and (3), within the limits of the
18 appropriation under s. 20.435 (4) (dz), the department shall allocate amounts under
19 this subsection. In this subsection, references to "1993 stats." are as affected by the
20 acts of 1995 that are enacted prior to the effective date of this subsection [revisor
21 inserts date]. The department shall allocate the following amounts for the following
22 purposes:

23 (a) *Child care for recipients and former recipients of aid to families with*
24 *dependent children.* For child care services under s. 49.50 (6g) and for child care
25 services and related transportation costs under s. 49.50 (6e) and (6k) (b), the

1 department shall allocate \$4,713,000 in fiscal year 1995-96, less any amounts
2 expended or encumbered in fiscal year 1995-96 from the appropriations under s.
3 20.435 (4) (cn), 1993 stats., and s. 20.435 (4) (df), 1993 stats., for the purposes
4 specified under this paragraph, and \$5,687,400 in fiscal year 1996-97.

5 (b) *Low-income and at-risk child care.* For low-income and at-risk child care
6 services under s. 46.98 (2m) to (4), the department shall allocate \$5,576,100 in fiscal
7 year 1995-96, less any amount expended or encumbered in fiscal year 1995-96 from
8 the appropriation under s. 20.435 (7) (b) for the purposes specified under this
9 paragraph, and \$5,576,100 in fiscal year 1996-97.

10 (c) *Income maintenance payments to individuals.* For income maintenance
11 payments to individuals under s. 49.52 and for foster care and treatment foster care
12 provided by nonlegally responsible relatives under state or county administered
13 programs, if the relatives are licensed to operate foster homes or treatment foster
14 homes under s. 48.62, the department shall allocate \$141,277,600 in fiscal year
15 1995-96, less any amount expended or encumbered in fiscal year 1995-96 from the
16 appropriation under s. 20.435 (4) (d), 1993 stats., for the purposes specified under
17 this paragraph, and \$122,684,200 in fiscal year 1996-97.

18 (cm) *Foster, treatment foster and kinship care.* For foster care and treatment
19 foster care provided by nonlegally responsible relatives under state or county
20 administered programs, if the relatives are licensed to operate foster homes or
21 treatment foster homes under s. 48.62, and for kinship care under s. 48.57 (3m),
22 including assessments under s. 48.57 (3m) (a) 3. and background investigations
23 under s. 48.57 (3m) (a) 4., the department shall allocate \$10,284,500 in fiscal year
24 1996-97.

1 (d) *Public assistance administration and medical assistance eligibility*
2 *determination.* For payment distribution under s. 49.52 (1) for county
3 administration of public assistance benefits and medical assistance eligibility
4 determination, for payments to American Indian tribes for administration of public
5 assistance benefits, and for fraud investigation and error reduction under s. 49.197
6 (1m) and (4), the department shall allocate \$28,189,100 in fiscal year 1995-96, less
7 any amount encumbered in fiscal year 1995-96 from the appropriation under s.
8 20.435 (4) (de), 1993 stats., for the purposes specified under this paragraph, and
9 \$28,864,400 in fiscal year 1996-97.

10 (e) *Emergency assistance for families with needy children.* For emergency
11 assistance for families with needy children under s. 49.19 (11) (b), the department
12 shall allocate \$1,659,700 in fiscal year 1995-96, less any amount encumbered in
13 fiscal year 1995-96 from the appropriation under s. 20.435 (4) (dc), 1993 stats., for
14 the purpose specified under this paragraph, and \$1,659,700 in fiscal year 1996-97.

15 (f) *Learnfare; job opportunities and basic skills program; food stamp*
16 *employment and training; parental responsibility pilot program.* For the learnfare
17 program under s. 49.50 (7), the job opportunities and basic skills program under s.
18 49.193, the food stamp employment and training project under s. 49.124 and the
19 parental responsibility pilot program under s. 49.25, the department shall allocate
20 \$25,045,800 in fiscal year 1995-96, less any amounts expended or encumbered in
21 fiscal year 1995-96 from the appropriations under s. 20.435 (4) (cn), 1993 stats., and
22 s. 20.435 (4) (df), 1993 stats., for the purposes specified under this paragraph, and
23 \$26,447,100 in fiscal year 1996-97.

24 (g) *Learnfare case management.* For case management for learnfare pupils
25 under s. 46.62, the department shall allocate \$1,289,300 in fiscal year 1995-96, less

1 any amount expended or encumbered in fiscal year 1995-96 from the appropriation
2 under s. 20.435 (4) (dg), 1993 stats., for the purpose specified under this paragraph,
3 and \$1,309,500 in fiscal year 1996-97.

4 (h) *Wisconsin works administration.* For payments to Wisconsin works
5 agencies under s. 49.143 for administration of Wisconsin works benefits under ss.
6 49.141 to 49.151 and 49.155 to 49.161, for Wisconsin works health care coverage
7 eligibility determination under s. 49.153 and for fraud investigation and error
8 reduction under s. 49.197 (1m) and (4) and for payments to individuals under s.
9 49.148 for Wisconsin works employment positions and under ss. 49.155 and 49.157
10 for child care and related transportation services, the department shall allocate \$0
11 for fiscal year 1996-97.

12 (2) TRANSFER OF FUNDS. The department may use up to 30% of the amounts
13 required to be allocated under any paragraph under sub. (1) for any other purpose
14 described under sub. (1) (a) to (g) in each fiscal year.

15 (3) CARRY-OVER FUNDS. The department may carry over any unexpended funds
16 allocated under any paragraph under sub. (1) from the previous fiscal year to the
17 following fiscal year within the same biennium to be allocated under any paragraph
18 under sub. (1).

19 **SECTION 99.** 49.181 (1) (intro.), (a), (c), (d), (f) and (g) and (2) of the statutes, as
20 created by 1995 Wisconsin Act (this act), are amended to read:

21 49.181 (1) FUNDS DISTRIBUTION. (intro.) Except as provided in subs. (2) and (3),
22 within the limits of the appropriation under s. ~~20.435 (4)~~ 20.445 (3) (dz), the
23 department shall allocate amounts under this subsection. In this subsection,
24 references to "1993 stats." are as affected by the acts of 1995 that are enacted prior

1 to the effective date of this subsection [revisor inserts date]. The department shall
2 allocate the following amounts for the following purposes:

3 (a) *Child care for recipients and former recipients of aid to families with*
4 *dependent children.* For child care services under s. ~~49.50 (6g)~~ 49.191 (2) and for child
5 care services and related transportation costs under s. ~~49.50 (6e)~~ 49.191 (1) and ~~(6k)~~
6 (3) (b), the department shall allocate \$4,713,000 in fiscal year 1995-96, less any
7 amounts expended or encumbered in fiscal year 1995-96 from the appropriations
8 under s. 20.435 (4) (cn), 1993 stats., and s. 20.435 (4) (df), 1993 stats., for the purposes
9 specified under this paragraph, and \$5,687,400 in fiscal year 1996-97.

10 (c) *Income maintenance payments to individuals.* For income maintenance
11 payments to individuals under s. ~~49.52 and for foster care and treatment foster care~~
12 ~~provided by nonlegally responsible relatives under state or county administered~~
13 ~~programs, if the relatives are licensed to operate foster homes or treatment foster~~
14 ~~homes under s. ~~48.62~~ 49.33,~~ the department shall allocate \$141,277,600 in fiscal year
15 1995-96, less any amount expended or encumbered in fiscal year 1995-96 from the
16 appropriation under s. 20.435 (4) (d), 1993 stats., for the purposes specified under
17 this paragraph, and ~~\$132,968,700~~ \$122,684,200 in fiscal year 1996-97.

18 (d) *Public assistance administration and medical assistance eligibility*
19 *determination.* For payment distribution under s. ~~49.52 (1)~~ 49.33 for county
20 administration of public assistance benefits and medical assistance eligibility
21 determination, for payments to American Indian tribes for administration of public
22 assistance benefits, and for fraud investigation and error reduction under s. 49.197
23 (1m) and (4), the department shall allocate \$28,189,100 in fiscal year 1995-96, less
24 any amount expended or encumbered in fiscal year 1995-96 from the appropriation

1 under s. 20.435 (4) (de), 1993 stats., for the purposes specified under this paragraph
2 and \$28,864,400 in fiscal year 1996-97.

3 (f) *Learnfare; job opportunities and basic skills program; food stamp*
4 *employment and training; parental responsibility pilot program.* For the learnfare
5 program under s. ~~49.50 (7)~~ 49.26 (1), the job opportunities and basic skills program
6 under s. 49.193, the food stamp employment and training project under s. 49.124 and
7 the parental responsibility pilot program under s. 49.25, the department shall
8 allocate \$25,045,800 in fiscal year 1995-96, less any amounts expended or
9 encumbered in fiscal year 1995-96 from the appropriation under s. 20.435 (4) (cn),
10 1993 stats., and s. 20.435 (4) (df), 1993 stats., for the purposes specified under this
11 paragraph, and \$26,447,100 in fiscal year 1996-97.

12 (g) *Learnfare case management.* For case management for learnfare pupils
13 under s. ~~46.62~~ 49.26 (2), the department shall allocate \$1,289,300 in fiscal year
14 1995-96, less any amount expended or encumbered in fiscal year 1995-96 from the
15 appropriation under s. 20.435 (4) (dg), 1993 stats., for the purpose specified under
16 this paragraph, and \$1,309,500 in fiscal year 1996-97.

17 (2) TRANSFER OF FUNDS. The department may use up to 30% of the amounts
18 required to be allocated under any paragraph under sub. (1) for any other purpose
19 described under sub. (1) (a) to ~~(g)~~ (h) in each fiscal year.

20 **SECTION 100.** 49.19 (4e) (a) of the statutes is amended to read:

21 49.19 (4e) (a) ~~Except as provided in par. (b), if~~ If a person applying for aid is
22 under 18 years of age, has never married and is pregnant or has a dependent child
23 in his or her care, the person is not eligible for aid unless he or she lives in a place
24 maintained by his or her parent, legal guardian or other adult relative as the
25 parent's, guardian's or other adult relative's own home or lives in a foster home,

1 treatment foster home, maternity home or other supportive living arrangement
2 supervised by an adult.

3 **SECTION 101.** 49.19 (4e) (c) of the statutes is created to read:

4 49.19 (4e) (c) The department shall request a waiver from the secretary of the
5 federal department of health and human services to require, without exception, that
6 a person applying for aid who is under 18 years of age, has never married and is
7 pregnant or has a dependent child in his or her care meet the requirements of par.
8 (a). If a waiver is granted and in effect, par. (b) does not apply.

9 **SECTION 102.** 49.19 (11) (a) 1. a. (intro.) of the statutes, as affected by 1995
10 Wisconsin Act 12, is amended to read:

11 49.19 (11) (a) 1. a. (intro.) Except as provided in subs. (11m) and (11s), monthly
12 payments made under s. 20.435 (4) (~~d~~) (dz) and (p) to persons or to families with
13 dependent children shall be based on family size and shall be at 80% of the total of
14 the allowances under subds. 2. and 4. plus the following standards of assistance
15 beginning on September 1, 1987:

16 **SECTION 103.** 49.19 (11) (a) 1. a. (intro.) of the statutes, as affected by 1995
17 Wisconsin Acts 12, 27 and (this act), is repealed and recreated to read:

18 49.19 (11) (a) 1. a. (intro.) Except as provided in subs. (11m) and (11s), monthly
19 payments made under s. 20.445 (3) (dz) and (p) to persons or to families with
20 dependent children shall be based on family size and shall be at 80% of the total of
21 the allowances under subds. 2. and 4. plus the following standards of assistance
22 beginning on September 1, 1987:

23 **SECTION 104.** 49.19 (20) of the statutes is renumbered 49.19 (20) (a) and
24 amended to read:

1 49.19 (20) (a) ~~After December 31, 1998, Beginning on January 1, 1999, or~~
2 ~~beginning on the first day of the 6th month beginning after the date stated in the~~
3 ~~notice under s. 49.141 (2) (d), whichever is sooner,~~ no person is eligible to receive
4 benefits under this section and no aid may be granted under this section. No
5 additional notice, other than the enactment of this ~~subsection paragraph~~, is required
6 to be given under sub. (13) to recipients of aid under this section to terminate their
7 benefits under this ~~subsection paragraph~~.

8 **SECTION 105.** 49.19 (20) (b) of the statutes is created to read:

9 49.19 (20) (b) 1. The department shall request a waiver from the secretary of
10 the federal department of health and human services to allow the application of subd.
11 2. Subdivision 2. does not apply unless a waiver under this subdivision is granted
12 and in effect.

13 2. Notwithstanding par. (a):

14 a. If a nonlegally responsible relative is receiving aid under this section on
15 behalf of a dependent child on July 1, 1996, no aid under this section may be paid
16 to the nonlegally responsible relative after June 30, 1997, or the first reinvestigation
17 under sub. (5) (e) occurring after June 30, 1996, whichever is earlier.

18 b. If a nonlegally responsible relative is not receiving aid under this section on
19 behalf of a dependent child on July 1, 1996, no aid under this section may be paid
20 to the nonlegally responsible relative after June 30, 1996.

21 **SECTION 106.** 49.191 (1) of the statutes, as affected by 1995 Wisconsin Act 27,
22 sections 3089c, 3090 and 3092, is repealed and recreated to read:

23 49.191 (1) CHILD CARE FUNDS FOR CERTAIN RECIPIENTS OF AID TO FAMILIES WITH
24 DEPENDENT CHILDREN. Within the limits of funds available under ss. 20.435 (3) (jg)
25 and 20.445 (3) (dz) and (na), the department shall provide funds for individuals who

1 are working and who receive aid to families with dependent children to pay child care
2 costs in excess of the amount of the child care disregard under s. 49.19 (5) (a) and
3 child care costs incurred before the child care disregard under s. 49.19 (5) (a) becomes
4 available if the child care is provided by a child care provider. This paragraph does
5 not apply beginning on the first day of the 6th month beginning after the date stated
6 in the notice under s. 49.141 (2) (d).

7 **SECTION 107.** 49.191 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
8 section 3093c, is amended to read:

9 49.191 (2) CHILD CARE FUNDS FOR FORMER RECIPIENTS OF AID TO FAMILIES WITH
10 DEPENDENT CHILDREN. The department shall pay the child care costs of an individual
11 who secures unsubsidized employment and loses eligibility for aid to families with
12 dependent children because of earned income or number of hours worked for up to
13 12 months following the loss of eligibility if the child care is provided by a child care
14 provider. The department shall establish a formula for assistance based on ability
15 to pay. The rates for child care services under this subsection shall be determined
16 under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher rate is
17 established under s. 46.98 (4) (e) and if the child care services meet the quality
18 standards established under s. 46.98 (4) (e), the rates for child care services under
19 this subsection that meet those standards shall be determined under s. 46.98 (4) (e).
20 The department shall promulgate rules for the disbursement of funds under this
21 subsection. This subsection does not apply beginning on the first day of the 6th
22 month beginning after the date stated in the notice under s. 49.141 (2) (d).

23 **SECTION 108.** 49.191 (3) (a) and (b) of the statutes, as affected by 1995
24 Wisconsin Act 27, are repealed and recreated to read:

1 49.191 (3) (a) County departments under ss. 46.215, 46.22 and 46.23 shall
2 administer the funds appropriated for the purpose of providing child care under
3 subs. (1) and (2) for recipients and former recipients of aid under s. 49.19 and under
4 s. 49.26 (1) (e) for participants in the learnfare program. The department shall
5 allocate funds to county departments under ss. 46.215, 46.22 and 46.23 for the
6 purposes of this paragraph.

7 (b) Beginning on January 1, 1994, a county department under s. 46.215, 46.22
8 or 46.23 may, with the approval of the department, provide payment for, or
9 reimbursement of, child care under sub. (1) or s. 49.193 (8) using funds allocated
10 under par. (a). The department shall approve or disapprove this use of funds under
11 criteria established to maximize state and federal funding available for child care.

12 **SECTION 109.** 49.193 (2) (a) of the statutes, as affected by 1995 Wisconsin Act
13 12, is amended to read:

14 49.193 (2) (a) ~~The Except as provided in par. (am), the~~ department shall ensure
15 that all persons required under 42 USC 602 (a) (19) and 42 USC 681 to 687 to
16 participate in a job opportunities and basic skills training program participate in the
17 program under this section. In addition, the department shall require a parent or
18 other caretaker relative of a child who is at least one year of age to participate in the
19 program under this section on a full-time basis, unless the parent or other caretaker
20 relative is exempt from participation in the program for a reason other than being
21 a parent or other caretaker of a child under 3 years of age.

22 **SECTION 110.** 49.193 (2) (am) of the statutes is created to read:

23 49.193 (2) (am) 1. The department shall request a waiver from the secretary
24 of the federal department of health and human services to permit the application of

1 subd. 2. If a waiver is granted and in effect, the department shall implement subd.
2 2. no later than the first day of the 2nd month beginning after the waiver is approved.

3 2. If a waiver is granted and in effect, the department shall require a parent
4 or other caretaker relative of a child who is at least 12 weeks of age to participate in
5 the program under this section on a full-time basis, unless the parent or other
6 caretaker relative is exempt from participation for a reason other than being a parent
7 or other caretaker of a child under 3 years of age.

8 **SECTION 111.** 49.193 (4) (g) of the statutes is amended to read:

9 49.193 (4) (g) Work supplementation, as described in 45 CFR 250.62, in which
10 participation is ~~voluntary~~ mandatory.

11 **SECTION 112.** 49.193 (4) (j) 4. of the statutes is repealed.

12 **SECTION 113.** 49.193 (4) (k) 1m. of the statutes is created to read:

13 49.193 (4) (k) 1m. Alcohol and other drug abuse prevention, assessment and
14 treatment programs.

15 **SECTION 114.** 49.193 (4m) of the statutes is created to read:

16 49.193 (4m) ALCOHOL AND OTHER DRUG ABUSE PREVENTION AND TREATMENT
17 PROGRAM. The department may require participation in an alcohol and other drug
18 abuse assessment, prevention and treatment program to fulfill employment and
19 training requirements described in this section.

20 **SECTION 115.** 49.193 (6) (c) of the statutes is amended to read:

21 49.193 (6) (c) ~~No~~ Except as provided in par. (e), no person may be required to
22 work more than 32 hours per week in a community work experience component. No
23 person may be required to work more than 16 weeks in a component under this
24 subsection during a 12-month period, except that a person who is eligible for aid

1 under s. 49.19 (4) (dm) may be required to work for more than 16 weeks in a
2 component under this subsection in order to comply with 45 CFR 250.33.

3 **SECTION 116.** 49.193 (6) (e) of the statutes is created to read:

4 49.193 (6) (e) The department shall request a waiver from the secretary of the
5 federal department of health and human services to allow the department to require
6 a person to work, without regard to the person's grant amount under s. 49.19, not
7 more than 40 hours per week in a community work experience component and not
8 more than 6 months in a component under this subsection during a 12-month period.
9 If the waiver is granted and in effect, the department may require a person to work
10 not more than 40 hours per week in a community work experience component. If a
11 waiver is granted and in effect, the department may require a person to work not
12 more than 6 months in a component under this subsection during a 12-month period,
13 except that the department may require a person who is eligible for aid under s. 49.19
14 (4) (dm) to work for more than 6 months in a component under this subsection in
15 order comply with 45 CFR 250.33.

16 **SECTION 117.** 49.193 (7) of the statutes is repealed.

17 **SECTION 118.** 49.193 (8) (a) of the statutes, as affected by 1995 Wisconsin Act
18 12, is amended to read:

19 49.193 (8) (a) The department shall pay child care costs of persons with
20 approved employability plans who are participating in the program under this
21 section and of persons who are participating in orientation and job search activities
22 required under sub. (3m). Payment or reimbursement shall be in an amount based
23 on need, with the maximum amount per child equal to the lesser of the actual cost
24 of care or the rate established under s. 46.98 (4) (d), (dg) or (dm), whichever is
25 applicable, or, if a higher rate is established under s. 46.98 (4) (e) and if the child care

1 meets the quality standards established under s. 46.98 (4) (e), payment or
2 reimbursement for child care that meets those standards shall be in an amount based
3 on need, with the maximum amount per child equal to the lesser of the actual cost
4 of the care or the rate established under s. 46.98 (4) (e).

5 **SECTION 119.** 49.193 (8) (bm) of the statutes is amended to read:

6 49.193 (8) (bm) Beginning on January 1, 1994, a county department under s.
7 46.215, 46.22 or 46.23 that receives funds to pay or reimburse child care costs under
8 this subsection ~~or under s. 49.50 (6e) (a)~~ may, with the approval of the department,
9 use those funds to pay or reimburse child care costs under s. 49.50 (6e) (b), (6g) or (7)
10 (e). The department shall approve or disapprove of this use of funds under criteria
11 established to maximize state and federal funding available for child care.

12 **SECTION 120.** 49.193 (8) (bm) of the statutes, as affected by 1995 Wisconsin Acts
13 27 and (this act), is repealed and recreated to read:

14 49.193 (8) (bm) Beginning on January 1, 1994, a county department under s.
15 46.215, 46.22 or 46.23 that receives funds to pay or reimburse child care costs under
16 this subsection may, with the approval of the department, use those funds to pay or
17 reimburse child care costs under s. 49.191 (1) or (2) or 49.26 (1) (e). The department
18 shall approve or disapprove of this use of funds under criteria established to
19 maximize state and federal funding available for child care.

20 **SECTION 121.** 49.193 (9m) (a) of the statutes, as created by 1995 Wisconsin Act
21 12, is renumbered 49.193 (9m) (am).

22 **SECTION 122.** 49.193 (9m) (ag) of the statutes is created to read:

23 49.193 (9m) (ag) In this subsection, "recipient" includes the head of household
24 of an aid to families with dependent children case, regardless of whether the needs
25 of the head of household are not considered as the result of a sanction.

1 **SECTION 123.** 49.193 (10m) of the statutes is amended to read:

2 49.193 **(10m)** WORK-FIRST PROGRAM. The department shall select Kenosha
3 county and additional counties in which to pilot the work-first program under this
4 subsection. The work-first program shall be conducted as part of the job
5 opportunities and basic skills program under this section and shall be funded from
6 s. 20.435 (4) ~~(df)~~ (dz). The work-first program shall seek to increase the amount of
7 job opportunities and basic skills program services provided to recipients of aid to
8 families with dependent children and to minimize the time between the date on
9 which a person in a pilot county first applies for aid to families with dependent
10 children under s. 49.19 and the date on which the person begins to participate in the
11 job opportunities and basic skills program under this section.

12 **SECTION 124.** 49.193 (10m) of the statutes, as affected by 1995 Wisconsin Acts
13 27 and (this act), is repealed and recreated to read:

14 49.193 **(10m)** WORK-FIRST PROGRAM. The department shall select Kenosha
15 county and additional counties in which to pilot the work-first program under this
16 subsection. The work-first program shall be conducted as part of the job
17 opportunities and basic skills program under this section and shall be funded from
18 s. 20.445 (3) (dz). The work-first program shall seek to increase the amount of job
19 opportunities and basic skills program services provided to recipients of aid to
20 families with dependent children and to minimize the time between the date on
21 which a person in a pilot county first applies for aid to families with dependent
22 children under s. 49.19 and the date on which the person begins to participate in the
23 job opportunities and basic skills program under this section.

24 **SECTION 125.** 49.193 (12) of the statutes is created to read:

1 49.193 (12) SUNSET. Beginning on January 1, 1999, or beginning on the first
2 day of the 6th month beginning after the date stated in the notice under s. 49.141 (2)
3 (d), whichever is sooner, no person is eligible to receive benefits under this section
4 and no aid may be granted under this section. No additional notice, other than
5 enactment of this subsection, is required to be given to recipients of aid under this
6 section to terminate their benefits under this subsection.

7 **SECTION 126.** 49.195 (title) of the statutes is amended to read:

8 **49.195 (title) Recovery of aid to families with dependent children and**
9 **Wisconsin works benefits.**

10 **SECTION 127.** 49.195 (1) of the statutes is amended to read:

11 49.195 (1) If any parent at the time of receiving aid under s. 49.19 or a benefit
12 under s. 49.148, 49.153, 49.155 or 49.157 or at any time thereafter acquires property
13 by gift, inheritance, sale of assets, court judgment or settlement of any damage claim,
14 or by winning a lottery or prize, the county granting such aid, or the Wisconsin works
15 agency granting such a benefit, may sue the parent on behalf of the department to
16 recover the value of that portion of the aid or of the benefit which does not exceed the
17 amount of the property so acquired. The value of the aid or benefit liable for recovery
18 under this section may not include the value of work performed by a member of the
19 family in a community work experience program under s. 46.215 (1) (o), 1991 stats.,
20 s. 46.22 (1) (b) 11., 1991 stats., or s. 49.50 (7j) (d), 1991 stats., or in a community work
21 experience component under s. 49.193 (6. During the life of the parent, the 10-year
22 statute of limitations may be pleaded in defense against any suit for recovery under
23 this section; and if such property is his or her homestead it shall be exempt from
24 execution on the judgment of recovery until his or her death or sale of the property,
25 whichever occurs first. Notwithstanding the foregoing restrictions and limitations,

1 where the aid or benefit recipient is deceased a claim may be filed against any
2 property in his or her estate and the statute of limitations specified in s. 859.02 shall
3 be exclusively applicable. The court may refuse to render judgment or allow the
4 claim in any case where a parent, spouse or child is dependent on the property for
5 support, and the court in rendering judgment shall take into account the current
6 family budget requirement as fixed by the U.S. department of labor for the
7 community or as fixed by the authorities of the community in charge of public
8 assistance. The records of aid or benefits paid kept by the county ~~or~~ by the
9 department or by the Wisconsin works agency are prima facie evidence of the value
10 of the aid or benefits furnished. Liability under this section shall extend to any
11 parent or stepparent whose family receives aid under s. 49.19 or benefits under s.
12 49.148, 49.155 or 49.157 during the period that he or she is a member of the same
13 household, but his or her liability is limited to such period. This section does not
14 apply to medical and health assistance payments for which recovery is prohibited or
15 restricted by federal law or regulation.

16 **SECTION 128.** 49.195 (3) of the statutes, as affected by 1995 Wisconsin Act 27,
17 is amended to read:

18 49.195 (3) Notwithstanding s. 49.96, the department shall promptly recover all
19 overpayments made under s. 49.19, 49.148, 49.153, 49.155 or 49.157 and shall
20 promulgate rules establishing policies and procedures to administer this subsection.

21 **SECTION 129.** 49.197 (1m) of the statutes is amended to read:

22 49.197 (1m) FRAUD INVESTIGATION. From the appropriations under s. 20.435 (4)
23 ~~(de)~~ (dz), (L), (n) and (nL), the department shall establish a program to investigate
24 suspected fraudulent activity on the part of recipients of medical assistance under
25 ss. 49.46 to 49.47, aid to families with dependent children under s. 49.19 and the food

1 stamp program under 7 USC 2011 to 2029. The department's activities under this
2 subsection may include, but are not limited to, comparisons of information provided
3 to the department by an applicant and information provided by the applicant to other
4 federal, state and local agencies, development of an advisory welfare investigation
5 prosecution standard and provision of funds to county departments under s. 46.215,
6 46.22 and 46.23 to encourage activities to detect fraud. The department shall
7 cooperate with district attorneys regarding fraud prosecutions.

8 **SECTION 130.** 49.197 (1m) of the statutes, as affected by 1995 Wisconsin Acts
9 27 and (this act), is repealed and recreated to read:

10 49.197 (1m) FRAUD INVESTIGATION. From the appropriations under s. 20.445 (3)
11 (dz), (L), (n) and (nL), the department shall establish a program to investigate
12 suspected fraudulent activity on the part of recipients of medical assistance under
13 subch. IV, aid to families with dependent children under s. 49.19 and the food stamp
14 program under 7 USC 2011 to 2029 and participants in Wisconsin works under ss.
15 49.141 to 49.161. The department's activities under this subsection may include, but
16 are not limited to, comparisons of information provided to the department by an
17 applicant and information provided by the applicant to other federal, state and local
18 agencies, development of an advisory welfare investigation prosecution standard
19 and provision of funds to county departments under s. 46.215, 46.22 and 46.23 and
20 to Wisconsin works agencies to encourage activities to detect fraud. The department
21 shall cooperate with district attorneys regarding fraud prosecutions.

22 **SECTION 131.** 49.197 (3) of the statutes, as affected by 1995 Wisconsin Act 27,
23 is amended to read:

24 49.197 (3) STATE ERROR REDUCTION ACTIVITIES. The department shall conduct
25 activities to reduce payment errors in medical assistance under subch. IV, Wisconsin

1 works under ss. 49.141 to 49.161, aid to families with dependent children under s.
2 49.19 and the food stamp program under 7 USC 2011 to 2029. The department shall
3 fund the activities under this section from the appropriation under s. 20.445 (4) (L).

4 **SECTION 132.** 49.197 (4) of the statutes is amended to read:

5 49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. The department shall provide
6 funds from the appropriations under s. 20.435 (4) ~~(de)~~ (dz), (L) and (Lm) and federal
7 matching funds from the appropriations under s. 20.435 (4) (n) and (nL) to counties
8 and governing bodies of federally recognized American Indian tribes administering
9 medical assistance under ss. 49.43 to 49.47, aid to families with dependent children
10 under s. 49.19 or the food stamp program under 7 USC 2011 to 2029 to offset
11 administrative costs of reducing payment errors in those programs.

12 **SECTION 133.** 49.197 (4) of the statutes, as affected by 1995 Wisconsin Acts 27
13 and ... (this act), is repealed and recreated to read:

14 49.197 (4) ERROR REDUCTION. The department shall provide funds from the
15 appropriations under s. 20.445 (3) (dz), (L) and (Lm) and federal matching funds from
16 the appropriations under s. 20.445 (3) (n) and (nL) to persons administering
17 Wisconsin works under ss. 49.141 to 49.161 or the food stamp program under 7 USC
18 2011 to 2029 and to counties and governing bodies of federally recognized American
19 Indian tribes administering medical assistance under subch. IV and aid to families
20 with dependent children under s. 49.19 to offset administrative costs of reducing
21 payment errors in those programs.

22 **SECTION 134.** 49.20 (3) of the statutes is amended to read:

23 49.20 (3) PAYMENT. Aid under this section shall be paid from the appropriation
24 under s. 20.435 (4) ~~(d)~~ (dz) and shall be in an amount equal to that to which the person
25 would be entitled under s. 49.19 if he or she were 17 years of age, except that if the

1 person's family became ineligible for aid under s. 49.19 on the person's 18th birthday,
2 the amount paid shall equal the amount of aid granted to a single person under s.
3 49.19.

4 **SECTION 135.** 49.20 (3) of the statutes, as affected by 1995 Wisconsin Acts 27
5 and (this act), is repealed and recreated to read:

6 49.20 (3) PAYMENT. Aid under this section shall be paid from the appropriation
7 under s. 20.445 (3) (dz) and shall be in an amount equal to that to which the person
8 would be entitled under s. 49.19 if he or she were 17 years of age, except that if the
9 person's family became ineligible for aid under s. 49.19 on the person's 18th birthday,
10 the amount paid shall equal the amount of aid granted to a single person under s.
11 49.19. This subsection does not apply beginning on January 1, 1999, or beginning
12 on the first day of the 6th month beginning after the date stated in the notice under
13 s. 49.141 (2) (d), whichever is sooner.

14 **SECTION 136.** 49.21 (1) (c) of the statutes is created to read:

15 49.21 (1) (c) This subsection does not apply beginning on the first day of the 6th
16 month beginning after the date stated in the notice under s. 49.141 (2) (d).

17 **SECTION 137.** 49.25 (10) of the statutes is created to read:

18 49.25 (10) SUNSET. Beginning on January 1, 1999, or beginning on the first day
19 of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d),
20 whichever is sooner, no person is eligible to receive benefits under this section and
21 no aid may be granted under this section. No additional notice, other than enactment
22 of this subsection, is required to be given to recipients of aid under this section to
23 terminate their benefits under this subsection.

24 **SECTION 138.** 49.26 (title) of the statutes, as affected by 1995 Wisconsin Act 27,
25 is amended to read:

1 **49.26 (title) Learnfare pilot program.**

2 **SECTION 139.** 49.26 (1) (e) of the statutes, as affected by 1995 Wisconsin Act 27,
3 is amended to read:

4 49.26 (1) (e) For an individual who is a recipient of aid under s. 49.19, or whose
5 custodial parent is a participant under s. 49.147 (3) to (5), who is the parent with
6 whom a dependent child lives and who is either subject to the school attendance
7 requirement under par. (g) or is under 20 years of age and wants to attend school,
8 the department shall make a monthly payment to the individual or the child care
9 provider for the month's child care costs in an amount based on need with the
10 maximum amount per child equal to the lesser of the actual cost of the care or the
11 rate established under s. 46.98 (4) (d) ~~or, if a higher rate is established under s. 46.98~~
12 ~~(4) (e) and if the child care meets the quality standards established under s. 46.98~~
13 ~~(4) (e), in an amount based on need with the maximum amount per child equal to the~~
14 ~~lesser of the actual cost of the care or the rate established under s. 46.98 (4) (e), 49.155~~
15 (6) if the individual demonstrates the need to purchase child care services in order
16 to attend school and those services are available from a child care provider.

17 **SECTION 140.** 49.26 (1) (g) (intro.) of the statutes, as affected by 1995 Wisconsin
18 Act 27, is amended to read:

19 49.26 (1) (g) (intro.) An individual who is a dependent child in a Wisconsin
20 works group that includes a participant under s. 49.147 (3), (4) or (5) or who is a
21 recipient of aid under s. 49.19 is subject to the school attendance requirement under
22 par. (g) if all of the following apply:

23 **SECTION 141.** 49.26 (1) (g) 1. of the statutes, as affected by 1995 Wisconsin Act
24 27, is amended to read:

1 49.26 (1) (g) 1. Before the first day of the fall 1994 school term, as defined in
2 s. 115.001 (12), the individual is 13 to 19 years of age. Beginning on the first day of
3 the fall 1994 1997 school term, as defined in s. 115.001 (12), the individual is 13 6 to
4 19 years of age ~~or the individual lives in a county designated by the department~~
5 ~~under par. (j) and is required to attend school under that paragraph.~~

6 **SECTION 142.** 49.26 (1) (gm) (intro.) of the statutes, as affected by 1995
7 Wisconsin Act 27, is amended to read:

8 49.26 (1) (gm) (intro.) The first time that an individual fails to meet the school
9 attendance requirement under par. (ge), the county department under s. 46.215,
10 46.22 or 46.23 or the Wisconsin works agency shall do all of the following:

11 **SECTION 143.** 49.26 (1) (h) 1. a. of the statutes, as affected by 1995 Wisconsin
12 Act 27, is amended to read:

13 49.26 (1) (h) 1. a. The county department under s. 46.215, 46.22 or 46.23 or
14 Wisconsin works agency complies with par. (gm).

15 **SECTION 144.** 49.26 (1) (hm) of the statutes, as affected by 1995 Wisconsin Act
16 27, is amended to read:

17 49.26 (1) (hm) The department may require consent to the release of school
18 attendance records, under s. 118.125 (2) (e), as a condition of eligibility for benefits
19 under s. 49.147 (3) to (5) or aid under s. 49.19.

20 **SECTION 145.** 49.26 (1) (hr) of the statutes, as affected by 1995 Wisconsin Act
21 27, is amended to read:

22 49.26 (1) (hr) If an individual subject to the school attendance requirement
23 under par. (ge) is enrolled in a public school, communications between the school
24 district and the department ~~or~~, a county department under s. 46.215, 46.22 or 46.23

1 or a Wisconsin works agency concerning the individual's school attendance may only
2 be made by a school attendance officer, as defined under s. 118.16 (1) (a).

3 **SECTION 146.** 49.26 (1) (j) of the statutes, as affected by 1995 Wisconsin Act 27,
4 is repealed.

5 **SECTION 147.** 49.26 (2) (b) of the statutes, as affected by 1995 Wisconsin Act 27,
6 section 2322b, is repealed and recreated to read:

7 49.26 (2) (b) From the appropriation under s. 20.445 (3) (dz), the department
8 shall allocate funds to county departments or Wisconsin works agencies for the
9 provision of case management services to individuals who are subject to the school
10 attendance requirement under the learnfare program under sub. (1) and their
11 families to improve the school attendance and achievement of those individuals. At
12 least 75% of the funds that the department allocates under this paragraph to provide
13 case management services to individuals who are 13 to 19 years of age shall be
14 allocated to a county department or to Wisconsin works agencies in a county with a
15 population of 500,000 or more. A county or Wisconsin works agency is eligible to
16 receive funds under this subsection to provide case management services to
17 individuals who are 13 to 19 years of age in a year if 35 or more individuals, 13 to 19
18 years of age, residing in the county were sanctioned under sub. (1) (h) or were subject
19 to the monthly attendance requirement under s. HSS 201.195 (4) (b) 2., Wis. adm.
20 code, in any month during the previous year.

21 **SECTION 148.** 49.27 (5) (e) 2. of the statutes is repealed.

22 **SECTION 149.** 49.27 (6) (c) of the statutes is amended to read:

23 49.27 (6) (c) *Benefits.* A county department under s. 46.215, 46.22 or 46.23 shall
24 provide assistance in paying the child care costs of a work-not-welfare group that
25 is eligible to receive benefits under this paragraph if the child care is provided by a

1 child care provider, as defined in s. 46.98 (1) (am). The formula for determining the
2 amount of assistance shall be the same as the formula established by the department
3 under s. 49.50 (6g). The rates for child care services under this paragraph shall be
4 determined under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher
5 rate is established under s. 46.98 (4) (e) and if the child care services meet the quality
6 standards established under s. 46.98 (4) (e), the rates for child care services under
7 this paragraph that meet those standards shall be determined under s. 46.98 (4) (e).
8 The department shall promulgate rules for the disbursement of funds under this
9 paragraph.

10 **SECTION 150.** 49.27 (13) of the statutes is created to read:

11 49.27 (13) SUNSET. Beginning on January 1, 1999, or beginning on the first day
12 of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d),
13 whichever is sooner, no person is eligible to receive benefits under this section and
14 no aid may be granted under this section. No additional notice, other than enactment
15 of this subsection, is required to be given to recipients of aid under this section to
16 terminate their benefits under this subsection.

17 **SECTION 151.** 49.30 (1) (intro.) of the statutes, as affected by 1995 Wisconsin
18 Act 27, section 2922, is amended to read:

19 49.30 (1) (intro.) Except as provided in sub. (1m), if any recipient of benefits
20 under s. 49.153, 49.46 or 49.77, or under 42 USC 1381 to 1385 in effect on May 8,
21 1980, dies and the estate of the deceased recipient is insufficient to pay the funeral,
22 burial and cemetery expenses of the deceased recipient, the county or applicable
23 tribal governing body or organization responsible for burial of the recipient shall pay,
24 to the person designated by the county department under s. 46.215, 46.22 or 46.23

1 or applicable tribal governing body or organization responsible for the burial of the
2 recipient, all of the following:

3 **SECTION 152.** 49.32 (7) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
4 is amended to read:

5 49.32 (7) (a) The department shall conduct a program to periodically verify the
6 eligibility of recipients of aid to families with dependent children under s. 49.19 and
7 of participants in Wisconsin works under ss. 49.141 to 49.161 through a check of
8 school enrollment records of local school boards as provided in s. 118.125 (2) (i).

9 **SECTION 153.** 49.32 (9) (a) of the statutes, as affected by 1995 Wisconsin Act 27
10 is amended to read:

11 49.32 (9) (a) Each county department under s. 46.215, 46.22 or 46.23
12 administering aid to families with dependent children shall maintain a monthly
13 report at its office showing the names and addresses of all persons receiving such aid
14 together with the amount paid during the preceding month. Each Wisconsin works
15 agency administering Wisconsin works under ss. 49.141 to 49.161 shall maintain a
16 monthly report at its office showing the names and addresses of all persons receiving
17 benefits under s. 49.148 together with the amount paid during the preceding month.

18 Nothing in this paragraph shall be construed to authorize or require the disclosure
19 in the report of any information (names, addresses, amounts of aid or otherwise)
20 pertaining to adoptions, or aid furnished for the care of children in foster homes or
21 treatment foster homes under s. 49.19 (10).

22 **SECTION 154.** 49.32 (9) (b) of the statutes, as affected by 1995 Wisconsin Act 27,
23 is amended to read:

24 49.32 (9) (b) The report under par. (a) shall be open to public inspection at all
25 times during regular office hours and may be destroyed after the next succeeding

1 report becomes available. Any person except any public officer, seeking permission
2 to inspect such report shall be required to prove his or her identity and to sign a
3 statement setting forth his or her address and the reasons for making the request
4 and indicating that he or she understands the provisions of par. (c) with respect to
5 the use of the information obtained. The use of a fictitious name is a violation of this
6 section. Within 72 hours after any such record has been inspected, the county
7 department or Wisconsin works agency shall mail to each person whose record was
8 inspected a notification of that fact and the name and address of the person making
9 such inspection. The county department or Wisconsin works agency shall keep a
10 record of such requests.

11 **SECTION 155.** 49.32 (10) (title) of the statutes, as created by 1995 Wisconsin Act
12 27, is amended to read:

13 49.32 (10) (title) ~~RELEASE OF RECIPIENT'S ADDRESSES~~ INFORMATION TO LAW
14 ENFORCEMENT OFFICERS.

15 **SECTION 156.** 49.32 (10) of the statutes, as affected by 1995 Wisconsin Act 27,
16 is renumbered 49.32 (10) (a), and 49.32 (10) (a) (intro.) and 2. b. and c., as
17 renumbered, are amended to read:

18 49.32 (10) (a) (intro.) Each county department under s. 46.215 or 46.22 may
19 release the current address of a recipient of aid under s. 49.19, and each Wisconsin
20 works agency may release the current address of a participant in Wisconsin works
21 under ss. 49.141 to 49.161, to a law enforcement officer if the officer meets all of the
22 following conditions:

23 2. b. That the location or apprehension of the felon under subd. 1. ~~2. a.~~ is within
24 the official duties of the officer.

1 c. That the officer is making the request in the proper exercise of his or her
2 duties under subd. 2. b.

3 **SECTION 157.** 49.32 (10) (b) of the statutes is created to read:

4 49.32 (10) (b) If a law enforcement officer believes, on reasonable grounds, that
5 a warrant has been issued and is outstanding for the arrest of a Wisconsin works
6 participant, the law enforcement officer may request that a law enforcement officer
7 be notified when the participant appears to obtain his or her benefits under the
8 Wisconsin works program. At the request of a law enforcement officer under this
9 paragraph, an employe of a Wisconsin works agency who disburses benefits may
10 notify a law enforcement officer when the participant appears to obtain Wisconsin
11 works benefits.

12 **SECTION 158.** 49.33 (1) (b) of the statutes, as affected by 1995 Wisconsin Act 27,
13 section 2047, is amended to read:

14 49.33 (1) (b) “Income maintenance program” means aid to families with
15 dependent children under s. 49.19, Wisconsin works under ss. 49.141 to 49.161,
16 medical assistance under subch. IV of ch. 49 or the food stamp program under 7 USC
17 2011 to 2029.

18 **SECTION 159.** 49.33 (1) (c) of the statutes, as affected by 1995 Wisconsin Act 27,
19 section 2048, is amended to read:

20 49.33 (1) (c) “Income maintenance worker” means a person employed by a
21 county or a governing body of a federally recognized American Indian tribe or a
22 Wisconsin works agency whose duties include determinations or redeterminations
23 of income maintenance program eligibility.

24 **SECTION 160.** 49.33 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
25 section 2043, is repealed and recreated to read:

1 49.33 (2) CONTRACTS. County departments under ss. 46.215, 46.22 and 46.23
2 shall annually enter into a contract with the department detailing the reasonable
3 cost of administering the income maintenance programs under ss. 49.19, 49.26 (1)
4 and 49.45 to 49.47 and the food stamp program under 7 USC 2011 to 2029 when so
5 appointed by the department. Contracts created under this section control the
6 distribution of payments under s. 20.445 (3) (dz) and (nL) in accordance with the
7 reimbursement method established under s. 49.33 (8). The department may reduce
8 its payment to any county under s. 20.445 (3) (dz) and (nL) if federal reimbursement
9 is withheld due to audits, quality control samples or program reviews.

10 **SECTION 161.** 49.33 (8) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
11 section 3130, is repealed and recreated to read:

12 49.33 (8) (a) The department shall reimburse each county for reasonable costs
13 of income maintenance relating to the administration of programs under this
14 subchapter and subch. IV according to a formula based on workload within the limits
15 of available state and federal funds under s. 20.445 (3) (dz) and (nL) by contract
16 under s. 49.33 (2). The amount of reimbursement calculated under this paragraph
17 and par. (b) is in addition to any reimbursement provided to a county for fraud and
18 error reduction under s. 49.197 (1m) and (4).

19 **SECTION 162.** 49.33 (9) of the statutes, as created by 1995 Wisconsin Act 27, is
20 amended to read:

21 49.33 (9) REIMBURSEMENT FOR INCOME MAINTENANCE BENEFITS. The department
22 shall reimburse each county from the appropriations under s. 20.445 (3) (~~d~~) (dz) and
23 (p) for 100% of the cost of aid to families with dependent children granted under s.
24 49.19 and for funeral expenses paid for recipients of aid under s. 49.30.

1 **SECTION 163.** 49.36 (title) of the statutes, as affected by 1995 Wisconsin Act 27,
2 is amended to read:

3 **49.36** (title) **Work experience and job training program for**
4 **noncustodial parents.**

5 **SECTION 164.** 49.36 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
6 section 2137, is repealed and recreated to read:

7 49.36 (2) The department may contract with any county or Wisconsin works
8 agency under s. 49.143 to administer a work experience program for parents who are
9 not custodial parents and who fail to pay child support or to meet their children's
10 needs for support as a result of unemployment or underemployment. The program
11 may provide the kinds of work experience available from the program under s. 49.193
12 or 49.147 (3) or (4). The department shall fund the program from the appropriation
13 under s. 20.445 (3) (dz).

14 **SECTION 165.** 49.36 (3) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
15 is amended to read:

16 49.36 (3) (a) Except as provided in par. (f), a person ordered to register under
17 s. 767.295 (2) (a) shall participate in a work experience and job training program if
18 services are available.

19 **SECTION 166.** 49.36 (3) (g) of the statutes, as affected by 1995 Wisconsin Act 27,
20 is amended to read:

21 49.36 (3) (g) If the person's child receives benefits under s. 49.19, the liability
22 under s. 49.195 of a parent who is a member of the child's household is reduced by
23 the amount of the federal minimum hourly wage under 29 USC 206 (a) (1) for each
24 hour the person participates in a program under this section. This paragraph does

1 not apply beginning on the first day of the 6th month beginning after the date stated
2 in the notice under s. 49.141 (2) (d).

3 **SECTION 167.** 49.36 (4) of the statutes, as affected by 1995 Wisconsin Act 27,
4 is amended to read:

5 49.36 (4) When a person completes 16 weeks of participation in a program
6 under this section, the county or Wisconsin works agency operating the program
7 shall inform the clerk of courts, by affidavit, of that completion.

8 **SECTION 168.** 49.36 (5) of the statutes, as affected by 1995 Wisconsin Act 27,
9 is amended to read:

10 49.36 (5) A person participating in work experience ~~in a county~~ as part of the
11 program under this section is considered an employe of ~~that~~ the county or Wisconsin
12 works agency administering the program under this section for purposes of worker's
13 compensation benefits only.

14 **SECTION 169.** 49.36 (6) of the statutes, as affected by 1995 Wisconsin Act 27,
15 is amended to read:

16 49.36 (6) A county or Wisconsin works agency administering the program
17 under this section shall reimburse a person for reasonable transportation costs
18 incurred because of participation in a program under this section up to a maximum
19 of \$25 per month.

20 **SECTION 170.** 49.36 (7) of the statutes, as affected by 1995 Wisconsin Act 27,
21 is amended to read:

22 49.36 (7) The department shall pay a county or Wisconsin works agency \$200
23 for each person who participates in the program under this section in ~~that county~~ the
24 region in which the county or Wisconsin works agency administers the program

1 under this section. The county or Wisconsin works agency shall pay any additional
2 costs of the program.

3 **SECTION 171.** 49.45 (6m) (br) 1. of the statutes is amended to read:

4 49.45 **(6m)** (br) 1. Notwithstanding s. 20.435 (3) (cd), (4) ~~(de)~~ (dz) or (eb) or (7)
5 (b), the department shall reduce allocations of funds to counties in the amount of the
6 disallowance from the appropriations under s. 20.435 (3) (cd), (4) ~~(de)~~ (dz) or (eb) or
7 (7) (b) in accordance with s. 16.544 to the extent applicable.

8 **SECTION 172.** 49.45 (6m) (br) 1. of the statutes, as affected by 1995 Wisconsin
9 Acts 27 and (this act), is repealed and recreated to read:

10 49.45 **(6m)** (br) 1. Notwithstanding s. 20.410 (3) (cd), 20.435 (1) (bt) or (bu) or
11 (7) (b) or 20.445 (3) (dz), the department shall reduce allocations of funds to counties
12 in the amount of the disallowance from the appropriations under s. 20.410 (3) (cd)
13 or 20.435 (1) (bt) or (bu) or (7) (b), or the department shall direct the department of
14 industry, labor and job development to reduce allocations of funds to counties or
15 Wisconsin works agencies in the amount of the disallowance from the appropriation
16 under s. 20.445 (3) (dz) in accordance with s. 16.544 to the extent applicable.

17 **SECTION 173.** 49.46 (1) (a) 1. of the statutes is amended to read:

18 49.46 **(1)** (a) 1. Any person included in the grant of aid to families with
19 dependent children and any person who does not receive such aid solely because of
20 the application of s. 49.19 (11) (a) 7. This subdivision does not apply beginning on
21 the first day of the 6th month beginning after the date stated in the notice under s.
22 49.141 (2) (d).

23 **SECTION 174.** 49.46 (1) (a) 1m. of the statutes is amended to read:

24 49.46 **(1)** (a) 1m. Any pregnant woman who meets the resource and income
25 limits under s. 49.19 (4) (bm) and (es) and whose pregnancy is medically verified.

1 Eligibility continues to the last day of the month in which the 60th day after the last
2 day of the pregnancy falls. This subdivision does not apply beginning on the first day
3 of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

4 **SECTION 175.** 49.46 (1) (a) 4m. of the statutes is created to read:

5 49.46 (1) (a) 4m. Any dependent child whose custodial parent, as defined under
6 s. 49.141 (1) (b), receives a payment under s. 49.77 (3v).

7 **SECTION 176.** 49.46 (1) (a) 5. of the statutes is amended to read:

8 49.46 (1) (a) 5. Any child in an adoption assistance, foster care, kinship care
9 or treatment foster care placement under ch. 48, as determined by the department.

10 **SECTION 177.** 49.46 (1) (a) 6. of the statutes is amended to read:

11 49.46 (1) (a) 6. Any person not described in pars. (c) to (e) who is considered,
12 under federal law, to be receiving aid to families with dependent children or
13 ~~supplemental security income~~ for the purpose of determining eligibility for medical
14 assistance. This subdivision does not apply beginning on the first day of the 6th
15 month beginning after the date stated in the notice under s. 49.141 (2) (d).

16 **SECTION 178.** 49.46 (1) (a) 6m. of the statutes is created to read:

17 49.46 (1) (a) 6m. Any person not described in pars. (c) to (e) who is considered,
18 under federal law, to be receiving supplemental security income for the purpose of
19 determining eligibility for medical assistance.

20 **SECTION 179.** 49.46 (1) (a) 9. of the statutes is amended to read:

21 49.46 (1) (a) 9. Any pregnant woman not described under subd. 1. or 1m. whose
22 family income does not exceed 133% of the poverty line for a family the size of the
23 woman's family. This subdivision does not apply beginning on the first day of the 6th
24 month beginning after the date stated in the notice under s. 49.141 (2) (d).

25 **SECTION 180.** 49.46 (1) (a) 10. of the statutes is amended to read:

1 49.46 (1) (a) 10. Any child not described under subd. 1. who is under 6 years
2 of age and whose family income does not exceed 133% of the poverty line for a family
3 the size of the child's family. This subdivision does not apply beginning on the first
4 day of the 6th month beginning after the date stated in the notice under s. 49.141 (2)
5 (d).

6 **SECTION 181.** 49.46 (1) (a) 11. of the statutes is amended to read:

7 49.46 (1) (a) 11. Any child not described under subd. 1. who was born after
8 September 30, 1983, who has attained the age of 6 but has not attained the age of 19
9 and whose family income does not exceed 100% of the poverty line for a family the
10 size of the child's family. This subdivision does not apply beginning on the first day
11 of the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

12 **SECTION 182.** 49.46 (1) (a) 12. of the statutes is amended to read:

13 49.46 (1) (a) 12. Any child not described under subd. 1. who is under 19 years
14 of age and who meets the resource and income limits under s. 49.19 (4). This
15 subdivision does not apply beginning on the first day of the 6th month beginning
16 after the date stated in the notice under s. 49.141 (2) (d).

17 **SECTION 183.** 49.46 (1) (a) 13. of the statutes is amended to read:

18 49.46 (1) (a) 13. Any child who is under one year of age, whose mother was
19 determined to be eligible under subd. 9. and who lives with his or her mother. This
20 subdivision does not apply beginning on the first day of the 6th month beginning
21 after the date stated in the notice under s. 49.141 (2) (d).

22 **SECTION 184.** 49.46 (1) (a) 16. of the statutes is created to read:

23 49.46 (1) (a) 16. Any child who is living with a relative who is eligible to receive
24 payments under s. 48.57 (3m) with respect to that child, if the department
25 determines that no other insurance is available to the child.

1 **SECTION 185.** 49.46 (1) (am) 3. of the statutes is created to read:

2 49.46 (1) (am) 3. This paragraph does not apply beginning on the first day of
3 the 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

4 **SECTION 186.** 49.46 (1) (cb) of the statutes is created to read:

5 49.46 (1) (cb) Paragraph (c) does not apply beginning on the first day of the 6th
6 month beginning after the date stated in the notice under s. 49.141 (2) (d).

7 **SECTION 187.** 49.46 (1) (cg) of the statutes is amended to read:

8 49.46 (1) (cg) Except as provided in par. (cs), medical assistance shall be
9 provided to a dependent child, a relative with whom the child is living or the spouse
10 of the relative, if the spouse meets the requirements of s. 49.19 (1) (c) 2. a. or b., for
11 4 calendar months beginning with the month in which the child, relative or spouse
12 is ineligible for aid to families with dependent children because of the collection or
13 increased collection of maintenance or support, if the child, relative or spouse
14 received aid to families with dependent children in 3 or more of the 6 months
15 immediately preceding the month in which that ineligibility begins. This paragraph
16 does not apply beginning on the first day of the 6th month beginning after the date
17 stated in the notice under s. 49.141 (2) (d).

18 **SECTION 188.** 49.46 (1) (co) 4. of the statutes is created to read:

19 49.46 (1) (co) 4. This paragraph does not apply beginning on the first day of the
20 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

21 **SECTION 189.** 49.46 (1) (cr) of the statutes is renumbered 49.46 (1) (cr) 1., and
22 49.46 (1) (cr) 1. b. and c., as renumbered, are amended to read:

23 49.46 (1) (cr) 1. b. Discloses in the application under subd. 1. a. any health
24 insurance possessed by a member of the family.

1 c. Demonstrates that, but for the loss of the disregards for earned income under
2 s. 49.19 (5) (a) 4., the family was continuously eligible for aid to families with
3 dependent children from the date of that loss until the date of the application made
4 under subd. 1. a.

5 **SECTION 190.** 49.46 (1) (cr) 2. of the statutes is created to read:

6 49.46 (1) (cr) 2. This paragraph does not apply beginning on the first day of the
7 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

8 **SECTION 191.** 49.46 (1) (cs) of the statutes is amended to read:

9 49.46 (1) (cs) Medical assistance shall be provided to members of a
10 work-not-welfare group, as defined in s. 49.27 (1) (c), that is eligible for transitional
11 medical assistance coverage under s. 49.27 (8) (c). If the person is or was a member
12 of a work-not-welfare group, as defined in s. 49.27 (1) (c), and if the period of
13 ineligibility under s. 49.27 (4) (f) and (g) for that work-not-welfare group has not yet
14 expired, the person is not eligible for medical assistance under par. (c), (cg), (co) or
15 (cr), unless the person was a dependent child, as defined in s. 49.19 (1) (a), at the time
16 that he or she was a member of the work-not-welfare group. This paragraph does
17 not apply beginning on the first day of the 6th month beginning after the date stated
18 in the notice under s. 49.141 (2) (d).

19 **SECTION 192.** 49.46 (1) (d) 1. of the statutes is amended to read:

20 49.46 (1) (d) 1. Children who are placed in licensed foster homes or licensed
21 treatment foster homes by the department and who would be eligible for payment
22 of aid to families with dependent children in foster homes or treatment foster homes
23 except that their placement is not made by a county department under s. 46.215,
24 46.22 or 46.23 will be considered as recipients of aid to families with dependent

1 children. This subdivision does not apply beginning on the first day of the 6th month
2 beginning after the date stated in the notice under s. 49.141 (2) (d).

3 **SECTION 193.** 49.46 (1) (e) of the statutes, as affected by 1995 Wisconsin Act 27,
4 is renumbered 49.46 (1) (e) 1.

5 **SECTION 194.** 49.46 (1) (e) 2. of the statutes is created to read:

6 49.46 (1) (e) 2. Beginning on the first day of the 6th month beginning after the
7 date stated in the notice under s. 49.141 (2) (d), this paragraph does not apply with
8 respect to a person who has income and resources within the limitations of s. 49.19
9 whether or not the person requests or receives a grant of aid under that section.

10 **SECTION 195.** 49.465 (7) of the statutes is created to read:

11 49.465 (7) This section does not apply beginning on the first day of the 6th
12 month beginning after the date stated in the notice under s. 49.141 (2) (d).

13 **SECTION 196.** 49.47 (4) (a) (intro.) of the statutes is amended to read:

14 49.47 (4) (a) (intro.) Any Except as provided in par. (ag), any individual who
15 meets the limitations on income and resources under pars. (b) and (c) and who
16 complies with par. (cm) shall be eligible for medical assistance under this section if
17 such individual is:

18 **SECTION 197.** 49.47 (4) (ag) of the statutes is created to read:

19 49.47 (4) (ag) No individual is eligible for medical assistance in a month that
20 the individual is eligible for health care coverage under s. 49.153.

21 **SECTION 198.** 49.47 (4) (an) of the statutes is created to read:

22 49.47 (4) (an) Paragraph (am) does not apply beginning on the first day of the
23 6th month beginning after the date stated in the notice under s. 49.141 (2) (d).

24 **SECTION 199.** 49.50 (6e) (a) of the statutes is repealed.

1 **SECTION 200.** 49.50 (6e) (b) of the statutes, as affected by 1995 Wisconsin Act
2 27, section 3091, is renumbered 49.50 (6e) and amended to read:

3 49.50 **(6e)** Within the limits of funds available under s. 20.435 (4) ~~(en)~~ (dz) and
4 (na) and (6) (jg), the department shall provide funds for individuals who are working
5 and who receive aid to families with dependent children to pay child care costs in
6 excess of the amount of the child care disregard under s. 49.19 (5) (a) and child care
7 costs incurred before the child care disregard under s. 49.19 (5) (a) becomes available
8 if the child care is provided by a child care provider.

9 **SECTION 201.** 49.50 (6g) of the statutes is amended to read:

10 49.50 **(6g)** DAY CARE FUNDS FOR FORMER RECIPIENTS OF AID TO FAMILIES WITH
11 DEPENDENT CHILDREN. The department shall pay the child care costs of an individual
12 who secures unsubsidized employment and loses eligibility for aid to families with
13 dependent children because of earned income or number of hours worked for up to
14 12 months following the loss of eligibility if the child care is provided by a child care
15 provider. The department shall establish a formula for assistance based on ability
16 to pay. The rates for child care services under this subsection shall be determined
17 under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a higher rate is
18 established under s. 46.98 (4) (e) and if the child care services meet the quality
19 standards established under s. 46.98 (4) (e), the rates for child care services under
20 this subsection that meet those standards shall be determined under s. 46.98 (4) (e).
21 The department shall promulgate rules for the disbursement of funds under this
22 subsection.

23 **SECTION 202.** 49.50 (6k) (a) of the statutes is amended to read:

24 49.50 **(6k)** (a) County departments under ss. 46.215, 46.22 and 46.23 shall
25 administer the funds appropriated for the purpose of providing child care under

1 subs. (6e) ~~(b)~~ and (6g) for recipients and former recipients of aid under s. 49.19 and
2 under sub. (7) (e) for participants in the learnfare program. The department shall
3 allocate funds to county departments under ss. 46.215, 46.22 and 46.23 for the
4 purposes of this paragraph.

5 **SECTION 203.** 49.50 (6k) (b) of the statutes is amended to read:

6 49.50 **(6k)** (b) Beginning on January 1, 1994, a county department under s.
7 46.215, 46.22 or 46.23 may, with the approval of the department, provide payment
8 for, or reimbursement of, child care under s. 49.193 (8) ~~or 49.50 (6e) (a)~~ using funds
9 allocated under par. (a). The department shall approve or disapprove this use of
10 funds under criteria established to maximize state and federal funding available for
11 child care.

12 **SECTION 204.** 49.50 (7) (e) of the statutes is amended to read:

13 49.50 **(7)** (e) For an individual who is a recipient of aid under s. 49.19, who is
14 the parent with whom a dependent child lives and who is either required to attend
15 school under par. (g) or is under 20 years of age and wants to attend school, the
16 department shall make a monthly payment to the individual or the child care
17 provider for the month's child care costs in an amount based on need with the
18 maximum amount per child equal to the lesser of the actual cost of the care or the
19 rate established under s. 46.98 (4) (d), (dg) or (dm), whichever is applicable, or, if a
20 higher rate is established under s. 46.98 (4) (e) and if the child care meets the quality
21 standards established under s. 46.98 (4) (e), in an amount based on need with the
22 maximum amount per child equal to the lesser of the actual cost of the care or the
23 rate established under s. 46.98 (4) (e), if the individual demonstrates the need to
24 purchase child care services in order to attend school and those services are available
25 from a child care provider.

1 **SECTION 205.** 49.52 (1) (ad) 1. of the statutes is amended to read:

2 49.52 (1) (ad) 1. The department shall reimburse each county for reasonable
3 costs of income maintenance administration according to a formula based on
4 workload within the limits of available state and federal funds under s. 20.435 (4)
5 ~~(de)~~ (dz) and (nL) by contract under s. 46.032. The amount of reimbursement
6 calculated under this paragraph is in addition to any reimbursement provided to a
7 county for fraud and error reduction under s. 49.197 (1m) and (4).

8 **SECTION 206.** 49.52 (1) (am) of the statutes is amended to read:

9 49.52 (1) (am) The department shall reimburse each county from the
10 appropriations under s. 20.435 (4) ~~(d)~~ (dz) and (p) and (7) (b) and (o) for 100% of the
11 cost of aid to families with dependent children granted under s. 49.19, for social
12 services as approved by the department under ss. 46.215 (1), (2) (c) and (3) and 46.22
13 (1) (b) 8. and (e) 3., and for funeral expenses paid for recipients of aid under s. 49.30,
14 except that no reimbursement may be made for the administration of or aid granted
15 under s. 49.02.

16 **SECTION 207.** 49.52 (1) (d) of the statutes, as affected by 1995 Wisconsin Act
17 27, section 3134m, is amended to read:

18 49.52 (1) (d) From the appropriations under s. 20.435 (7) (b) and (o), the
19 department shall distribute the funding for social services, including funding for
20 foster care or treatment foster care of a child receiving aid under s. 49.19, to county
21 departments under ss. 46.215, 46.22 and 46.23 as provided under s. 46.40. County
22 matching funds are required for the distributions under s. 46.40 (2), ~~(4m)~~ and (8).
23 Each county's required match for a year equals 9.89% of the total of the county's
24 distributions for that year for which matching funds are required plus the amount
25 the county was required by s. 46.26 (2) (c), 1985 stats., to spend for juvenile

1 delinquency-related services from its distribution for 1987. Matching funds may be
2 from county tax levies, federal and state revenue sharing funds or private donations
3 to the county that meet the requirements specified in s. 51.423 (5). Private donations
4 may not exceed 25% of the total county match. If the county match is less than the
5 amount required to generate the full amount of state and federal funds distributed
6 for this period, the decrease in the amount of state and federal funds equals the
7 difference between the required and the actual amount of county matching funds.

8 **SECTION 208.** 49.52 (5) of the statutes is amended to read:

9 49.52 (5) The department shall withhold the value of food stamp losses for
10 which a county or federally recognized American Indian tribe is liable under sub. (4)
11 from the payment to the county or tribe under s. 20.435 (4) (~~de~~) (dz) and (nL) and
12 reimburse the federal government from the funds withheld.

13 **SECTION 209.** 49.77 (3v) of the statutes is created to read:

14 49.77 (3v) INCREASED SUPPLEMENTAL PAYMENTS TO CUSTODIAL PARENTS. (a) In this
15 subsection:

16 1. "Custodial parent" has the meaning given in s. 49.141 (1) (b).

17 2. "Dependent child" has the meaning given in s. 49.141 (1) (c).

18 (b) A person who is entitled to receive supplemental payments under this
19 section and who is a custodial parent shall receive an increased state supplement of
20 \$77 for each dependent child with respect to whom the person is a custodial parent.

21 (c) Notwithstanding par. (b), if a person who is entitled to receive supplemental
22 payments under this section is married to a person who is also entitled to receive
23 supplemental payments under this section, and both persons are custodial parents
24 of a dependent child, only one increased state supplemental payment of \$77 may be
25 paid with respect to that child.

1 **SECTION 210.** 49.83 of the statutes, as affected by 1995 Wisconsin Act 27,
2 sections 3142 and 3144, is amended to read:

3 **49.83 Limitation on giving information.** Except as provided under s. 49.32
4 (9) and (10), no person may use or disclose information concerning applicants and
5 recipients of relief funded by a relief block grant, aid to families with dependent
6 children, Wisconsin works under ss. 49.141 to 49.161, social services or supplemental
7 payments under s. 49.77, for any purpose not connected with the administration of
8 the programs. Any person violating this subsection may be fined not less than \$25
9 nor more than \$500 or imprisoned in the county jail not less than 10 days nor more
10 than one year or both.

11 **SECTION 211.** 49.84 (5) of the statutes, as affected by 1995 Wisconsin Act 27,
12 section 3211, is amended to read:

13 49.84 (5) A person applying for Wisconsin works under ss. 49.141 to 49.161, aid
14 to families with dependent children under s. 49.19, medical assistance under subch.
15 IV or food stamp program benefits under 7 USC 2011 to 2029 shall, as a condition
16 of eligibility, provide a declaration and other verification of citizenship or satisfactory
17 immigration status as required by the department by rule or as required in 42 USC
18 1320b-7 (d).

19 **SECTION 212.** 49.85 (1) of the statutes, as affected by 1995 Wisconsin Act 27,
20 section 2146, is amended to read:

21 49.85 (1) COUNTY DEPARTMENT NOTIFICATION REQUIREMENT. If a county
22 department under s. 46.215, 46.22 or 46.23 ~~or~~, a governing body of a federally
23 recognized American Indian tribe or band or a Wisconsin works agency determines
24 that the department of health and social services may recover an amount under s.
25 49.497 or that the department of industry, labor and human relations may recover

1 an amount under s. 49.125, 49.161 or 49.195 (3), the county department or governing
2 body shall notify the affected department of the determination.

3 **SECTION 213.** 49.85 (2) (b) and (3) (b) 1. of the statutes, as created by 1995
4 Wisconsin Act 27, are amended to read:

5 49.85 (2) (b) At least annually, the department of industry, labor and human
6 relations shall certify to the department of revenue the amounts that, based on the
7 notifications received under sub. (1) and on other information received by the
8 department of industry, labor and human relations, the department of industry,
9 labor and human relations has determined that it may recover under ss. 49.125,
10 49.161 and 49.195 (3), except that the department of industry, labor and human
11 relations may not certify an amount under this subsection unless it has met the
12 notice requirements under sub. (3) and unless ~~it's~~ its determination has either not
13 been appealed or is no longer under appeal.

14 (3) (b) 1. Inform the person that the department of industry, labor and human
15 relations intends to certify to the department of revenue an amount that the
16 department of industry, labor and human relations has determined to be due under
17 s. 49.125, 49.161 or 49.195 (3), for setoff from any state tax refund that may be due
18 the person.

19 **SECTION 214.** 49.95 (4m) (a) of the statutes, as affected by 1995 Wisconsin Act
20 27, section 3220, is amended to read:

21 49.95 (4m) (a) Without legal authority, sends or brings a person to a county,
22 tribal governing body or municipality or advises a person to go to a county, tribal
23 governing body or municipality for the purpose of obtaining relief funded by a relief
24 block grant, benefits under the Wisconsin works program under ss. 49.141 to 49.161,

1 aid to families with dependent children under s. 49.19, medical assistance under
2 subch. IV or food stamps under 7 USC 2011 to 2029.

3 **SECTION 215.** 49.95 (11) of the statutes, as affected by 1995 Wisconsin Act 27,
4 is amended to read:

5 49.95 (11) “Public assistance” as used in this section includes relief funded by
6 a relief block grant and benefits under ss. 49.141 to 49.161.

7 **SECTION 216.** 49.96 of the statutes, as affected by 1995 Wisconsin Act 27, is
8 amended to read:

9 **49.96 Assistance grants exempt from levy.** All grants of aid to families with
10 dependent children, payments made under ss. 48.57 (3m) or 49.148 (1) (b) to 49.159,
11 payments made for social services, cash benefits paid by counties under s. 59.07
12 (154), and benefits under s. 49.77 or federal Title XVI, are exempt from every tax, and
13 from execution, garnishment, attachment and every other process and shall be
14 inalienable.

15 **SECTION 217.** 59.07 (97) of the statutes is amended to read:

16 **59.07 (97) CHILD AND SPOUSAL SUPPORT; PATERNITY PROGRAM; MEDICAL SUPPORT**
17 **LIABILITY PROGRAM.** The county board shall contract with the department of health
18 and social services to implement and administer the child and spousal support and
19 establishment of paternity and the medical support liability programs provided for
20 by Title IV of the federal social security act. The board may designate by board
21 resolution any office, officer, board, department or agency as the county designee.
22 The board or its designee shall implement and administer the programs in
23 accordance with the contract with the state department of health and social services.
24 The attorneys responsible for support enforcement under s. 59.458 (1), family court
25 commissioner, clerk of court and all other county officials shall cooperate with the

1 county and the department as necessary to provide the services required under the
2 programs. The county shall charge the fee established by the department under s.
3 46.25 for services provided under this subsection to persons not receiving benefits
4 under s. 49.148, 49.153 or 49.155 or assistance under s. 49.19 or 49.47.

5 **SECTION 218.** 60.23 (25) of the statutes is amended to read:

6 60.23 (25) SELF-INSURED HEALTH PLANS. Provide health care benefits to its
7 officers and employes on a self-insured basis if the self-insured plan complies with
8 ss. 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2. and (b) 2., 632.747 (3),
9 632.87 (4) and (5), 632.895 (9) and 632.896.

10 **SECTION 219.** 66.184 of the statutes is amended to read:

11 **66.184 Self-insured health plans.** If a city, including a 1st class city, or a
12 village provides health care benefits under its home rule power, or if a town provides
13 health care benefits, to its officers and employes on a self-insured basis, the
14 self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),
15 632.745 (2), (3) and (5) (a) 2. and (b) 2., 632.747 (3), 632.87 (4) and (5), 632.895 (9) and
16 (10), 632.896, 767.25 (4m) (d) and 767.51 (3m) (d).

17 **SECTION 220.** 71.54 (2) (a) (intro.) of the statutes, as affected by 1995 Wisconsin
18 Act 27, is amended to read:

19 71.54 (2) (a) (intro.) Property taxes accrued or rent constituting property taxes
20 accrued shall be reduced by one-twelfth for each month or portion of a month for
21 which the claimant received relief from any county under s. 59.07 (154) equal to or
22 in excess of \$400, participated in Wisconsin works under s. 49.147 (4) or (5) or
23 received assistance under s. 49.19, except assistance received:

24 **SECTION 221.** 102.07 (17) of the statutes is created to read:

1 102.07 (17) A participant in a trial job under s. 49.147 (3) is an employe of any
2 employer under this chapter for whom the participant is performing service at the
3 time of the injury.

4 **SECTION 222.** 102.07 (18) of the statutes is created to read:

5 102.07 (18) A participant in a community service job under s. 49.147 (4) or a
6 transitional placement under s. 49.147 (5) is an employe of the Wisconsin works
7 agency, as defined under s. 49.001 (9), for the purposes of this chapter, except to the
8 extent that the person for whom the participant is performing work agrees to provide
9 worker’s compensation coverage.

10 **SECTION 223.** 102.29 (8) of the statutes is created to read:

11 102.29 (8) No participant in a community service job under s. 49.147 (4) or a
12 transitional placement under s. 49.147 (5) who, under s. 49.147 (4) (c) or (5) (c), is
13 provided worker’s compensation coverage by a Wisconsin works agency, as defined
14 under s. 49.001 (9), and who makes a claim for compensation under this chapter may
15 make a claim or maintain an action in tort against the employer who provided the
16 community service job or transitional placement from which the claim arose.

17 **SECTION 224.** 106.21 (1) (g) of the statutes, as affected by 1995 Wisconsin Act
18 27, is amended to read:

19 106.21 (1) (g) “Public assistance” means relief provided by counties under s.
20 59.07 (154), Wisconsin works under ss. 49.141 to 49.161, aid to families with
21 dependent children under s. 49.19, medical assistance under subch. IV of ch. 49,
22 low-income energy assistance under s. 16.385, weatherization assistance under s.
23 16.39 and the food stamp program under 7 USC 2011 to 2029.

24 **SECTION 225.** 106.215 (1) (fm) of the statutes, as affected by 1995 Wisconsin Act
25 27, is amended to read:

1 106.215 (1) (fm) “Public assistance” means relief provided by counties under
2 s. 59.07 (154), Wisconsin works under ss. 49.141 to 49.161, aid to families with
3 dependent children under s. 49.19, medical assistance under subch. IV of ch. 49,
4 low-income energy assistance under s. 16.385, weatherization assistance under s.
5 16.39 and the food stamp program under 7 USC 2011 to 2029.

6 **SECTION 226.** 111.70 (1) (a) of the statutes, as affected by 1995 Wisconsin Act
7 27, is amended to read:

8 111.70 (1) (a) “Collective bargaining” means the performance of the mutual
9 obligation of a municipal employer, through its officers and agents, and the
10 representative of its municipal employes in a collective bargaining unit, to meet and
11 confer at reasonable times, in good faith, with the intention of reaching an
12 agreement, or to resolve questions arising under such an agreement, with respect to
13 wages, hours and conditions of employment, and with respect to a requirement of the
14 municipal employer for a municipal employe to perform law enforcement and fire
15 fighting services under s. 61.66, except as provided in sub. (4) (m) and (n) and s. 40.81
16 (3) and except that a municipal employer shall not meet and confer with respect to
17 any proposal to diminish or abridge the rights guaranteed to municipal employes
18 under ch. 164. The duty to bargain, however, does not compel either party to agree
19 to a proposal or require the making of a concession. Collective bargaining includes
20 the reduction of any agreement reached to a written and signed document. The
21 municipal employer shall not be required to bargain on subjects reserved to
22 management and direction of the governmental unit except insofar as the manner
23 of exercise of such functions affects the wages, hours and conditions of employment
24 of the municipal employes in a collective bargaining unit. In creating this subchapter
25 the legislature recognizes that the municipal employer must exercise its powers and

1 responsibilities to act for the government and good order of the jurisdiction which it
2 serves, its commercial benefit and the health, safety and welfare of the public to
3 assure orderly operations and functions within its jurisdiction, subject to those
4 rights secured to municipal employes by the constitutions of this state and of the
5 United States and by this subchapter.

6 **SECTION 227.** 111.70 (4) (n) of the statutes is created to read:

7 111.70 (4) (n) *Health benefit plan requirements.* 1. Except as provided in subd.
8 2., the municipal employer is prohibited from bargaining collectively with respect to
9 compliance with the health benefit plan requirements under ss. 632.745, 632.747
10 and 632.749.

11 2. If a municipal employer offers its employes a health care coverage plan
12 through a program offered by the group insurance board under s. 40.51 (7), the
13 municipal employer is prohibited from bargaining collectively with respect to
14 compliance with the health benefit plan requirements under ss. 632.745 (1) to (3) and
15 (5) and 632.747 with respect to the health care coverage plan.

16 **SECTION 228.** 111.91 (2) (k) of the statutes is created to read:

17 111.91 (2) (k) Compliance with the health benefit plan requirements under ss.
18 632.745 (1) to (3) and (5) and 632.747.

19 **SECTION 229.** 115.347 of the statutes, as affected by 1995 Wisconsin Act 27, is
20 amended to read:

21 115.347 (2) Whenever a school district that is located in whole or in part in a
22 county that has converted to the client assistance for reemployment and economic
23 support data system submits a report under sub. (1) in the prescribed format, the
24 department of industry, labor and human relations shall determine which children
25 enrolled in the school district are members of Wisconsin works groups participating

1 under s. 49.147 (3) to (5) or of families receiving aid to families with dependent
2 children or food stamps, or both, and shall provide the information to the school board
3 as soon thereafter as possible. The school board shall use the information to directly
4 certify children as eligible for free or reduced-price meals served by the school
5 district under federal school nutrition programs, pursuant to 42 USC 1758 (b) (2) (C)
6 (ii) and (iii).

7 **SECTION 230.** 115.40 (4) (b) of the statutes, as affected by 1995 Wisconsin Act
8 27, is amended to read:

9 115.40 (4) (b) The secretary and the secretary of health and social services shall
10 review the applications and jointly determine the grant recipients and the amount
11 of each grant. A grant may not be awarded to a school board, agency or organization
12 unless the percentage of the participating school district's membership in the
13 previous school year for whom aid to families with dependent children was being
14 received under s. 49.19, or who were members of a Wisconsin works group, as defined
15 in s. 49.141 (1) (s), with a member who participated under s. 49.147 (3) to (5), was
16 greater than 5%. In this paragraph, "membership" has the meaning given in s.
17 121.004 (5).

18 **SECTION 231.** 115.40 (4) (c) 1. of the statutes is amended to read:

19 115.40 (4) (c) 1. Programs that involve a school district that, in the previous
20 school year, had a high proportion of pupils for whom aid to families with dependent
21 children was being received under s. 49.19, a high proportion of pupils who were
22 members of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member
23 who participated under s. 49.147 (3) to (5), a high proportion of pupils who were
24 children at risk, as defined under s. 118.153 (1) (a), or a high proportion of dropouts,
25 as defined under s. 118.153 (1) (b).

1 **SECTION 232.** 115.45 (3m) (a) 2. of the statutes is amended to read:

2 115.45 **(3m)** (a) 2. “Low-income pupil” means a pupil for whom aid to families
3 with dependent children is being received under s. 49.19 or a pupil who is a member
4 of a Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who is
5 participating in Wisconsin works under s. 49.147 (3) to (5).

6 **SECTION 233.** 119.82 (1) (a) 2. of the statutes is amended to read:

7 119.82 **(1)** (a) 2. Is receiving aid to families with dependent children under s.
8 49.19 or is a member of a Wisconsin works group, as defined in s. 49.141 (1) (s), with
9 a member who is participating in Wisconsin works under s. 49.147 (3) to (5).

10 **SECTION 234.** 120.13 (2) (g) of the statutes is amended to read:

11 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.
12 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.745 (2), (3) and (5) (a) 2. and (b) 2.,
13 632.747 (3), 632.87 (4) and (5), 632.895 (9) and (10), 632.896, 767.25 (4m) (d) and
14 767.51 (3m) (d).

15 **SECTION 235.** 120.13 (27m) of the statutes is amended to read:

16 120.13 **(27m)** TRANSPORTATION OF INDIGENT PUPILS. Provide transportation to
17 and from school for indigent pupils who reside in the school district and who are not
18 required to be transported under s. 121.54. In this subsection, “indigent pupils”
19 means pupils eligible for free lunches or reduced-price lunches under 42 USC 1758
20 or aid to 18-year-old students under s. 49.20 or for whom aid to families with
21 dependent children is being received under s. 49.19 or who are members of a
22 Wisconsin works group, as defined in s. 49.141 (1) (s), with a member who is
23 participating in Wisconsin works under s. 49.147 (3) to (5) or any combination
24 thereof, as determined by the school board. If a school board determines to provide
25 transportation under this subsection, there shall be reasonable uniformity in the

1 transportation furnished such pupils whether they attend public or private schools.
2 The cost of transporting pupils under this subsection may not be included in the
3 school district's shared cost under s. 121.07 (6) (a).

4 **SECTION 236.** 185.981 (4t) of the statutes is amended to read:

5 185.981 (4t) A sickness care plan operated by a cooperative association is
6 subject to ss. 252.14, 631.89, 632.72 (2), 632.745, 632.747, 632.749, 632.87 (2m), (3),
7 (4) and (5), 632.895 (10) and 632.897 (10) and ch. 155.

8 **SECTION 237.** 185.983 (1) (intro.) of the statutes is amended to read:

9 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
10 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
11 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.89, 631.93, 632.72
12 (2), 632.745, 632.747, 632.749, 632.775, 632.79, 632.795, 632.87 (2m), (3), (4) and (5),
13 632.895 (5), (9) and (10), 632.896 and 632.897 (10), subch. II of ch. 619 and chs. 609,
14 630, 635, 645 and 646, but the sponsoring association shall:

15 **SECTION 238.** 227.01 (13) (zr) of the statutes is created to read:

16 227.01 (13) (zr) Establishes qualification criteria under s. 49.143 for a person
17 to administer Wisconsin works under ss. 49.141 to 49.161.

18 **SECTION 239.** 227.01 (13) (zs) of the statutes is created to read:

19 227.01 (13) (zs) Establishes geographical areas under s. 49.143 for the
20 administration of Wisconsin works under ss. 49.141 to 49.161.

21 **SECTION 240.** 227.01 (13) (zt) of the statutes is created to read:

22 227.01 (13) (zt) Establishes performance-based incentives under s. 49.143 (2)
23 and performance standards under s. 49.143 (3).

24 **SECTION 241.** 230.04 (13) (a) and (e) 1. and 2. of the statutes are amended to
25 read:

1 230.04 (13) (a) Establish standards for plans to increase state employment of
2 recipients of aid under s. 49.19 or benefits under s. 49.147 (3) to (5) prepared by
3 agencies under s. 230.147 (1). The standards shall state the time periods within
4 which these plans shall be prepared.

5 (e) 1. A description of each agency's effort during that fiscal year to employ
6 under s. 230.147 persons who received aid under s. 49.19 or benefits under s. 49.147
7 (3) to (5).

8 2. The number of persons receiving aid under s. 49.19 or benefits under s.
9 49.147 (3) to (5) who were employed by each agency under s. 230.147 during that
10 fiscal year and the job title or classification of each position filled under s. 230.147.

11 **SECTION 242.** 230.147 (1) of the statutes, as affected by 1995 Wisconsin Act 27,
12 is amended to read:

13 230.147 (1) Each appointing authority of an agency with more than 100
14 authorized permanent full-time equivalent positions shall prepare and implement
15 a plan of action to employ persons who, at the time determined under sub. (4), receive
16 aid under s. 49.19, or benefits under s. 49.147 (3) to (5), with the goal of making the
17 ratio of those persons occupying permanent positions in the agency to the total
18 number of persons occupying permanent positions in the agency equal to the ratio
19 of the average case load receiving aid under s. 49.19, or benefits under s. 49.147 (3)
20 to (5), in this state in the previous fiscal year to the average number of persons in the
21 state civilian labor force in the preceding fiscal year, as determined by the
22 department of industry, labor and human relations.

23 **SECTION 243.** 230.147 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
24 is amended to read:

1 230.147 (2) Each appointing authority of an agency with 100 or fewer
2 authorized permanent full-time equivalent positions is encouraged to employ
3 persons who, at the time determined under sub. (4), receive aid under s. 49.19, or
4 benefits under s. 49.147 (3) to (5), to attempt to make the ratio of those persons
5 occupying permanent positions in the agency to the total number of persons
6 occupying permanent positions in the agency equal to the ratio of the average case
7 load receiving aid under s. 49.19, or benefits under s. 49.147 (3) to (5) in this state
8 in the previous fiscal year to the average number of persons in the state civilian labor
9 force in the preceding fiscal year, as determined by the department of industry, labor
10 and human relations.

11 **SECTION 244.** 230.147 (3) of the statutes is amended to read:

12 230.147 (3) Notwithstanding subs. (1) and (2), the state fair park board shall
13 make every reasonable effort to employ in permanent full-time equivalent positions
14 persons who, at the time determined under sub. (4), receive aid under s. 49.19 or
15 benefits under s. 49.147 (3) to (5). The state fair park board shall consult with the
16 department of employment relations to assure that its efforts under this subsection
17 comply with ch. 230.

18 **SECTION 245.** 560.14 (1) (a) (intro.) and 1. of the statutes are consolidated,
19 renumbered 560.14 (1) (a) and amended to read:

20 560.14 (1) (a) “Applicable median household income” means the ~~greater of the~~
21 ~~following:~~ ~~1.~~ The median family income for the county where the household is
22 located, as determined annually by the U.S. department of housing and urban
23 development.

24 **SECTION 246.** 560.14 (1) (a) 2. of the statutes is repealed.

25 **SECTION 247.** 600.01 (2) (b) of the statutes is amended to read:

1 600.01 (2) (b) Group or blanket insurance described in sub. (1) (b) 3. and 4. is
2 not exempt from s. 632.745, 632.747 or 632.749 or ch. 633 or 635.

3 **SECTION 248.** 628.34 (3) (a) of the statutes is amended to read:

4 628.34 (3) (a) No insurer may unfairly discriminate among policyholders by
5 charging different premiums or by offering different terms of coverage except on the
6 basis of classifications related to the nature and the degree of the risk covered or the
7 expenses involved, subject to ~~s.~~ ss. 632.365 and 632.745. Rates are not unfairly
8 discriminatory if they are averaged broadly among persons insured under a group,
9 blanket or franchise policy, and terms are not unfairly discriminatory merely
10 because they are more favorable than in a similar individual policy.

11 **SECTION 249.** 628.34 (3) (b) of the statutes is amended to read:

12 628.34 (3) (b) No insurer may refuse to insure or refuse to continue to insure,
13 or limit the amount, extent or kind of coverage available to an individual, or charge
14 an individual a different rate for the same coverage because of a mental or physical
15 disability except when the refusal, limitation or rate differential is based on either
16 sound actuarial principles supported by reliable data or actual or reasonably
17 anticipated experience, subject to ss. 632.745, 632.747, 632.749, 635.09 and 635.26.

18 **SECTION 250.** 632.745 of the statutes is created to read:

19 **632.745 Coverage requirements for group health benefit plans. (1)**

20 GROUP HEALTH INSURANCE MARKET REFORM; DEFINITIONS. In this section and ss. 632.747
21 and 632.749:

22 (a) 1. Except as provided in subd. 2., “eligible employe” means an employe who
23 works on a permanent basis and has a normal work week of 30 or more hours. The
24 term includes a sole proprietor, a business owner, including the owner of a farm
25 business, a partner of a partnership and a member of a limited liability company if

1 the sole proprietor, business owner, partner or member is included as an employe
2 under a health benefit plan of an employer, but the term does not include an employe
3 who works on a temporary or substitute basis.

4 2. For purposes of a group health benefit plan, or a self-insured health plan,
5 that is offered by the state under s. 40.51 (6) or by the group insurance board under
6 s. 40.51 (7), “eligible employe” has the meaning given in s. 40.02 (25).

7 (b) “Employer” means any of the following:

8 1. An individual, firm, corporation, partnership, limited liability company or
9 association that is actively engaged in a business enterprise in this state, including
10 a farm business.

11 2. A municipality, as defined in s. 16.70 (8).

12 3. The state.

13 (c) “Group health benefit plan” means a health benefit plan that is issued by
14 an insurer to an employer on behalf of a group consisting of eligible employes of the
15 employer. The term includes individual health benefit plans covering eligible
16 employes when 3 or more are sold to an employer.

17 (d) “Health benefit plan” means any hospital or medical policy or certificate.
18 “Health benefit plan” does not include accident-only, credit accident or health,
19 dental, vision, medicare supplement, medicare replacement, long-term care,
20 disability income or short-term insurance, coverage issued as a supplement to
21 liability insurance, worker’s compensation or similar insurance, automobile medical
22 payment insurance, individual conversion policies, specified disease policies,
23 hospital indemnity policies, as defined in s. 632.895 (1) (c), policies or certificates
24 issued under the health insurance risk-sharing plan or an alternative plan under
25 subch. II of ch. 619 or other insurance exempted by rule of the commissioner.

1 (e) "Insurer" means an insurer that is authorized to do business in this state,
2 in one or more lines of insurance that includes health insurance, and that offers
3 group health benefit plans covering eligible employees of one or more employers in
4 this state. The term includes a health maintenance organization, as defined in s.
5 609.01 (2), a preferred provider plan, as defined in s. 609.01 (4), an insurer operating
6 as a cooperative association organized under ss. 185.981 to 185.985 and a limited
7 service health organization, as defined in s. 609.01 (3).

8 (f) "Qualifying coverage" means benefits or coverage provided under any of the
9 following:

10 1. Medicare or medicaid.

11 2. A group health benefit plan or an employer-based health benefit
12 arrangement that provides benefits similar to or exceeding benefits provided under
13 a basic health benefit plan under subch. II of ch. 635.

14 3. An individual health benefit plan that provides benefits similar to or
15 exceeding benefits provided under a basic health benefit plan under subch. II of ch.
16 635, if the individual health benefit plan has been in effect for at least one year.

17 (g) "Self-insured health plan" means a self-insured health plan of the state or
18 a county, city, village, town or school district.

19 **(2) PREEXISTING CONDITIONS.** (a) A group health benefit plan, or a self-insured
20 health plan, may not deny, exclude or limit benefits for a covered individual for losses
21 incurred more than 12 months after the effective date of the individual's coverage
22 due to a preexisting condition.

23 (b) Except as provided in par. (c), a group health benefit plan, or a self-insured
24 health plan, may not define a preexisting condition more restrictively than any of the
25 following:

1 1. A condition that would have caused an ordinarily prudent person to seek
2 medical advice, diagnosis, care or treatment during the 6 months immediately
3 preceding the effective date of coverage and for which the individual did not seek
4 medical advice, diagnosis, care or treatment.

5 2. A condition for which medical advice, diagnosis, care or treatment was
6 recommended or received during the 6 months immediately preceding the effective
7 date of coverage.

8 (c) Notwithstanding par. (b) 1. and 2., a group health benefit plan, or a
9 self-insured health plan, shall exclude pregnancy from the definition of a preexisting
10 condition for the purpose of coverage of expenses related to prenatal and postnatal
11 care, delivery and any complications of pregnancy.

12 **(3) PORTABILITY.** (a) A group health benefit plan, or a self-insured health plan,
13 shall waive any period applicable to a preexisting condition exclusion or limitation
14 period with respect to particular services for the period that an individual was
15 previously covered by qualifying coverage that was not sponsored by the employer
16 sponsoring the group health benefit plan or the self-insured health plan and that
17 provided benefits with respect to such services, if the qualifying coverage terminated
18 not more than 60 days before the effective date of the new coverage.

19 (b) Paragraph (a) does not prohibit the application of a waiting period to all new
20 enrollees under a group health benefit plan or a self-insured health plan; however,
21 a waiting period may not be applied when determining whether the qualifying
22 coverage terminated not more than 60 days before the effective date of the new
23 coverage.

24 **(4) MINIMUM PARTICIPATION OF EMPLOYEES.** (a) Except as provided in par. (d),
25 requirements used by an insurer in determining whether to provide coverage under

1 a group health benefit plan to an employer, including requirements for minimum
2 participation of eligible employees and minimum employer contributions, shall be
3 applied uniformly among all employers that apply for or receive coverage from the
4 insurer.

5 (b) An insurer may vary its minimum participation requirements and
6 minimum employer contribution requirements only by the size of the employer group
7 based on the number of eligible employees.

8 (c) In applying minimum participation requirements with respect to an
9 employer, an insurer may not count eligible employees who have other coverage that
10 is qualifying coverage in determining whether the applicable percentage of
11 participation is met, except that an insurer may count eligible employees who have
12 coverage under another health benefit plan that is sponsored by that employer and
13 that is qualifying coverage.

14 (d) An insurer may not increase a requirement for minimum employee
15 participation or a requirement for minimum employer contribution that applies to
16 an employer after the employer has been accepted for coverage.

17 (e) This subsection does not apply to a group health benefit plan offered by the
18 state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7).

19 **(5) PROHIBITED COVERAGE PRACTICES.** (a) 1. Except as provided in rules
20 promulgated under subd. 3., if an insurer offers a group health benefit plan to an
21 employer, the insurer shall offer coverage to all of the eligible employees of the
22 employer and their dependents. Except as provided in rules promulgated under
23 subd. 3., an insurer may not offer coverage to only certain individuals in an employer
24 group or to only part of the group, except for an eligible employee who has not yet
25 satisfied an applicable waiting period, if any.

1 2. Except as provided in rules promulgated under subd. 3., if the state or a
2 county, city, village, town or school district offers coverage under a self-insured
3 health plan, it shall offer coverage to all of its eligible employees and their dependents.
4 Except as provided in rules promulgated under subd. 3., the state or a county, city,
5 village, town or school district may not offer coverage to only certain individuals in
6 the employer group or to only part of the group, except for an eligible employee who
7 has not yet satisfied an applicable waiting period, if any.

8 3. The secretary of employe trust funds, with the approval of the group
9 insurance board, shall promulgate rules related to offering coverage to eligible
10 employes under a group health benefit plan, or a self-insured health plan, offered
11 by the state under s. 40.51 (6) or by the group insurance board under s. 40.51 (7). The
12 rules shall conform to the intent of subds. 1. and 2. and may not allow the state or
13 the group insurance board to refuse to offer coverage to an eligible employe or
14 dependent for reasons related to health condition.

15 (b) 1. An insurer may not modify a group health benefit plan with respect to
16 an employer or an eligible employe or dependent, through riders, endorsements or
17 otherwise, to restrict or exclude coverage for certain diseases or medical conditions
18 otherwise covered by the group health benefit plan.

19 2. The state or a county, city, village, town or school district may not modify a
20 self-insured health plan with respect to an eligible employe or dependent, through
21 riders, endorsements or otherwise, to restrict or exclude coverage for certain diseases
22 or medical conditions otherwise covered by the self-insured health plan.

23 3. Nothing in this paragraph limits the authority of the group insurance board
24 to fulfill its obligations as trustee under s. 40.03 (6) (d) or to design or modify

1 procedures or provisions pertaining to enrollment, premium transmitted or coverage
2 of eligible employes for health care benefits under s. 40.51 (1).

3 **SECTION 251.** 632.747 of the statutes is created to read:

4 **632.747 Guaranteed acceptance. (1)** EMPLOYE BECOMES ELIGIBLE AFTER
5 COMMENCEMENT OF COVERAGE. If an insurer provides coverage under a group health
6 benefit plan, the insurer shall provide coverage under the group health benefit plan
7 to an eligible employe who becomes eligible for coverage after the commencement of
8 the employer's coverage, and to the eligible employe's dependents, regardless of
9 health condition or claims experience, if all of the following apply:

10 (a) The employe has satisfied any applicable waiting period.

11 (b) The employer agrees to pay the premium required for coverage of the
12 employe under the group health benefit plan.

13 **(2) EMPLOYE WAIVED COVERAGE PREVIOUSLY.** If an insurer provides coverage
14 under a group health benefit plan, the insurer shall provide coverage under the
15 group health benefit plan to an eligible employe who waived coverage during an
16 enrollment period during which the employe was entitled to enroll in the group
17 health benefit plan, regardless of health condition or claims experience, if all of the
18 following apply:

19 (a) The eligible employe was covered as a dependent under qualifying coverage
20 when he or she waived coverage under the group health benefit plan.

21 (b) The eligible employe's coverage under the qualifying coverage has
22 terminated or will terminate due to a divorce from the insured under the qualifying
23 coverage, the death of the insured under the qualifying coverage, loss of employment
24 by the insured under the qualifying coverage or involuntary loss of coverage under
25 the qualifying coverage by the insured under the qualifying coverage.

1 (c) The eligible employe applies for coverage under the group health benefit
2 plan not more than 30 days after termination of his or her coverage under the
3 qualifying coverage.

4 (d) The employer agrees to pay the premium required for coverage of the
5 employe under the group health benefit plan.

6 **(3) STATE OR MUNICIPAL SELF-INSURED PLANS.** If the state or a county, city, village,
7 town or school district provides coverage under a self-insured health plan, it shall
8 provide coverage under the self-insured health plan to an eligible employe who
9 waived coverage during an enrollment period during which the employe was entitled
10 to enroll in the self-insured health plan, regardless of health condition or claims
11 experience, if all of the following apply:

12 (a) The eligible employe was covered as a dependent under qualifying coverage
13 when he or she waived coverage under the self-insured health plan.

14 (b) The eligible employe's coverage under the qualifying coverage has
15 terminated or will terminate due to a divorce from the insured under the qualifying
16 coverage, the death of the insured under the qualifying coverage, loss of employment
17 by the insured under the qualifying coverage or involuntary loss of coverage under
18 the qualifying coverage by the insured under the qualifying coverage.

19 (c) The eligible employe applies for coverage under the self-insured health plan
20 not more than 30 days after termination of his or her coverage under the qualifying
21 coverage.

22 **SECTION 252.** 632.749 of the statutes is created to read:

23 **632.749 Contract termination and renewability.** (1) MIDTERM
24 CANCELLATION. Notwithstanding s. 631.36 (2) to (4m), a group health benefit plan
25 may not be canceled by an insurer before the expiration of the agreed term, and shall

1 be renewable to the policyholder and all insureds and dependents eligible under the
2 terms of the group health benefit plan at the expiration of the agreed term at the
3 option of the policyholder, except for any of the following reasons:

4 (a) Failure to pay a premium when due.

5 (b) Fraud or misrepresentation by the policyholder, or, with respect to coverage
6 for an insured individual, fraud or misrepresentation by that insured individual.

7 (c) Substantial breaches of contractual duties, conditions or warranties.

8 (d) The number of individuals covered under the group health benefit plan is
9 less than the number required by the group health benefit plan.

10 (e) The employer to which the group health benefit plan is issued is no longer
11 actively engaged in a business enterprise.

12 **(2) NONRENEWAL.** Notwithstanding sub. (1), an insurer may elect not to renew
13 a group health benefit plan if the insurer complies with all of the following:

14 (a) The insurer ceases to renew all other group health benefit plans issued by
15 the insurer.

16 (b) The insurer provides notice to all affected policyholders and to the
17 commissioner in each state in which an affected insured individual resides at least
18 one year before termination of coverage.

19 (c) The insurer does not issue a group health benefit plan before 5 years after
20 the nonrenewal of the group health benefit plans.

21 (d) The insurer does not transfer or otherwise provide coverage to a
22 policyholder from the nonrenewed business unless the insurer offers to transfer or
23 provide coverage to all affected policyholders from the nonrenewed business without
24 regard to claims experience, health condition or duration of coverage.

1 **(3) INSURER IN LIQUIDATION.** This section does not apply to a group health benefit
2 plan if the insurer that issued the group health benefit plan is in liquidation.

3 **(4) APPLICABILITY TO CERTAIN GOVERNMENT PLANS.** This section does not apply to
4 a group health benefit plan offered by the state under s. 40.51 (6) or by the group
5 insurance board under s. 40.51 (7).

6 **SECTION 253.** 632.76 (2) (a) of the statutes is amended to read:

7 632.76 **(2)** (a) No claim for loss incurred or disability commencing after 2 years
8 from the date of issue of the policy may be reduced or denied on the ground that a
9 disease or physical condition existed prior to the effective date of coverage, unless the
10 condition was excluded from coverage by name or specific description by a provision
11 effective on the date of loss. This paragraph does not apply to a group health benefit
12 plan, as defined in s. 632.745 (1) (c), which is subject to s. 632.745 (2).

13 **SECTION 254.** 632.896 (4) of the statutes is amended to read:

14 632.896 **(4) PREEXISTING CONDITIONS.** Notwithstanding ~~s.~~ ss. 632.745 (2) and
15 632.76 (2) (a), a disability insurance policy that is subject to sub. (2) and that is in
16 effect when a court makes a final order granting adoption or when the child is placed
17 for adoption may not exclude or limit coverage of a disease or physical condition of
18 the child on the ground that the disease or physical condition existed before coverage
19 is required to begin under sub. (3).

20 **SECTION 255.** 635.02 (5m) of the statutes is repealed.

21 **SECTION 256.** 635.07 of the statutes is repealed.

22 **SECTION 257.** 635.17 of the statutes is repealed.

23 **SECTION 258.** 635.26 (1) (a) of the statutes is renumbered 635.26 (1).

24 **SECTION 259.** 635.26 (1) (b) of the statutes is repealed.

25 **SECTION 260.** 767.045 (1) (c) 1. of the statutes is amended to read:

1 767.045 (1) (c) 1. Aid is provided under s. 48.57 (3m), 49.19 or 49.45 on behalf
2 of the child, or benefits are provided to the child's custodial parent under ss. 49.141
3 to 49.161, but the state and its delegate under s. 46.25 (7) are barred by a statute of
4 limitations from commencing an action under s. 767.45 on behalf of the child.

5 **SECTION 261.** 767.075 (1) (c) of the statutes is amended to read:

6 767.075 (1) (c) Whenever aid under s. 48.57 (3m), 49.19 or 49.45 or a benefit
7 under s. 49.153 is provided ~~to~~ on behalf of a dependent child.

8 **SECTION 262.** 767.075 (1) (cm) of the statutes is created to read:

9 767.075 (1) (cm) Whenever aid under s. 48.57 (3m), 49.19 or 49.45 or a benefit
10 under s. 49.153 has, in the past, been provided on behalf of a dependent child and the
11 child's family is eligible for continuing child support services under 45 CFR 302.33.

12 **SECTION 263.** 767.077 (intro.) of the statutes is amended to read:

13 **767.077 Support for dependent child.** (intro.) The state or its delegate
14 under s. 46.25 (7) shall bring an action for support of a minor child under s. 767.02
15 (1) (f) or, if appropriate, for paternity determination and child support under s.
16 767.45 whenever the child's right to support is assigned to the state under s. 48.57
17 (3m) (b) 2. or 49.19 (4) (h) 1. b. if all of the following apply:

18 **SECTION 264.** 767.078 (1) (a) 2. of the statutes is amended to read:

19 767.078 (1) (a) 2. The child's right to support is assigned to the state under s.
20 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b.

21 **SECTION 265.** 767.15 (1) of the statutes is amended to read:

22 767.15 (1) In any action affecting the family in which either party is a recipient
23 of benefits under ss. 49.141 to 49.161 or aid under s. 49.19 or 49.45, each party shall,
24 either within 20 days after making service on the opposite party of any motion or
25 pleading requesting the court or family court commissioner to order, or to modify a

1 previous order, relating to child support, maintenance or family support, or before
2 filing the motion or pleading in court, serve a copy of the motion or pleading upon the
3 child support program designee under s. 59.07 (97) of the county in which the action
4 is begun.

5 **SECTION 266.** 767.24 (6) (c) of the statutes is amended to read:

6 767.24 (6) (c) In making an order of joint legal custody and periods of physical
7 placement, the court may specify one parent as the primary caretaker of the child and
8 one home as the primary home of the child, for the purpose of determining eligibility
9 for aid under s. 49.19 or benefits under ss. 49.141 to 49.161 or for any other purpose
10 the court considers appropriate.

11 **SECTION 267.** 767.29 (1m) (c) of the statutes is amended to read:

12 767.29 (1m) (c) The party entitled to the support or maintenance money has
13 applied for or is receiving aid to families with dependent children and there is an
14 assignment to the state under s. 48.57 (3m) (b) 2. or 49.19 (4) (h) 1. b. of the party's
15 right to the support or maintenance money.

16 **SECTION 268.** 767.29 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
17 is amended to read:

18 767.29 (2) If any party entitled to maintenance payments or support money,
19 or both, is receiving public assistance under ch. 49, the party may assign the party's
20 right thereto to the county department under s. 46.215, 46.22 or 46.23 granting such
21 assistance. Such assignment shall be approved by order of the court granting the
22 maintenance payments or support money, and may be terminated in like manner;
23 except that it shall not be terminated in cases where there is any delinquency in the
24 amount of maintenance payments and support money previously ordered or
25 adjudged to be paid to the assignee without the written consent of the assignee or

1 upon notice to the assignee and hearing. When an assignment of maintenance
2 payments or support money, or both, has been approved by the order, the assignee
3 shall be deemed a real party in interest within s. 803.01 but solely for the purpose
4 of securing payment of unpaid maintenance payments or support money adjudged
5 or ordered to be paid, by participating in proceedings to secure the payment thereof.
6 Notwithstanding assignment under this subsection, and without further order of the
7 court, the clerk of court, upon receiving notice that a party or a minor child of the
8 parties is receiving aid under s. 49.19, shall forward all support assigned under s.
9 48.57 (3m) (b) 2., 49.19 (4) (h) 1. or 49.45 (19) to the department of industry, labor and
10 human relations.

11 **SECTION 269.** 767.29 (4) of the statutes is amended to read:

12 767.29 (4) If an order or judgment providing for the support of one or more
13 children not receiving aid under s. 48.57 (3m) or 49.19 includes support for a minor
14 who is the beneficiary of aid under s. 48.57 (3m) or 49.19, any support payment made
15 under the order or judgment is assigned to the state under s. 48.57 (3m) (b) 2. or 49.19
16 (4) (h) 1. b. in the amount that is the proportionate share of the minor receiving aid
17 under s. 48.57 (3m) or 49.19, except as otherwise ordered by the court on the motion
18 of a party.

19 **SECTION 270.** 767.32 (1) (a) of the statutes is amended to read:

20 767.32 (1) (a) After a judgment or order providing for child support under this
21 chapter or s. 48.355 (2) (b) 4., 48.357 (5m), 48.363 (2) or 948.22 (7), maintenance
22 payments under s. 767.26 or family support payments under this chapter, or for the
23 appointment of trustees under s. 767.31, the court may, from time to time, on the
24 petition, motion or order to show cause of either of the parties, or upon the petition,
25 motion or order to show cause of the department of health and social services, a

1 county department under s. 46.215, 46.22 or 46.23 or a child support program
2 designee under s. 59.07 (97) if an assignment has been made under s. 48.57 (3m) (b)
3 2., 49.19 (4) (h) ~~or, 49.153 (3) or~~ 49.45 (19) or if either party or their minor children
4 receive aid under s. 48.57 (3m) or ch. 49, and upon notice to the family court
5 commissioner, revise and alter such judgment or order respecting the amount of such
6 maintenance or child support and the payment thereof, and also respecting the
7 appropriation and payment of the principal and income of the property so held in
8 trust, and may make any judgment or order respecting any of the matters that such
9 court might have made in the original action, except that a judgment or order that
10 waives maintenance payments for either party shall not thereafter be revised or
11 altered in that respect nor shall the provisions of a judgment or order with respect
12 to final division of property be subject to revision or modification. A revision, under
13 this section, of a judgment or order with respect to an amount of child or family
14 support may be made only upon a finding of a substantial change in circumstances.
15 In any action under this section to revise a judgment or order with respect to
16 maintenance payments, a substantial change in the cost of living by either party or
17 as measured by the federal bureau of labor statistics may be sufficient to justify a
18 revision of judgment or order with respect to the amount of maintenance, except that
19 a change in an obligor's cost of living is not in itself sufficient if payments are
20 expressed as a percentage of income.

21 **SECTION 271.** 767.32 (1) (b) 1. of the statutes is amended to read:

22 767.32 (1) (b) 1. Commencement of receipt of aid to families with dependent
23 children under s. 49.19 or participation in Wisconsin works under ss. 49.141 to
24 49.161 by either parent since the entry of the last child support order, including a
25 revision of a child support order under this section.

1 **SECTION 272.** 767.47 (6) (a) and (b) of the statutes are amended to read:

2 767.47 **(6)** (a) Whenever the state brings the action to determine paternity
3 pursuant to an assignment under s. 48.57 (3m) (b) 2., 49.153 (3) (a), 49.19 (4) (h) 1.
4 or 49.45 (19), or receipt of benefits under s. 49.148, 49.155, 49.157 or 49.159, the
5 natural mother of the child may not be compelled to testify about the paternity of the
6 child if it has been determined that the mother has good cause for refusing to
7 cooperate in establishing paternity as provided in 42 USC 602 (a) (26) (B) and the
8 federal regulations promulgated pursuant to this statute, as of July 1, 1981, and
9 pursuant to any rules promulgated by the department of health and social services
10 which define good cause in accordance with the federal regulations, as authorized by
11 42 USC 602 (a) (26) (B) in effect on July 1, 1981.

12 (b) Nothing in par. (a) prevents the state from bringing an action to determine
13 paternity pursuant to an assignment under s. 48.57 (3m) (b) 2., 49.153 (3) (a), 49.19
14 (4) (h) 1. or 49.45 (19), or receipt of benefits under s. 49.148, 49.155, 49.157 or 49.159,
15 where evidence other than the testimony of the mother may establish the paternity
16 of the child.

17 **SECTION 273.** 814.61 (13) of the statutes, as affected by 1995 Wisconsin Act 27,
18 is amended to read:

19 814.61 **(13)** SUPPORT OR MAINTENANCE PETITION. For the cost of court services,
20 whenever a person not receiving benefits under s. 49.148, 49.153 or 49.155 or aid
21 under s. 49.19, 49.46, 49.465, 49.468 or 49.47 files a petition requesting child
22 support, maintenance or family support payments, \$10 in addition to any other fee
23 required under this section. This subsection does not apply to a petition filed by the
24 state or its delegate.

25 **SECTION 274.** 948.22 (4) (b) of the statutes is amended to read:

1 948.22 (4) (b) For a person not subject to a court order requiring child,
2 grandchild or spousal support payments, when the person knows or reasonably
3 should have known that he or she has a dependent, failure to provide support equal
4 to at least the amount ~~set forth~~ established by rule by the department of health and
5 family services under s. ~~49.19 (11) (a)~~ 46.25 (9) (a) or causing a spouse, grandchild
6 or child to become a dependent person, or continue to be a dependent person, as
7 defined in s. 49.01 (2).

8 **SECTION 275. Nonstatutory provisions; industry, labor and job**
9 **development.**

10 (1) WISCONSIN WORKS ADMINISTRATION. The authorized FTE positions for the
11 department of industry, labor and job development are increased by 18.0 GPR
12 positions on July 1, 1996, to be funded from the appropriation under section 20.445
13 (3) (dz) of the statutes, as affected by this act, for the purpose of administering the
14 Wisconsin works program under sections 49.141 to 49.161 of the statutes, as created
15 by this act.

16 (2) RULES RELATING TO PUBLIC ASSISTANCE. Using the procedure under section
17 227.24 of the statutes, the department of health and social services shall promulgate
18 rules required under chapters 46, 48 and 49 of the statutes, as affected by the acts
19 of 1995, before July 1, 1996, for the period before permanent rules take effect, but not
20 to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes.
21 Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department of
22 health and social services need not provide evidence of the necessity of preservation
23 of the public peace, health, safety or welfare in promulgating rules under this
24 subsection.

1 (3) RULES ON QUALIFICATION CRITERIA FOR THE ADMINISTRATION OF WISCONSIN
2 WORKS. Using the procedure under section 227.24 of the statutes, the department of
3 industry, labor and job development shall promulgate rules required under sections
4 49.143 to 49.157 of the statutes, as created by this act, for the period before
5 permanent rules take effect, but not to exceed the period authorized under section
6 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a) and (2)
7 (b) of the statutes, the department need not provide evidence of the necessity of
8 preservation of the public peace, health, safety or welfare in promulgating rules
9 under this subsection.

10 (4) RULES FOR THE ADMINISTRATION OF THE WISCONSIN WORKS HEALTH PLAN. Using
11 the procedure under section 227.24 of the statutes, the department of health and
12 family services shall promulgate rules required under section 49.153 of the statutes,
13 as created by this act, for the period before permanent rules take effect, but not to
14 exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes.
15 Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department of
16 health and family services need not provide evidence of the necessity of preservation
17 of the public peace, health, safety or welfare in promulgating rules under this
18 subsection.

19 (5) LOW-INCOME AND AT-RISK CHILD CARE. The treatment of section 46.98 (4) (a)
20 2. and (b) of the statutes does not apply to ny person who is receiving aid under
21 section 46.98 (4) on the effective of this subsection until the first day of the 4th month
22 beginning after the effective date of this subsection.

23 (6) KINSHIP CARE ASSESSMENTS AND BACKGROUND INVESTIGATIONS. Beginning on
24 July 1, 1996, each county department of human services or social services under
25 sections 46.215, 46.22 and 46.23 of the statutes shall assess and conduct a

1 background investigation of each nonlegally responsible relative who is providing
2 care for a dependent child, as defined in section 49.19 (1) (a) of the statutes, under
3 a program administered by that county department to determine if the relative is
4 eligible to receive kinship care payments under section 48.57 (3m) (a) of the statutes,
5 as created by this act. Each county department of human services or social services
6 under sections 46.215, 46.22 and 46.23 shall complete all of the assessments and
7 background investigations required under this subsection and shall end income
8 maintenance payments under section 49.33 of the statutes to those relatives by July
9 1, 1997.

10 **SECTION 276. Appropriation changes; health and social services.**

11 (1) HEALTH AND SOCIAL SERVICES. In the schedule under section 20.005 (3) of the
12 statutes for the appropriation to the department of health and social services under
13 section 20.435 (4) (dz) of the statutes, as affected by the acts of 1995, the dollar
14 amount is decreased by the amounts encumbered from the appropriations under
15 section 20.435 (4) (cn), (d), (dc), (de), (df) and (dg) of the statutes, immediately before
16 the repeal of section 20.435 (4) (cn), (d), (dc), (de), (df) and (dg) of the statutes and by
17 the amounts encumbered under section 20.435 (7) (b) of the statutes for low-income
18 and at-risk child care immediately before the effective date of this paragraph to
19 transfer funding for the purposes of these appropriations to the appropriation
20 accounts under section 20.435 (4) (dz) of the statutes.

21 (2) COMMUNITY AIDS. In the schedule under section 20.005 (3) of the statutes
22 for the appropriation to the department of health and social services under section
23 20.435 (7) (b) of the statutes, as affected by the acts of 1995, the dollar amount is
24 decreased by \$5,576,100 for fiscal year 1995-96, less any amount encumbered in
25 fiscal year 1995-96 for low-income and at-risk child care, and the dollar amount is

1 decreased by \$5,576,100 for fiscal year 1996-97 to reflect the deletion of low-income
2 and at-risk child care from community aids funding.

3 **SECTION 277. Appropriation changes; industry, labor and job**
4 **development.**

5 (1) PUBLIC ASSISTANCE AND LOCAL AID. In the schedule under section 20.005 (3)
6 of the statutes for the appropriation to the department of industry, labor and job
7 development under section 20.445 (3) (dz) of the statutes, as affected by the acts of
8 1995, the dollar amount is increased by \$202,512,900 for fiscal year 1996-97 for the
9 purposes for which the appropriation is made.

10 **SECTION 278. Initial applicability.**

11 (1) LOW-INCOME AND AT-RISK CHILD CARE. The treatment of section 46.98 (4) (a)
12 2. and (4) (b) of the statutes first applies to a person who applies to receive aid on the
13 effective date of this subsection.

14 (2t) GROUP HEALTH INSURANCE MARKET REFORM. The treatment of sections 40.51
15 (8) and (8m), 60.23 (25), 66.184, 111.70 (1) (a) and (4) (n), 111.91 (2) (k), 120.13 (2) (g),
16 185.981 (4t), 185.983 (1) (intro.), 600.01 (2) (b), 628.34 (3) (a) and (b), 632.745,
17 632.747, 632.749, 632.76 (2) (a), 632.896 (4), 635.02 (5m), 635.07, 635.17 and 635.26
18 (1) (a) and (b) of the statutes first applies to all of the following:

19 (a) Except as provided in paragraphs (b) and (c), group health benefit plans
20 that are issued or renewed, and self-insured health plans that are established,
21 extended, modified or renewed, on the effective date of this paragraph.

22 (b) Group health benefit plans covering employes who are affected by a
23 collective bargaining agreement containing provisions inconsistent with this act
24 that are issued or renewed on the earlier of the following:

25 1. The day on which the collective bargaining agreement expires.

1 2. The day on which the collective bargaining agreement is extended, modified
2 or renewed.

3 (c) Self-insured health plans covering employes who are affected by a
4 collective bargaining agreement containing provisions inconsistent with this act
5 that are established, extended, modified or renewed on the earlier of the following:

6 1. The day on which the collective bargaining agreement expires.

7 2. The day on which the collective bargaining agreement is extended, modified
8 or renewed.

9 **SECTION 279. Effective dates.** This act takes effect on July 1, 1996, or on
10 the day after publication, whichever is later, except as follows:

11 (1) PUBLIC ASSISTANCE AND LOCAL AID. The treatment of sections 20.435 (4) (a),
12 (cn), (d), (dc), (de), (df) and (dg), 46.253 (2), 46.40 (1) (a) and (4m), 46.45 (intro.), (1)
13 and (6), 46.62 (2), 46.98 (1) (b), (2) (a), (3) (c), (4) (a) 2. and (b) and (4g) (b), 49.141 (2),
14 49.143 (1), 49.19 (4e) (a) and (c), 49.193 (2) (a) and (am), (4) (g), (j) 4., and (k) 1m., (4m),
15 (6) (c) and (e), (7) and (9m) (a) and (ag), 49.27 (5) (e) 2., 49.50 (6e) (a) and (b), (6g), (6k)
16 (a) and (b) and (7) (e), 49.52 (1) (ad) 1., (am) and (d) and (5) and 560.14 (1) (a) (intro.),
17 1. and 2. of the statutes, the renumbering and amendment of sections 48.651 and
18 49.19 (20) of the statutes, the amendment of sections 13.101 (6) (a), 46.979 (2) (a),
19 49.19 (11) (a) 1. a., 49.193 (8) (bm), 49.193 (10m), 49.197 (1m) and (4), 49.20 (3) and
20 49.45 (6m) (br) 1. of the statutes, the creation of sections 16.75 (6) (bm), 20.435 (4)
21 (dz), 46.98 (1) (bd) and (bf), 48.651 (1) (a) and (b) and (2), 49.181 (title), (1) (intro.) and
22 (a) to (c) and (d) to (g), (2) and (3) and 49.19 (20) (b) of the statutes and SECTIONS 275
23 (2), (3) and (6), 276 (1) and (2) and 278 of this act take effect on the day after
24 publication.

