



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-0464/1
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2017 SENATE BILL 710

January 19, 2018 - Introduced by Senators STROEBEL, CRAIG, MARKLEIN and KAPENGA, cosponsored by Representatives KOOYENGA, ROHRKASTE, BRANDTJEN, JACQUE, KATZMA, KERKMAN, SCHRAA, THIESFELDT, TITTL, VORPAGEL and R. BROOKS. Referred to Committee on Financial Services, Constitution and Federalism.

1 **AN ACT to create** 16.542 of the statutes; **relating to:** coercive conditions
2 attached to federal funding.

Analysis by the Legislative Reference Bureau

This bill requires the Legislative Fiscal Bureau and the Legislative Council Staff to submit a joint report, following each biennial budget act, to the governor, attorney general, and legislature that identifies coercive conditions attached to federal funds made available to the state. The report must identify each condition that is coercive or could reasonably be considered coercive, as determined by the Legislative Council Staff, and is placed on the state's continued eligibility to receive federal funds. Under the bill, an eligibility condition is coercive if it requires the expenditure of state or local funds or relates to matters of state or local policy other than the manner in which federal, state, or local funds must be spent. The bill requires that the report include only programs for which more than \$5,000,000 in federal funding is appropriated in the applicable budget act and exempts certain grants.

The bill authorizes the attorney general to bring an action in the name of the state to enjoin the application of a condition identified in the joint report and requires the governor to consult with the governors of other states to develop a coordinated approach among the states to coercive conditions attached to federal funding.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 16.542 of the statutes is created to read:

2 **16.542 Coercive federal funding. (1) DEFINITION.** In this section, “grant”
3 means a one-time payment of federal funds to the state for which the state, including
4 any political subdivision of the state, voluntarily applies and for which no federal
5 condition attached to the grant applies to the state or a political subdivision of the
6 state after all of the federal funds have been expended by the state or political
7 subdivision of the state.

8 **(2) REPORT.** No later than 90 days after the effective date of each biennial
9 budget act, the legislative fiscal bureau and the legislative council staff jointly shall
10 submit to the governor, the attorney general, and the chief clerk of each house of the
11 legislature for distribution to the legislature under s. 13.172 (2) a report that
12 contains all of the following:

13 (a) As prepared by the legislative fiscal bureau, for each program for which the
14 appropriation of federal funds in the biennial budget act exceeds \$5,000,000 in the
15 aggregate, a general description of the program and a list of each condition for the
16 state’s continued eligibility to receive the federal funds, together with citations to
17 relevant federal law, regulations, and guidance.

18 (b) As prepared by the legislative council staff, an identification of each
19 condition listed under par. (a) that is or could reasonably be considered to be coercive,
20 as determined by the legislative council staff. A condition is coercive under this

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1 paragraph only if the condition does any of the following and is not attached to a
2 grant:

3 1. Requires the expenditure of nonfederal state or local funds, including
4 maintenance of effort and similar requirements.

5 2. Relates to matters of state or local policy other than the manner in which
6 federal, state, or local funds must be spent.

7 **(3) REPORT SUNSET.** Subsection (2) does not apply after June 30, 2039.

8 **(4) SUIT AUTHORIZED.** The attorney general may bring an action in the name of
9 the state to enjoin the application of a coercive condition identified under sub. (2) (b).

10 **(5) COORDINATION WITH OTHER STATES.** The governor shall consult with the
11 governors of other states to develop a coordinated approach among the states to
12 coercive conditions attached to federal funding.

13 **SECTION 2. Nonstatutory provisions.**

14 (1) **SUBMISSION OF INITIAL REPORT.** The legislative fiscal bureau and the
15 legislative council staff shall submit a report under section 16.542 of the statutes for
16 2017 Wisconsin Act 59 no later than December 31, 2018.

17 **(END)**