WISCONSIN LEGISLATIVE REFERENCE BUREAU

LRB ANALYSIS OF 2025–27 EXECUTIVE BUDGET BILL

February 2025

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FOLLOWING IS A LIST OF THE MOST COMMONLY USED ABBREVIATIONS APPEARING IN THE ANALYSIS:

BCPL..... Board of Commissioners of Public Lands
DATCP ..... Department of Agriculture, Trade and Consumer Protection
DCF ..... Department of Children and Families
DFI ..... Department of Financial Institutions
DHS ..... Department of Health Services
DMA ..... Department of Military Affairs
DNR..... Department of Natural Resources
DOA..... Department of Administration
DOC ..... Department of Corrections
DOJ..... Department of Justice
DOR..... Department of Revenue
DOT..... Department of Transportation
DPI ..... Department of Public Instruction
DSPS ..... Department of Safety and Professional Services
DVA ..... Department of Veterans Affairs
DWD..... Department of Workforce Development
ETF..... Department of Employee Trust Funds
GPR ..... General purpose revenue
HEAB ..... Higher Educational Aids Board
JCF ..... Joint Committee on Finance
OCI..... Office of the Commissioner of Insurance
PSC..... Public Service Commission
SPD..... State Public Defender
SHS..... State Historical Society
TCS..... Technical College System
UW..... University of Wisconsin
WEDC..... Wisconsin Economic Development Corporation
WHEDA.... Wisconsin Housing and Economic Development Authority
WHEFA..... Wisconsin Health and Educational Facilities Authority

Introduction

The Legislative Reference Bureau analysis of the 2025–27 executive budget bill presents a concise summary of the executive budget bill for the 2025–27 fiscal biennium, which Governor Tony Evers presented to the legislature on February 18, 2025. The executive budget bill was drafted by LRB attorneys from instructions given by the Division of Executive Budget and Finance in the Department of Administration over the course of several months, beginning in October 2024 and continuing into February 2025. The LRB attorneys who drafted the executive budget bill also prepared the summary item for each of the budget bill provisions they drafted. Hence, each budget summary item was prepared by the LRB attorney who received firsthand the DOA instructions and who then drafted the statutory language.

The executive budget bill is the most significant piece of legislation that is enacted during the legislative session. The executive budget bill appropriates almost all of the dollars that will be spent by the state government during the two fiscal years covered by the bill. These dollars consist mostly of state taxes and revenues, program and license fees, and federal moneys allocated to Wisconsin. The executive budget bill also usually incorporates most of the governor's public policy agenda for the entire legislative session. Because the executive budget bill is generally considered the one bill that "must pass" in order to fund state government operations and programs, there are strong incentives for the governor to include in the bill the major public policy items supported by the governor. Thus, the executive budget bill funds state government and lays out the governor's public policy agenda.

The summary items included in the LRB analysis of the 2025–27 executive budget bill capture the major changes in the law proposed by the governor. It should be noted that this publication is not the only source of information about the executive budget bill. The LRB maintains digital drafting files at its offices for each of the summary items, which are available for public inspection; these files document the DOA drafting instructions and development of each summary item. Other valuable sources of information are DOA's "Budget in Brief" and "Executive Budget, 2025–27" documents. Finally, the Legislative Fiscal Bureau will soon publish its summary of the 2025–27 executive budget bill, which discusses both the public policy changes in the bill and the fiscal effects of these changes. The LFB summary of the executive budget bill is of special importance, as it will guide legislative and Joint Committee on Finance consideration of the executive budget bill.

Agriculture

Grants for biodigester operator certification and regional planning

This bill requires DATCP to provide grants to individuals seeking biodigester operator certification. Biodigesters are used to break down organic material into gas, liquids, and solids.

The bill also requires DATCP to provide planning grants for establishing regional biodigesters in the state.

Dairy agriculture resilience investment now grant pilot program

The bill requires DATCP to create a dairy agriculture resilience investment now grant pilot program, under which DATCP must provide grants to dairy producers with fewer than 1,000 head of milking cows to undertake projects designed to improve the dairy producers' operational efficiency and resilience.

Transition to grass pilot program

The bill creates a transition to grass pilot program in DATCP to provide support and grants to farmers who are implementing livestock grass-based managed grazing systems and farmers and agribusinesses in the grass-fed livestock business. Under the bill, DATCP may award up to $40,000 to each grantee and must disperse 75 percent of the award in the first year following DATCP's decision to grant the award and 12.5 percent of the award in each of the second and third years following DATCP's decision to grant the award.

Farmland preservation implementation grants

The bill authorizes DATCP to award grants to counties to implement a certified county farmland preservation plan.

Sandhill crane damage reimbursement program

The bill requires DATCP to administer a program to provide reimbursements to eligible applicant farmers for the purchase of seed treatment that is registered for use on corn seed to discourage sandhill cranes from consuming the seed. Under the program, applicants may be reimbursed for up to 50 percent of the actual cost of the purchase of seed treatment, not to exceed $6,250 per farm, per year.

Value-added agricultural practices

The bill allows DATCP to provide education and technical assistance related to producing value-added agricultural products. Under the bill, DATCP may provide education and assistance related to organic farming practices; collaborate with organic producers, industry participants, and local organizations that coordinate organic farming; and stimulate interest and investment in organic production. The bill also allows DATCP to provide grants to organic producers, industry participants, and local organizations, which may be used to provide education and technical assistance related to organic farming, to help create organic farming plans, and to assist farmers in transitioning to organic farming. The bill also authorizes

DATCP to provide grants to entities to provide education and training to farmers about best practices related to grazing. DATCP is also authorized under the bill to help farmers market value-added agricultural products.

Meat processing tuition and curriculum development grants

The bill requires DATCP to provide grants to universities, colleges, and technical colleges to reimburse tuition costs of students enrolled in a meat processing program and for curriculum development of those meat processing programs. Each tuition reimbursement covers up to 80 percent of the tuition cost for enrolling in a meat processing program, limited to a maximum reimbursement of $7,500.

Food security and Wisconsin products grant program

The bill allows DATCP to provide grants to food banks, food pantries, and other nonprofit organizations to purchase Wisconsin food products.

Grants for food waste reduction pilot projects

The bill requires DATCP to provide grants for food waste reduction pilot projects that have an objective of preventing food waste, redirecting surplus food to hunger relief organizations, and composting food waste. Under the bill, DATCP must give preference to grant proposals that serve census tracts for which the median household income is below the statewide median household income and in which no grocery store is located.

Farm to fork grant program

The bill creates a farm to fork program, similar to the existing farm to school program, to connect entities, other than school districts, that have cafeterias to nearby farms to provide locally produced foods in meals and snacks, to help the public develop healthy eating habits, to provide nutritional and agricultural education, and to improve farmers' incomes and direct access to markets. Under the bill, DATCP may provide grants to entities for these purposes.

Spending cap for the Wisconsin agricultural exports program

Under current law, the Center for International Agribusiness Marketing, operated by DATCP, promotes the export of Wisconsin agricultural and agribusiness products in foreign markets. Current law provides that the center may not expend more than $1,000,000 in any fiscal year.

The bill eliminates the $1,000,000-per-year spending cap for the center.

Changes to the agricultural conservation easement purchase program

In the 2009–11 biennial budget act, the agricultural conservation easement purchase program was created for the purchase of agricultural conservation easements, from willing landowners, by DATCP in conjunction with political subdivisions and nonprofit conservation organizations. An agricultural conservation easement (easement) is an interest in land that preserves the land for agricultural use while the ownership of the land itself remains with the landowner. Under the program as it was created in the act, DATCP was required to solicit applications to the program at least once annually and was provided $12,000,000

in general fund supported borrowing for the purchase of the easements. Since the program was first created, the requirement that DATCP solicit applications to the program at least once annually was repealed, DATCP's authority for $12,000,000 in general fund supported borrowing for the purchase of the easements was repealed, and a new provision required DNR to provide to DATCP funds from the Warren Knowles-Gaylord Nelson stewardship program for the purchase of the easements.

The bill undoes those changes, reinstating DATCP's requirement to solicit applications to the program at least once annually, providing DATCP authority for $15,000,000 in general fund supported borrowing for the purchase of easements, and removing the requirement that DNR provide DATCP funds from the Warren Knowles-Gaylord Nelson stewardship program for the purchase of the easements.

Commercial nitrogen optimization program

Under current law, DATCP must award grants under a commercial nitrogen optimization pilot program to agricultural producers and to UW System institutions that implement a project that optimizes the application of commercial nitrogen for at least two growing seasons. DATCP must award the grants from an annual segregated appropriation account that is funded by the environmental fund. A grant to a farmer and the eligible UW System institution collaborating with the farmer may not exceed, in total, $50,000. DATCP must attempt to provide grants under the program to farmers in different parts of the state and for projects in areas that have different soil types or geologic characteristics.

The bill removes the word "pilot" from the statutory language describing the program and funds the program from a new biennial segregated appropriation account that is funded by the environmental fund.

Truth-in-labeling requirements for milk, dairy, and wild rice

Under the bill, no person may label a food product as, or sell or offer for sale a food product that is labeled as, any type of milk unless the food product is cow's milk, hooved or camelid mammals' milk, or a type of dairy milk that meets certain specifications under federal law.

In addition, no person may label a food product as, or sell or offer for sale a food product that is labeled as, a type of dairy product or a dairy ingredient unless the food product is a dairy product or dairy ingredient that is or is derived from cow's milk, hooved or camelid mammal's milk, or a dairy product that meets certain specifications under federal law.

Finally, the bill prohibits any person from labeling wild rice as "traditionally harvested" unless the wild rice is harvested using traditional wild rice harvesting methods of American Indian tribes or bands. The bill requires DATCP to promulgate a rule defining traditional wild rice harvesting methods of American Indian tribes or bands. Under the bill, DATCP must obtain the advice and recommendations of the Great Lakes Inter-Tribal Council, Inc., before promulgating a rule defining a traditional method of wild rice harvesting.

Appropriation limit for the producer-led watershed protection grant program

DATCP administers the producer-led watershed protection grant program, which provides

grants to groups of farmers in the same watershed to implement nonpoint source pollution abatement activities. Under current law, DATCP may not allocate more than $1,000,000 per fiscal year for this program. The bill increases that maximum amount to $1,250,000.

Agricultural enterprise area maximum acreage

Under current law, DATCP may designate agricultural enterprise areas, with a combined area of not more than 2,000,000 acres, targeted for agricultural preservation and development. The bill increases the maximum acreage for designated agricultural enterprise areas to 3,000,000.

Veterinary examining board appropriation uses

Current law provides an appropriation to DATCP, from all moneys received by the veterinary examining board when issuing or renewing credentials, for the purpose of supporting the activities of the board. The bill changes this appropriation so that it may also be used to provide dog license tags and forms; perform other activities related to the regulation of dogs; administer the rabies control program its media campaign; and carry out activities relating to humane officers. Humane officers are trained and certified officers appointed by political subdivisions to enforce certain regulations relating to animals.

Bonding for soil and water resource management

The bill increases the general obligation bonding authority for the Soil and Water Resource Management Program by $10,000,000. The program, which is administered by DATCP, awards grants to counties to help fund their land and water conservation activities.

Commerce and Economic Development

BUSINESS ORGANIZATIONS AND FINANCIAL INSTITUTIONS

Catastrophe savings accounts

Under the bill, a person may establish an account at a financial institution and designate the account as a catastrophe savings account. The account may be used to hold savings for expenses related to a catastrophic event, which is defined as a tornado, hurricane, or severe storm resulting in flooding, damaging hail, extreme wind, or extremely cold temperatures. If the account owner maintains a property insurance policy covering catastrophic events, deposits in the account are limited, based on the amount of the policy deductible, to either $2,000 or the lesser of $15,000 or twice the amount of the policy deductible. Deposits in a catastrophe savings account may be withdrawn only to pay the following relating to property damage caused by a catastrophic event: 1) repair costs or other losses to the extent the costs or losses are not covered by a property insurance policy or are self-insured losses, and 2) any portion of a policy's deductible. A person may not be an account owner of more than one catastrophe savings account. For state income tax purposes, the owner may subtract from taxable income the amount of the deposits made to and any increase in the value of a catastrophe savings account.

DFI information on worker misclassification

The bill requires DFI to provide informational materials and resources on worker misclassification to each person who files with DFI documents forming a business corporation, nonstock corporation, limited liability company, limited liability partnership, or limited partnership. See *Employment*.

COMMERCE

Prohibiting discrimination in broadband

The bill prohibits a broadband service provider from denying a group of potential residential customers access to its broadband service because of the group's race or income. Under the bill, DATCP has authority to enforce the prohibition and to promulgate related rules. The bill also authorizes any person affected by a broadband service provider who violates the prohibition to bring a private action.

Broadband subscriber rights

The bill establishes various requirements for broadband service providers, including the following: 1) broadband service providers must provide service satisfying minimum standards established by PSC, and subscribers may terminate contracts if the broadband service provider fails to satisfy those standards; 2) broadband service providers must disclose the factors that may cause the actual broadband speed experience of a subscriber to vary, and provide

service as described in advertisements or representations made to subscribers; 3) broadband service providers must repair broadband service within 72 hours after a subscriber reports a broadband service interruption that is not the result of a major system-wide or large area emergency; 4) broadband service providers must give subscribers credit for interruptions of broadband service that last more than four hours in a day; and 5) broadband service providers must give subscribers at least 30 days' advance written notice before instituting a rate increase, at least seven days' advance written notice of any scheduled routine maintenance that causes a service slowdown, interruption, or outage, at least 10 days' advance written notice of a change in a factor that may cause the originally disclosed broadband speed experience to vary, and at least 10 days' advance written notice of disconnecting service, unless the disconnection is requested by the subscriber.

Internet service provider registration

The bill requires each Internet service provider in this state to register with PSC.

Severe thunderstorm price gouging

Under current law, no manufacturer, producer, supplier, wholesaler, distributor, or retailer may sell or offer to sell consumer goods or services at unreasonably excessive prices if the governor by executive order has certified that the state or a part of the state is in a period of abnormal economic disruption due to an emergency. An "emergency" in this context includes a destructive act of nature, a hostile action, terrorism, or a disruption of energy supplies that poses a risk to the public's economic well-being, public health, or welfare. A "consumer good or service" under the law means those goods or services that are used primarily for personal, family, or household purposes.

The bill prohibits residential building contractors, tree trimmers, and restoration and mitigation services providers that are operating within a geographic region impacted by, and repairing damage caused by, a severe thunderstorm from doing either of the following: 1) charging an unreasonably excessive price for labor in comparison to the market price charged for comparable services in the geographic region impacted by the weather event and 2) charging an insurance company a rate for a consumer good or service that exceeds what the residential building contractor, tree trimmer, or restoration and mitigation services provider would otherwise charge a member of the general public for the consumer good or service. "Severe thunderstorm" is defined in the bill to mean a weather event in which any of the following occurs: 1) hail that is one inch or greater in diameter, 2) wind gusts in excess of 50 knots, or 3) a tornado.

The bill requires DATCP to promulgate rules to establish formulas or other standards to be used in determining whether a price for labor is unreasonably excessive. Under the bill, DATCP or, after consulting with DATCP, DOJ may commence an action against a person that has violated the prohibition in the bill to recover a civil forfeiture of not more than $1,000 per violation, to temporarily or permanently restrain or enjoin the person from violating the prohibition in the bill, or both.

Sales by a municipality or county of wine in a public park

The bill allows a municipality or county to sell wine in its public parks without an alcohol beverage license.

Under current law, with limited exceptions, no person may sell alcohol beverages to a consumer unless the seller possesses a license or permit authorizing the sale. Under one exception, no license or permit is required for the sale, by officers or employees of a county or municipality, of fermented malt beverages (beer) in a public park operated by the county or municipality.

The bill applies this exception to wine along with beer.

ECONOMIC DEVELOPMENT

Changes to the state main street program

Under current law, WEDC is required to establish and administer a state main street program to coordinate state and local participation in programs offered by the national main street center to assist municipalities in planning, managing, and implementing programs for revitalization of commercial areas having historic significance.

Under current law, a recipient of assistance under the state main street program must be a city, village, or town. Under the bill, eligible recipients include tribal governments, chambers of commerce, and nonprofit organizations.

The bill eliminates the requirements that WEDC contract with the national main street center for services related to revitalizing commercial areas having historic significance and develop a plan describing the objectives of the state main street program and the methods by which WEDC will carry out certain responsibilities specified by law.

The bill also eliminates the requirements that, in developing criteria for use in selecting participants in the state main street program, WEDC include the following:

1. Local organizational and financial commitment to employ a program manager for not less than five years.
2. Local assistance in paying for the services of a design consultant.
3. Local commitment to assist in training persons to direct activities related to business areas in municipalities that do not participate in the state main street program.

Under the bill, in selecting participants in the state main street program, WEDC must evaluate and consider the potential in the business area selected by the applicant to retain small businesses, attract new businesses, generate new economic activity and grow the local tax base, and create new employment opportunities. The bill also retains the current law requirement that WEDC consider private and public sector interest in and commitment to revitalization of the business area selected by the applicant and potential private sector investment in the business area selected by the applicant.

Finally, the bill changes the definition of "business area" for the purposes of the state main street program from "a commercial area existing at the time services under the state

main street program are requested and having historic significance" to "a downtown area or historic commercial district."

Workforce housing modifications to the business development tax credit

The bill makes adjustments to the workforce housing investments award under the business development tax credit. Under current law, a person may claim tax benefits of an amount equal to up to 15 percent of the person's investment, comprised only of capital expenditures, in workforce housing for employees. Under the bill, the investment in workforce housing for which a person may receive tax benefits may include contributions made to a third party for the building or rehabilitating of workforce housing, including contributions made to a local revolving loan fund program. The bill also removes the requirement that the workforce housing for which a person may receive tax benefits for investing in be for employees.

Wage thresholds for business development and enterprise zone tax credits

The bill raises the minimum wage thresholds for the business development and enterprise zone tax credits for businesses that enter into contracts with WEDC after December 31, 2025. Under current law, WEDC may certify businesses that engage in qualifying activities, including full-time job creation and retention, to claim the credits. One requirement for claiming either credit is that the business enter into a contract with WEDC. In its contracts, WEDC uses a definition of "full-time employee" that means an individual who, among other things, is paid at least 150 percent of the federal minimum wage. The bill changes this minimum wage threshold to $34,220 for the business development tax credit and to $34,220 in a tier I county or municipality and $45,390 in a tier II county or municipality for the enterprise zone tax credit, with all these amounts adjusted annually for inflation. Additionally, under current law, the enterprise zone tax credit is partially based on the wages paid to zone employees that are at least 150 percent of the federal minimum wage in a tier I county or municipality or $30,000 in a tier II county or municipality. The bill changes these thresholds to $34,220 and $45,390, respectively, with both amounts adjusted annually for inflation.

The bill also modifies the maximum wage earnings limit for businesses that enter into contracts with WEDC after December 31, 2025. Under current law, the maximum wage earnings that may be considered per employee for the enterprise zone tax credit is $100,000. The bill increases this amount to $151,300, which is adjusted annually for inflation, and establishes the same dollar amount limit for the business development tax credit.

The bill also adjusts the definition of "full-time job" for the purposes of the business development and enterprise zone jobs tax credits by removing the current requirement that a worker work at least 2,080 hours per year, including paid leave and holidays, in order to be considered "full-time."

Enterprise zone designations

Under current law, WEDC may designate any number of enterprise zones for purposes of certifying taxpayers to claim tax credits for certain activities carried out within an enterprise zone. However, current law subjects WEDC's designation of a new enterprise zone to the

approval of JCF under passive review. The bill provides that WEDC may designate no more than 30 enterprise zones and eliminates the requirement that WEDC seek approval for a new enterprise zone from JCF under passive review.

Adjustment to WEDC appropriation

The bill adjusts the calculation used to determine the amount of WEDC's GPR appropriation. The bill does not raise the expenditure cap on that appropriation, which is $16,512,500 per fiscal year.

WEDC's unassigned fund balance

Current law requires that WEDC establish policies and procedures concerning its unassigned fund balance, which is defined as all moneys held by WEDC that WEDC is not obligated by law or by contract to expend for a particular purpose or that WEDC has not otherwise assigned to be expended for a particular purpose. Under current law, those policies and procedures must include as a target that WEDC's unassigned fund balance on June 30 of each fiscal year be an amount equal to or less than one-sixth of WEDC's total administrative expenditures for that fiscal year. The bill eliminates the requirement that WEDC's policies and procedures include that target for WEDC's unassigned fund balance.

Main street bounceback grants

The bill increases by $50,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025-26 for the purpose of awarding grants of $10,000 each to small businesses and nonprofit organizations that open a new location or expand operations in a vacant commercial space. A recipient of a grant under the bill may use grant moneys for commercial lease and mortgage payments, business operating expenses, and commercial building repair and tenant improvements.

Advanced manufacturing grants

The bill increases by $5,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025-26 for the purpose of establishing a program to award matching grants to small and midsized manufacturing companies located in this state to invest in advanced manufacturing technologies. No one company may receive more than $200,000 in grants under the bill, and no one grant under the bill may be for more than one-third of the amount invested in advanced manufacturing technologies by the company. To receive a grant under the bill, a company must commit to not reduce its employment below the level when the grant is awarded. If a company that receives a grant under the bill fails to meet this commitment within 10 years after receiving the grant, the company must repay the grant amount to WEDC. WEDC may provide an exemption to the repayment requirement if it finds that the company has undergone a unique hardship.

Funding for the green innovation fund

The bill increases by $50,000,000 the amount WEDC may expend from its GPR appropriation

for general operations and economic development programs in fiscal year 2025-26 for the purpose of supporting the green innovation fund.

Funding for the Forward Agriculture program

The bill increases by $15,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025-26 for the purpose of providing state matching funds related to federal funding in conjunction with WiSys's Forward Agriculture program to promote sustainable agriculture.

Accelerate Wisconsin

The bill increases by $10,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025-26 for the purpose of supporting a business accelerator program to be administered in cooperation with the UW System and aimed at developing research, including research from the UW System, into new startup businesses. As part of the program, WEDC may award grants directly to businesses to assist in their growth and development and may award grants to or in support of business incubators.

Tribal enterprise accelerator program

The bill increases by $5,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025–26 for the purpose of creating a tribal enterprise accelerator program to offer statewide technical assistance and grants for community development investment and capacity building to American Indian tribes or bands in this state to diversify their revenue strategies in industries other than the gaming and entertainment industries.

Thrive Rural Wisconsin funding accessibility

The bill increases by $5,000,000 the amount WEDC may expend from its GPR appropriation for general operations and economic development programs in fiscal year 2025–26 for the purpose of supporting WEDC's Thrive Rural Wisconsin program. Under the bill, WEDC must provide funding to its established regional and tribal partners to develop and fund projects in nonmetropolitan municipalities with populations of less than 10,000 to provide for increased availability and accessibility of local project capital.

Financing projects for qualifying tax-exempt organizations

Under current law, WHEFA may issue bonds to finance certain projects of health, educational, research, and other nonprofit institutions. The bill requires that those health, educational, research, and other nonprofit institutions be located in this state, headquartered in this state, or serving a population in this state.

Financing working capital costs of certain nonprofit institutions

Under current law, WHEFA may issue bonds to finance certain projects of health, educational, research, and other nonprofit institutions. The bill authorizes WHEFA to issue bonds for the purpose of financing such institutions' working capital costs.

LANDLORD-TENANT

Notification of building code violations

Under current law, before entering into a lease with or accepting any earnest money or a security deposit from a prospective tenant, a landlord must disclose to the prospective tenant any building code or housing code violations of which the landlord has actual knowledge if the violation presents a significant threat to the prospective tenant's health or safety. The bill eliminates the condition that the landlord have actual knowledge of such a violation and that the threat to the prospective tenant's health or safety be "significant"; under the bill, the landlord must disclose to a prospective tenant a building code or housing code violation, regardless of whether the landlord has actual knowledge of the violation, if the violation presents a threat to the prospective tenant's health or safety.

Local landlord-tenant ordinances, moratoria on evictions, and rental property inspection requirements

The bill also makes changes to local landlord-tenant ordinances, local moratoria on evictions, and local rental property inspection requirements. See *Local Government*.

TOURISM

Tourism marketing funding from Indian gaming receipts

Current law requires DOA to transfer portions of Indian gaming receipts to the Department of Tourism for certain tourism marketing expenses. The bill eliminates that requirement. The bill leaves in place an appropriation funding the same purposes from GPR and from the transportation fund.

American Indian tourism marketing

The bill requires DOA to award an annual grant to the Great Lakes Inter-Tribal Council to provide funding for a program to promote tourism featuring American Indian heritage and culture. As a condition of receiving the grant, the Great Lakes Inter-Tribal Council must include information on the tourism promotion program in its annual report to DOA. The bill also transfers from the Department of Tourism to DOA a contract between the Great Lakes Inter-Tribal Council and the Department of Tourism that relates to the promotion of tourism featuring American Indian heritage and culture.

Correctional System

ADULT CORRECTIONAL SYSTEM

Earned compliance credit

The bill creates an earned compliance credit for time spent on extended supervision or parole. Under current law, a person's extended supervision or parole may be revoked if he or she violates a condition or rule of the extended supervision or parole. If extended supervision or parole is revoked, the person is returned to prison for an amount of time up to the length of the original sentence, less any time actually served in confinement and less any credit for good behavior. Under current law, when extended supervision or parole is revoked, the time spent on extended supervision or parole is not credited as time served under the sentence.

Under the bill, an eligible inmate receives an earned compliance credit for time served on extended supervision or parole. The earned compliance credit equals the amount of time served on extended supervision or parole without violating any condition or rule of extended supervision or parole. Under the bill, a person is eligible to receive the earned compliance credit only if the person is not required to register as a sex offender and is serving a sentence for a crime that is not a specified violent crime or a specified crime against a child. Under the bill, if a person's extended supervision or parole is revoked, he or she may be incarcerated for up to the length of the original sentence, less any credit for time served in confinement, any credit for good behavior, and any earned compliance credit.

Earned release

Under current law, an eligible inmate may earn early release to parole or extended supervision by successfully completing a substance abuse program. An inmate is eligible for earned release only if the inmate is serving time for a crime that is not a violent crime and, for an inmate who is serving a bifurcated sentence, the sentencing court determines that the inmate is eligible.

Under current law, DOC operates a mother-young child care program in which females in DOC custody who are pregnant or have a child that is less than one year old may be placed in less restrictive custodial placements and participate in services aimed at creating a stable relationship between the mother and her child and preparing the mother to be able to live in a safe, lawful, and stable manner in the community.

The bill expands the earned release program to include two new options: 1) successful completion of the mother-young child care program, or 2) successful completion of a vocational readiness program, which includes educational, vocational, treatment, or other qualifying evidence-based training programs to reduce recidivism. The bill also provides that DOC, not the sentencing court, determines eligibility for earned release for all inmates.

Creating the Office of the Ombudsperson for Corrections

The bill creates the Office of the Ombudsperson for Corrections, attached to DOC. The office is under the direction of an ombudsperson, who is appointed by the governor, is approved by a three-quarters vote of the senate, and may be removed only by the governor,

for just cause. Under the bill, the ombudsperson accepts complaints regarding facilities and abuse, unfair acts, and violations of rights of prisoners and juveniles from persons being held in state prisons and juvenile correctional facilities. Under the bill, the ombudsperson has the power to investigate a variety of actions by DOC and make recommendations on the basis of the investigations. If the ombudsperson determines to make a recommendation to a state prison or juvenile correctional facility, the superintendent of the state prison or juvenile correctional facility has 30 days to respond to the recommendations of the ombudsperson.

Also under the bill, the Office of the Ombudsperson for Corrections must annually publish a report of its findings, recommendations, and investigation results and distribute the report to the governor, the chief clerk of each house of the legislature, and the secretary of corrections.

Contracts for temporary housing for or detention of persons placed on probation or sentenced to imprisonment

Under current law, DOC may contract with local units of government for temporary housing or detention in jails or houses of correction for persons placed on probation or sentenced to imprisonment in state prisons or to the intensive sanctions program. Under such a contract, the rate may not exceed $60 per person per day. The bill increases the rate that may be set under such a contract to up to $80 per person per day.

JUVENILE CORRECTIONAL SYSTEM

Age of juvenile court jurisdiction

Under current law, a person 17 years of age or older who is alleged to have violated a criminal law is subject to the procedures specified in the Criminal Procedure Code and, on conviction, is subject to sentencing under the Criminal Code, which may include a sentence of imprisonment in the Wisconsin state prisons. Currently, subject to certain exceptions, a person under 17 years of age who is alleged to have violated a criminal law is subject to the procedures specified in the Juvenile Justice Code and, on being adjudicated delinquent, is subject to an array of dispositions under that code, including placement in a juvenile correctional facility. The bill raises from 17 to 18 the age at which a person who is alleged to have violated a criminal law is subject to the procedures specified in the Criminal Procedure Code and, on conviction, to sentencing under the Criminal Code.

Similarly, under current law, a person 17 years of age or older who is alleged to have violated a civil law or municipal ordinance is subject to the jurisdiction and procedures of the circuit court or, if applicable, the municipal court, while a person under 17 years of age who is alleged to have violated a civil law or municipal ordinance, subject to certain exceptions, is subject to the jurisdiction and procedures of the court assigned to exercise jurisdiction under the Juvenile Justice Code. The bill raises from 17 to 18 the age at which a person who is alleged to have violated a civil law or municipal ordinance is subject to the jurisdiction and procedures of the circuit court or, if applicable, the municipal court.

Seventeen-year-old juvenile justice aids

The bill creates a sum sufficient appropriation under DCF for youth aids-related purposes but only to reimburse counties, beginning on January 1, 2026, for costs associated with juveniles who were alleged to have violated a state or federal criminal law or any civil law or municipal ordinance at age 17.

Juvenile justice reform review committee

The bill creates a juvenile justice reform review committee in DCF with members appointed by the governor. Under the bill, the committee is charged with studying and providing recommendations to DCF and DOC on how to do all of the following:

1. Increase the minimum age of delinquency.
2. Eliminate original adult court jurisdiction over juveniles.
3. Modify the waiver procedure for adult court jurisdiction over juveniles and incorporate offenses currently subject to original adult court jurisdiction into the waiver procedure.
4. Eliminate the serious juvenile offender program and create extended juvenile court jurisdiction with a blended juvenile and adult sentence structure for certain juvenile offenders.
5. Prohibit placement of a juvenile in a juvenile detention facility for a status offense and limit sanctions and short-term holds in a juvenile detention facility to cases where there is a public safety risk.
6. Sunset long-term post-disposition programs at juvenile detention facilities.
7. Create a sentence adjustment procedure for youthful offenders.
8. Conform with the U.S. Constitution the statutes that mandate imposing sentences of life imprisonment without parole or extended supervision to minors.

Under the bill, the committee terminates on September 15, 2026, and DCF and DOC must submit in their 2027–29 biennial budget requests a request to implement the committee's recommendations.

Contract payments for placement of juveniles

The bill creates a sum sufficient GPR appropriation for DOC to make payments under contracts for the placement of juveniles. The bill limits the appropriation to $20,000,000 in each fiscal year and sunsets it on July 1, 2029.

Juveniles placed at Mendota Juvenile Treatment Center

Under current law, DOC may transfer to the Mendota Juvenile Treatment Center (MJTC) juveniles who are under DOC's supervision or juveniles who are placed in a Type 1 juvenile correctional facility regardless of whether those juveniles are under the supervision of DOC or a county department of social services or human services. Current law requires DOC to reimburse DHS for the cost of providing services to these juveniles at MJTC at a per person daily cost specified by DHS. The bill specifies that DOC is required to reimburse DHS only for the cost of services provided to juveniles who are under DOC's supervision and are transferred to MJTC.

Daily rates for juvenile correctional services

Under current law, DOC charges counties for the costs of certain juvenile correctional services DOC provides according to a per person daily cost assessment specified in the statutes (daily rate). Counties use community youth and family aids (youth aids) funding allocated to them from various state and federal moneys to pay these costs. Under current law, the daily rate for care of a juvenile who is in a Type 1 juvenile correctional facility or transferred from a juvenile correctional facility to an inpatient treatment facility is set at $1,268 until June 30, 2025. The bill continues this daily rate until June 30, 2027.

Youth aids; allocations

Under current law, DCF is required to allocate to counties community youth and family aids (youth aids) funding. Youth aids funding comes from various state and federal moneys and is used to pay for state-provided juvenile correctional services and local delinquency-related and juvenile justice services. The bill updates the allocation of youth aids funding that is available to counties for the 2025–27 fiscal biennium.

The bill eliminates current law requirements that some of the youth aids funding be allocated for emergencies related to youth aids, for alcohol and other drug abuse treatment programs, and to reimburse counties that are purchasing community supervision services from DOC for juveniles. The bill also eliminates the community intervention program (CIP), under which DCF may award funding to counties for early intervention services for first offenders. The bill replaces these allocations and CIP with the youth justice system improvement program. Under the bill, DCF may use youth aids funding for the youth justice system improvement program to support diversion, prevention, and early intervention programs, to address emergencies related to youth aids, and to fund other activities required of DCF under youth aids.

Youth aids; administration

Under current law, youth aids funding is allocated to counties on a calendar year basis. Youth aids funds that are not spent in the calendar year can be carried forward three ways: 1) DCF may carry forward 5 percent of a county's allocation for that county for use in the subsequent calendar year; 2) DCF may carry forward $500,000 or 10 percent of its unspent youth aids funds, whichever is larger, for use in the subsequent two calendar years; and 3) DCF may carry forward any unspent emergency funds for use in the subsequent two calendar years.

The bill changes the way that unspent youth aids are carried forward. Under the bill, DCF may still carry forward 5 percent of a county's allocation for that county to use in the next calendar year. However, instead of carrying forward $500,000 or 10 percent of its unspent youth aids funds, whichever is larger, for use in the next two calendar years, under the bill, DCF may transfer 10 percent of unspent youth aids funds to the appropriation for the youth justice system improvement program.

Courts and Procedure

SUPREME COURT AND CIRCUIT COURTS

Office of the Marshals of the Supreme Court

The bill creates the Office of the Marshals of the Supreme Court, to consist of one chief marshal of the supreme court, one deputy chief marshal of the supreme court, deputy marshals of the supreme court, and administrative personnel. The bill provides that the Office of the Marshals of the Supreme Court is a law enforcement agency and that the marshals of the supreme court are law enforcement officers who are employed for the purpose of detecting and preventing crime and enforcing laws or ordinances and are authorized to make arrests for violations of the laws or ordinances. The bill requires the marshals of the supreme court to meet the requirements established by the Law Enforcement Standards Board for officer certification, police pursuit, recruitment, and firearms training and to comply with any other statutory requirements applicable to a law enforcement agency.

The bill also provides that marshals of the Supreme Court are protective occupation participants in the Wisconsin Retirement System. Current law specifically classifies police officers, firefighters, and various other individuals as protective occupation participants. Under the WRS, the normal retirement age of a protective occupation participant is lower than that of other participants and the percentage multiplier used to calculate retirement annuities is higher for protective occupation participants than for other participants.

The bill further provides that the Office of the Marshals of the Supreme Court may provide police services to the state court system, with statewide jurisdiction; provide protective services for the supreme court justices and their offices; provide security assessments for the justices, judges, and facilities of the state court system; and provide safety and security support services and advanced security planning services for circuit court proceedings. The operation of the Office of the Marshals of the Supreme Court does not affect the operations or jurisdiction of sheriffs or local law enforcement agencies to perform courthouse security, handle active emergencies, perform criminal investigations, or perform any other law enforcement functions.

Circuit court payments

Under current law, the director of state courts must make payments to counties for certain circuit court costs. Under the bill, beginning on January 1, 2026, the director of state courts must make additional payments to circuit courts, including a payment that, beginning January 1, 2027, is available only to counties that operate an alternatives to prosecution and incarceration program.

Circuit court branches

The bill adds two additional circuit court branches for Brown County on August 1, 2026.

SPECIAL PROSECUTORS AND THE STATE PUBLIC DEFENDER

Compensation for special prosecutors

Under current law, the SPD provides legal representation for indigent persons in criminal and delinquency cases. The SPD assigns cases either to staff attorneys or to local private attorneys. A private attorney assigned to a case by the SPD is paid an hourly amount that varies depending on the year in which the case was assigned. For instance, a private attorney assigned a case between December 1, 1992, and July 29, 1995, was generally paid $50 per hour for time spent related to the case and $25 per hour for time spent in related travel. The amount has increased periodically; a private attorney assigned a case after July 1, 2023, is generally paid $100 per hour for time spent related to the case and $50 per hour for time spent in related travel.

Current law provides the same compensation to other attorneys as the compensation paid to a private attorney assigned to case by the SPD. For example, if a judge appoints a special prosecutor to perform the duties of a district attorney, the special prosecutor compensation is the amount paid to a private attorney for a case assigned between December 1, 1992, and July 29, 1995. The bill changes the compensation for the special prosecutor to be the amount paid to a private attorney assigned a case on the date the approval was made.

Private bar reimbursement rate for cases involving violent crimes

Under current law, the SPD provides legal representation for indigent persons in criminal, delinquency, and certain related cases. The SPD assigns cases either to staff attorneys or to local private attorneys. Generally, a private attorney who is assigned a case by the SPD on or after July 1, 2023, is paid $100 per hour for time spent related to the case and $50 per hour for time spent in travel related to a case. The bill increases the rate the private attorney is paid for cases to $125 per hour if the case is assigned on or after July 1, 2025, and involves a charge of a violent crime. The bill does not change the rate for cases that do not involve a charge of a violent crime or for travel.

DISTRICT ATTORNEYS

Increase in deputy district attorney allocation

The bill increases the number of deputy district attorneys that may be appointed in a prosecutorial unit with a population of 200,000 or more but less than 750,000 from three deputy district attorneys to four deputy district attorneys.

GENERAL COURTS AND PROCEDURE

Privacy protection for federal judicial officers

The bill adds current and former district judges and magistrate judges for federal district courts in this state as well as current and former bankruptcy judges for federal bankruptcy

courts in this state to the list of judicial officers to whom certain privacy protections apply. Current law provides, upon written request, certain privacy protections for the personal information of judicial officers. Among other protections, if a government agency receives a written request from a judicial officer, the government agency may not publicly post or display publicly available content that includes a judicial officer's personal information. That information is also exempt from inspection and copying under public records law unless the agency has received consent to make that information available to the public. Under current law, upon written request, a data broker may not knowingly sell, license, trade, purchase, or otherwise make available for consideration the personal information of a judicial officer or a judicial officer's immediate family. Current law also provides that, if the judicial officer has made a written request, no person, business, or association may publicly post or display on the Internet publicly available content that includes the personal information of a judicial officer or the judicial officer's immediate family. The bill allows current and former federal district court judges, magistrate judges, and bankruptcy judges in this state to have these protections.

Sharing information regarding potential jurors

Under current law, DOT annually transmits to the director of state courts a list of persons residing in the state that includes certain information about those persons. Each year, the director of state courts uses that information to compile a master list of potential jurors for use by the state circuit courts. The bill requires DOT to also send that list to the clerks of court for the federal district courts within this state.

Also under current law, the director of state courts may request and use the following information, in addition to the DOT information, to create the master list: 1) a list of registered voters from the Elections Commission; 2) a list of individuals who filed state income tax returns with DOR; 3) a list of child support payors and payees from DWD; 4) a list of recipients of unemployment compensation from DWD; and 5) a list of state residents issued approvals or licenses from DNR. The bill requires, rather than allows, the director of state courts to use that information. The bill also modifies the requirements for those state agencies to transmit the lists they maintain to the director of state courts to be similar to DOT's obligations. For example, the bill requires each state agency to annually transmit the list the agency maintains to the director of state courts without the need for the director of state courts to request the information.

Qui tam actions for false claims

The bill restores a private individual's authority to bring a qui tam claim against a person who makes a false or fraudulent claim for medical assistance, which was eliminated in 2015 Wisconsin Act 55, and further expands qui tam actions to include any false or fraudulent claims to a state agency. A qui tam claim is a claim initiated by a private individual on his or her own behalf and on behalf of the state against a person who makes a false claim relating to medical assistance or other moneys from a state agency. The bill provides that a private

individual may be awarded up to 30 percent of the amount of moneys recovered as a result of a qui tam claim, depending upon the extent of the individual's contribution to the prosecution of the action. The individual may also be entitled to reasonable expenses incurred in bringing the action, as well as attorney fees. The bill includes additional changes not included in the prior law to incorporate provisions enacted in the federal Deficit Reduction Act of 2005 and conform state law to the federal False Claims Act, including expanding provisions to facilitate qui tam actions and modifying the bases for liability to parallel the liability provisions under the federal False Claims Act.

In addition to qui tam claims, DOJ has independent authority to bring a claim against a person for making a false claim for medical assistance. The bill modifies provisions relating to DOJ's authority to parallel the liability and penalty standards relating to qui tam claims and to parallel the forfeiture amounts provided under the federal False Claims Act.

CRIMES

Expungement

Under current law, a court may order a person's criminal record expunged of a crime if all of the following apply:

1. The maximum term of imprisonment for the crime is six years or less (Class H felony and below).
2. The person committed the crime before the age of 25.
3. The person had not been previously convicted of a felony.
4. The crime was not a violent felony.

Current law specifies that the expungement order must be made only at sentencing and then the record is expunged when the person completes his or her sentence. If the court does not order a criminal record expunged at sentencing, current law generally does not provide for another means to expunge the criminal record.

The bill makes several changes to the expungement process. The bill removes the condition that the person committed the crime before the age of 25. (The bill retains the conditions that the crime be no greater than a Class H felony, the person have no previous felony convictions, and the crime not be a violent felony.) The bill makes certain crimes ineligible for expungement, such as traffic crimes, the crime of violating a domestic abuse restraining order or injunction, criminal trespass, and criminal damage to a business. The bill also allows the sentencing court to order that a person's record not be eligible for expungement.

The bill continues to allow the court to order at sentencing that the record be expunged when the person completes his or her sentence. The bill also provides that, if the court did not make an order at sentencing, the person may file a petition with the sentencing court after he or she completes his or her sentence. Upon receipt of the petition, the court must review the petition and then may order the record expunged or may deny the petition. If the court denies the petition, the person may not file another petition for two years. The person must pay a $100 fee to the county for a second petition, and no person may file more than two petitions per crime. The bill limits a person to one expungement. The changes described in this paragraph apply retroactively to persons who were convicted of a crime before the bill takes effect.

The bill provides that, if a record is expunged of a crime, that crime is not considered a conviction for employment purposes and specifies that employment discrimination because of a conviction record includes requesting a person to supply information regarding a crime if the record has been expunged of the crime. Finally, the bill provides that it is not employment discrimination because of conviction record for the Law Enforcement Standards Board to consider a conviction that has been expunged with respect to applying any standard or requirement for the certification, decertification, or required training of law enforcement officers, tribal law enforcement officers, jail officers, and juvenile detention officers.

Immunity for certain controlled substances offenses

Current law grants immunity from prosecution for possessing a controlled substance to a person, called an aider, who summons or provides emergency medical assistance to another person because the aider believes the other person is suffering from an overdose or other adverse reaction to a controlled substance. Under 2017 Wisconsin Act 33, an aider was also immune from having probation, parole, or extended supervision revoked for possessing a controlled substance under the same circumstances. Act 33 also granted the aided person immunity from from having probation, parole, or extended supervision revoked for possessing a controlled substance when an aider seeks assistance for the aided person. The immunity applied only if the aided person completes a treatment program as part of his or her probation, parole, or extended supervision. Act 33 also provided that a prosecutor must offer an aided person who is subject to prosecution for possessing a controlled substance a deferred prosecution agreement if the aided person completes a treatment program.

The expanded immunities under 2017 Wisconsin Act 33 were temporary, and expired on August 1, 2020. The bill permanently restores these expanded immunities from 2017 Wisconsin Act 33.

Alternatives to prosecution for disorderly conduct

The bill requires a prosecutor to offer to certain disorderly conduct defendants a deferred prosecution agreement or an agreement in which the defendant stipulates to his or her guilt of a noncriminal ordinance violation. Under the bill, a prosecutor must offer alternatives to prosecution to a person who has committed a disorderly conduct violation if it is the person's first disorderly conduct violation, the person has not committed a similar violation previously, and the person has not committed a felony in the previous three years. Under the bill, if the person is offered a deferred prosecution agreement, he or she must be required to pay restitution, if applicable.

Education

PRIMARY AND SECONDARY EDUCATION: GENERAL AIDS AND REVENUE LIMITS

Per pupil revenue limit adjustment

Current law generally limits the total amount of revenue per pupil that a school district may receive from general school aids and property taxes in a school year to the amount of revenue allowed per pupil in the previous school year plus a per pupil adjustment, if any, as provided by law. Current law provides a $325 per pupil adjustment each school year from 2023 to 2425. Under the bill, beginning in the 2026–27 school year, the per pupil adjustment is the per pupil increase for the previous school year as adjusted for any increase in the consumer price index.

Low revenue ceiling; per pupil amount and restrictions

Current law provides a minimum per pupil revenue limit for school districts, known as the revenue ceiling. Under current law, the per pupil revenue ceiling is $11,000. The bill increases the per pupil revenue ceiling to $12,000 for the 2025–26 school year and to $12,400 for the 2026–27 school year and each subsequent school year.

Current law also provides that during the three school years following a school year in which an operating referendum fails in a school district, the school district's revenue ceiling is the revenue ceiling that applied in the school year during which the referendum was held. The bill eliminates the provision under which a school district's revenue ceiling is the revenue ceiling from a previous school year because an operating referendum failed in the school district.

Revenue limits; personal property tax repeal aid

For purposes of school district revenue limits, current law defines "state aid" as general school aid, computer aid, and exempt personal property aid. The bill adds personal property tax repeal aid to the definition of "state aid."

Special adjustment aid

Under current law, a school district is guaranteed an amount of general equalization aid equal to at least 85 percent of the amount it received in the previous school year. The bill increases the amount of general equalization aid that a school district is guaranteed to receive to an amount that is at least 90 percent of the amount it received in the previous school year.

Counting four-year-old kindergarten pupils

The bill changes how a pupil enrolled in a four-year-old kindergarten is counted by a school district for purposes of state aid and revenue limits. Under current law, a pupil enrolled in a four-year-old kindergarten program is counted as 0.5 pupil unless the program provides at least 87.5 additional hours of outreach activities, in which case the pupil is counted as 0.6 pupil. Under the bill, if the four-year-old kindergarten program requires full-day attendance by pupils for five days a week, a pupil enrolled in the program is counted as one pupil.

PRIMARY AND SECONDARY EDUCATION: CATEGORICAL AIDS

Per pupil aid

Under current law, per pupil aid is a categorical aid paid to school districts. Per pupil aid is funded from a sum sufficient appropriation and is not considered for purposes of revenue limits. Under current law, the amount of per pupil aid paid to a school district is calculated using a three-year average of the number of pupils enrolled in the school district and a per pupil amount set by law. In the 2024–25 school year, the per pupil amount is $742. Under the bill, the per pupil amount is $800 in the 2025–26 school year and $850 in the 2026–27 school year and each year thereafter.

In addition, beginning in the 2025–26 school year, the bill requires DPI to pay a second amount of per pupil aid to school districts based on the number of economically disadvantaged pupils enrolled in a school district. Under the bill, beginning in the 2025–26 school year, in addition to the base amount of per pupil aid, DPI must also pay a school district an additional amount equal to 20 percent of the standard per pupil amount for each economically disadvantaged pupil enrolled in the school district in the previous year. Under the bill, an economically disadvantaged pupil is a pupil who satisfies either the income eligibility criteria for a free or reduced-price lunch under federal law or other measures of poverty, as determined by DPI.

Funding for special education and school age parents programs

The bill changes the rate at which the state reimburses school boards, operators of independent charter schools, cooperative educational service agencies (CESAs), and county children with disabilities education boards (CCDEBs) for costs incurred to provide special education and related services to children with disabilities and for school age parents programs (eligible costs). Under current law, the state reimburses the full cost of special education for children in hospitals and convalescent homes for orthopedically disabled children. After those costs are paid, the state reimburses remaining eligible costs from the amount remaining in the appropriation account at a rate that distributes the full amount appropriated.

The bill changes the appropriation to a sum sufficient and provides that, beginning in the 2025–26 school year, after full payment of hospital and convalescent home costs, the remaining costs are reimbursed at 60 percent of eligible costs.

Currently, DPI provides 1) special education aid to school districts, independent charter schools, CESAs, and CCDEBs; 2) aid to school districts, CESAs, and CCDEBs for providing physical or mental health treatment services to private school and tribal school pupils; and 3) aid for school age parents programs to school districts only.

High-cost special education aid

The bill changes the rate at which the state reimburses school boards, operators of independent charter schools, CESAs, and CCDEBs for nonadministrative costs in excess of $30,000 incurred for providing special education and related costs to a child (aidable costs). Under current law, DPI must reimburse 90 percent of aidable costs at a rate of 100 percent from a

sum certain appropriation. If the amount of the appropriation is insufficient to pay the full 90 percent of aidable costs, DPI must prorate payments among eligible applicants. The bill changes the appropriation to a sum sufficient appropriation and provides that, beginning in the 2025–26 school year, DPI must reimburse 90 percent of aidable costs at a rate of 40 percent.

Sparsity aid

Under current law, a school district is eligible for sparsity aid if the number of pupils per square mile in the school district is less than 10 and the school district's membership in the previous school year did not exceed 1,000 pupils. The amount of aid is $400 per pupil if the school district's membership in the previous school year did not exceed 745 pupils and $100 per pupil if the school district's membership in the previous school year was between 745 and 1,000 pupils. Beginning in the 2025-26 school year, the bill increases these payment amounts to $500 and $200, respectively.

Current law also provides a reduced payment, known as a stop gap payment, to a school district that was eligible to receive sparsity aid in the previous school year but is not eligible to receive sparsity aid in the current school year because it no longer satisfies the pupils-per-square-mile requirement. The amount of the stop gap payment is 50 percent of the amount of sparsity aid the school district received in the previous school year. Under the bill, beginning in the 2025–26 school year, a school district is eligible for a sparsity aid stop gap payment if the school district is ineligible for sparsity aid in the current school year because it no longer satisfies the pupils-per-square-mile requirement or the membership requirement.

Pupil transportation aid

Under current law, a school district or an operator of a charter school that provides transportation to and from a school receives a state aid payment for transportation. The amount of the aid payment depends on the number of pupils transported and the distance of each pupil's residence from the school. The bill increases aid payments for pupils who reside more than 12 miles from the school from $400 per pupil to $450 per pupil, beginning in the 2025–26 school year.

High cost transportation aid; eligibility

Under current law, a school district is eligible for high cost transportation aid if 1) the school district has a pupil population density of 50 or fewer pupils per square mile and 2) the school district's per pupil transportation cost exceeds 140 percent of the statewide average per pupil transportation cost. The bill lowers the second eligibility criterion to a per pupil transportation cost that exceeds 135 percent of the statewide average per pupil transportation cost.

Supplemental nutrition aid

The bill creates supplemental nutrition aid, a categorical aid to reimburse educational agencies for school meals provided to pupils who satisfy the income criteria for a reduced-price lunch under the federal school lunch program and pupils who do not satisfy the income criteria for a free or reduced-price lunch under the federal school lunch program. An educational

agency is eligible for supplemental nutrition aid if the educational agency does not charge pupils for school meals for which the educational agency receives reimbursement from the federal government. Under the bill, the amount of aid is equal to the sum of 1) the number of school meals provided in the previous school year to pupils who satisfy the income criteria for a reduced-price lunch multiplied by the difference between the free-meal reimbursement amount and the reduced-price-meal reimbursement amount and 2) the number of school meals provided in the previous year to pupils who do not satisfy the income criteria for a free or reduced-price lunch multiplied by the difference between the free-meal reimbursement amount and the reimbursement amount for a paid school meal. Supplemental nutrition aid is first paid to educational agencies in the 2026–27 school year for school meals provided during the 2025–26 school year. Under the bill, supplemental nutrition aid is funded by a sum sufficient appropriation, which ensures that educational agencies receive the full amount of aid to which they are entitled.

The bill defines a "school meal" as a school lunch or snack under the federal school lunch program and a breakfast under the federal school breakfast program and an "educational agency" as a school board, an operator of an independent charter school, the director of the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, the director of the Wisconsin Center for the Blind and Visually Impaired, an operator of a residential care center for children and youth, a tribal school, or a private school.

School breakfast program

The bill expands eligibility for reimbursement under the school breakfast program to include operators of independent charter schools, the director of the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, the director of the Wisconsin Center for the Blind and Visually Impaired, and operators of residential care centers for children and youth. The bill also prohibits DPI from making a reimbursement for a breakfast served at a school in the previous school year if that school ceased operations during the prior school year. This prohibition does not apply to reimbursements to a school district.

School mental health and pupil wellness; categorical aid

The bill changes the types of expenditures that are eligible for reimbursement under the state categorical aid program related to pupil mental health.

Under current law, DPI must make payments to school districts, independent charter schools, and private schools participating in parental choice programs (local education agencies) that increased the amount they spent to employ, hire, or retain social workers. Under current law, DPI first pays each eligible local education agency 50 percent of the amount by which the eligible local education agency increased its expenditures for social workers in the preceding school year over the amount it expended in the school year immediately preceding the preceding school year. If, after making those payments, there is money remaining in the appropriation account for that aid program, DPI makes additional payments to eligible local education agencies. The amount of those additional payments is

determined based on the amount remaining in the appropriation account and the amount spent by eligible local education agencies to employ, hire, and retain social workers during the previous school year.

The bill expands eligibility for the payments under the aid program to include spending on school counselors, school social workers, school psychologists, and school nurses (pupil services professionals). The bill also eliminates the two tier reimbursement structure of the aid program and eliminates the requirement that a local education agency is eligible for the aid only if the local education agency increased its spending. Under the bill, any local education agency that made expenditures to employ, hire, or retain pupil services professionals during the previous school year is eligible for reimbursement under the aid program.

Aid for comprehensive school mental health services

Under current law, DPI awards grants to school districts and independent charter schools for the purpose of collaborating with community mental health agencies to provide mental health services to pupils. The bill replaces the current grant program with new categorical aid for comprehensive school mental health services to school districts and independent charter schools.

Under the bill, beginning in the 2025–26 school year, DPI must annually reimburse a school board or the operator of an independent charter school for costs incurred for mental health services during in-school or out-of-school time, up to the greater of $100,000 or $100 per pupil who was enrolled in the school district or independent charter school in the previous school year. If the amount appropriated for this purpose is insufficient, DPI must prorate the reimbursements.

Peer-to-peer suicide prevention grants

Under current law, DPI administers a competitive grant program to award grants to public, private, and tribal high schools for the purpose of supporting peer-to-peer suicide prevention programs. Under current law, the maximum annual peer-to-peer suicide prevention grant amount is $1,000. The bill increases the maximum annual peer-to-peer suicide prevention grant amount to $6,000.

Mental health training programs

Under current law, DPI must establish a mental health training program under which it provides training to school district and independent charter school staff on three specific evidence-based strategies related to addressing mental health issues in schools. The three specific evidence-based strategies are 1) the Screening, Brief Intervention, and Referral to Treatment program, 2) Trauma Sensitive Schools, and 3) Youth Mental Health First Aid.

The bill expands the mental health training program to include training on any evidence-based strategy related to addressing mental health issues and suicide prevention in schools and converts the list of evidence-based strategies under current law to a nonexclusive list of strategies. Additionally, the bill requires that DPI provide the training to out-of-school-time program employees.

Aid for English language acquisition

The bill creates a new categorical aid for school districts and independent charter schools to offset the costs of educating limited-English proficient (LEP) pupils.

Under current law, a school board is required to provide a bilingual-bicultural education program to LEP pupils who attend a school in the school district if the school meets any of the following thresholds:

1. Within a language group, 10 or more LEP pupils are enrolled in kindergarten to grade 3.
2. Within a language group, 20 or more LEP pupils are enrolled in grades 4 to 8.
3. Within a language group, 20 or more LEP pupils are enrolled in grades 9 to 12.

All school boards are required to educate all LEP pupils, but only school boards that are required to provide bilingual-bicultural education programs are eligible under current law for categorical aid targeted toward educating LEP pupils. Under current law, in each school year, DPI distributes $250,000 among eligible school districts whose enrollments in the previous school year were at least 15 percent LEP pupils, and DPI distributes the amount remaining in the appropriation account to eligible school districts on the basis of the school districts' expenditures on the required bilingual-bicultural education programs during the prior school year.

Under the bill, beginning in the 2025–26 school year, DPI must annually pay each school district and each operator of an independent charter school an amount equal to $500 times the number of LEP pupils enrolled in the school district or attending the charter school in the previous school year. This new categorical aid is in addition to aid already paid under current law and is not conditioned on whether the school board or independent charter school is required to provide a bilingual-bicultural education program.

Early literacy summer reading programs

Current law requires DPI to establish a model policy for promoting third grade pupils to the fourth grade that includes various components, including a requirement to provide an intensive summer reading program to pupils who are promoted to the fourth grade, had a personal reading plan in the third grade, and did not complete the plan before being promoted to fourth grade. Current law specifies that the model policy must require that the intensive summer reading program be provided until a pupil scores at grade level in reading on a summative assessment. Current law also requires school boards, operators of independent charter schools, and private schools participating in a parental choice program to, by July 1, 2025, adopt a written policy for promoting third grade pupils to the fourth grade that includes the intensive summer reading program required to be in DPI's model policy.

Beginning in the 2026–27 school year, the bill requires DPI to reimburse school boards and independent charter schools for providing intensive summer reading programs, as required under third grade promotion policies.

Financial literacy curriculum grants

The bill requires DPI to award grants to school boards and independent charter schools for

the purpose of developing, implementing, or improving financial literacy curricula. The bill further requires DPI to prioritize grants that support innovative financial literacy curricula. Current law requires school boards to adopt academic standards for financial literacy and incorporate financial literacy instruction into the curriculum in grades kindergarten to 12.

Computer science education grants

The bill requires DPI to annually award grants to school districts for the purpose of expanding computer science educational opportunities in all grade levels in the school district.

Aid for career and technical education

The bill creates a categorical aid for school districts and independent charter schools for the purpose of increasing high school career and technical education pathways in public high schools. The bill defines a "high school career and technical education pathway" as a series of career and technical education opportunities that prepare a pupil for a postsecondary option in a specific career area. Under the bill, DPI must pay each school district and independent charter school a proportional amount of the amount appropriated for this purpose. The proportional amount is based on the number of pupils in the high school grades in that school district or independent charter school in the previous school year divided by the total number of pupils in the high school grades in all school districts and independent charter schools in the previous school year.

Water bottle filling station grants

The bill requires DPI to award grants to school districts and independent charter schools to modify water fountains to include water bottle filling stations that provide filtered drinking water.

Tribal language revitalization grants

Under current law, school boards, cooperative educational service agencies, and head start agencies are eligible for grants to support innovative, effective instruction in one or more American Indian languages. The bill expands eligibility for these grants to include independent charter schools.

Grants to replace race-based nicknames, logos, mascots, or team names associated with American Indians

The bill authorizes DPI to award a grant to a school board that terminates the use of a race-based nickname, logo, mascot, or team name that is associated with a federally recognized American Indian tribe or American Indians, in general. Under the bill, a school board is eligible for a grant regardless of whether or not the school board decides to terminate the use of a race-based nickname, logo, mascot, or team name voluntarily, in response to an objection to its use, or in compliance with an order issued by the Division of Hearings and Appeals. The bill specifies that the amount of the grant may not exceed the greater of $50,000 or the actual cost incurred by the school board to replace the race-based nickname, logo, mascot, or team name. Under the bill, these grants are funded from Indian gaming receipts.

PRIMARY AND SECONDARY EDUCATION: CHOICE, CHARTER, AND OPEN ENROLLMENT

Parental choice program caps

The bill caps the total number of pupils who may participate in the Milwaukee Parental Choice Program, the Racine Parental Choice Program, or the statewide parental choice program (parental choice program) at the number of pupils who attended a private school under the parental choice program in the 2025–26 school year. Under the bill, beginning in the 2026–27 school year, if the number of applications to participate in a parental choice program exceeds the program cap, DPI must determine which applications to accept on a random basis, subject to certain admission preferences that exist under current law.

Under current law, pupils may submit applications to attend a private school under the statewide parental choice program for the following school year from the first weekday in February to the third Thursday in April, and a private school that receives applications must, no later than the first weekday in May immediately following the application period, report the number of applicants to DPI so that DPI may determine whether a pupil participation limitation has been exceeded. The bill provides that, beginning with applications for the 2026–27 school year, DPI must establish one or more application periods during which pupils may submit applications to attend a private school under the Milwaukee Parental Choice Program or Racine Parental Choice Program. The bill provides that a private school that receives applications during an application period must, no later than 10 days after the application period ends, report the number of applicants to DPI so that DPI may determine whether a program cap has been exceeded. The bill does not change the application period for the statewide parental choice program and requires DPI to use the information required to be reported under current law to determine whether the program cap for the statewide parental choice program has been exceeded.

The bill also requires DPI to establish a waiting list for a parental choice program if the program cap for the parental choice program has been exceeded.

Special Needs Scholarship Program cap

Under current law, a child with a disability who meets certain eligibility criteria may receive a scholarship to attend a private school participating in the Special Needs Scholarship Program (SNSP). The bill caps the total number of children who may receive an SNSP scholarship at the number of children who received an SNSP scholarship in the 2025–26 school year. Under the bill, beginning in the 2026–27 school year, if the number of applications for SNSP scholarships exceeds the program cap, DPI must determine which applications to accept on a random basis, subject to certain admission preferences set forth in the bill.

Under current law, a child may apply for an SNSP scholarship at any time during a school year and may begin attending the school at any time during the school year. The bill provides that, beginning with applications for the 2026–27 school year, children may submit applications for SNSP scholarships for the school year from the first weekday in February to the third Thursday in April of the prior school year, and a private school that receives

applications for SNSP scholarships must, no later than the first weekday in May immediately following the application period, report the number of applicants to DPI so that DPI may determine whether the program cap has been exceeded.

The bill also requires DPI to establish a waiting list if the program cap for the SNSP has been exceeded.

Wisconsin parental choice program; pupil participation limit

Current law includes a limit on the percentage of pupils in each school district who may attend a private school under the statewide parental choice program. The pupil participation limit started in the 2015–16 school year at 1 percent of a school district's membership and increased gradually to 10 percent of a school district's membership in the 2025–26 school year. Under current law, the pupil participation limit sunsets after the 2025–26 school year. The bill eliminates the sunset and continues the pupil participation limit at 10 percent of a school district's membership.

Payment indexing: parental choice programs, SNSP, independent charter schools, full-time Open Enrollment Program, and whole grade sharing agreements

Under current law, the per pupil payment amounts under parental choice programs and the SNSP, the per pupil payment amount to independent charter schools, the transfer amounts under the full-time open enrollment program, and the required transfer amount for a child with a disability in a whole grade sharing agreement (collectively, "per pupil payments") are adjusted annually. The annual adjustment for per pupil payments is an amount equal to the sum of any per member revenue limit increase that applies to school districts in that school year and any per member increase in categorical aids between the current school year and the previous school year. Under the bill, beginning in the 2025–26 school year, the annual adjustment for per pupil payments is the sum of the per member revenue limit increase that applies to school districts in that school year, if any, and the increase in the per member amount of general per pupil aid paid to school districts between the previous school year and the current school year, if any.

Per pupil payment and transfer amount based on actual costs; SNSP and full-time Open Enrollment

Under current law, the per pupil payment amount for a child participating in the SNSP and the transfer amount for a child with a disability in the full-time Open Enrollment Program (OEP) is one of the following:

1. A per pupil amount set by law.
2. An alternative amount based on the actual costs to educate the pupil in the previous school year, as reported by the private school or nonresident school district, whichever is applicable. For example, under this option, the amount paid to a private school in the SNSP or nonresident school district in the 2024–25 school year is based on the actual costs to educate the pupil in the 2023–24 school year, as reported by the private school or nonresident school district.

The bill eliminates the alternative SNSP per pupil payment amount and OEP transfer amount based on the actual costs to educate the pupil and the processes for setting these alternative amounts. Under the bill, the SNSP per pupil payment amount and the OEP transfer amount for children with disabilities is the same for all pupils and is set by law. In the 2024–25 school year, the amount set by law is $15,409.

Teacher licensure in parental choice programs and in the SNSP

With certain exceptions, the bill requires that, beginning on July 1, 2028, teachers at private schools participating in a parental choice program or in the SNSP must hold a license or permit issued by DPI. Under current law, teachers at choice schools must have at least a bachelor's degree from a nationally or regionally accredited institution of higher education, but they are not required to be licensed by DPI. There are no current law requirements regarding who may teach at SNSP schools.

The bill provides an exception for a teacher who teaches only courses in rabbinical studies. In addition, the bill provides a grace period for a teacher who has been teaching for at least the five consecutive years immediately preceding July 1, 2028, which allows the teacher to apply for a temporary, nonrenewable waiver of the licensure requirement. An applicant for a waiver must submit a plan for becoming licensed as required under the bill.

SNSP; religious opt out

The bill provides that a private school participating in the SNSP must allow a child attending the private school under the SNSP to refrain from participating in any religious activity if the child's parent submits to the child's teacher or the private school's principal a written request that the child be exempt from such activities.

SNSP; accreditation or participation in another choice program

The bill provides that, with certain exceptions explained below, a private school may participate in the SNSP only if 1) the private school is accredited by August 1 of the school year in which the private school participates or 2) the private school participates in a parental choice program. Under current law, a private school may participate in the SNSP if the private school is accredited or if the private school's educational program meets certain criteria.

The bill provides that, if a private school is participating in the SNSP in the 2025-26 school year and is not accredited by August 1, 2025, the private school must 1) obtain preaccreditation by August 1, 2026; 2) apply for accreditation by December 31, 2026; and 3) obtain accreditation by December 31, 2029.

PRIMARY AND SECONDARY EDUCATION: SCHOOL OPERATIONS

Health emergencies in learning places grants

The bill requires school boards, independent charter schools, and private schools participating in a parental choice program or the SNSP (local educational agencies) to have 1) a cardiac emergency response plan for cardiac emergencies that occur on school property, 2)

an adequate supply of opioid antagonists on site, and 3) a carbon monoxide detector in each room of a school that contains a fuel-burning, forced-air furnace or a boiler, or as otherwise required by DSPS. The bill also requires DPI to provide aid to local educational agencies for the costs of complying with these requirements.

Beginning in the 2025–26 school year, the bill requires each local educational agency to have in effect a cardiac emergency response plan (CERP) for cardiac emergencies that occur on school property. Under the bill, a CERP is a written document that establishes specific steps to reduce death from cardiac arrest in a specific setting. Under the bill, a CERP must include various components, including a cardiac emergency response team; information on how the cardiac emergency response team is activated in the event of an emergency; and requirements for automated external defibrillator placement, maintenance, and training in usage, training in first aid and cardiopulmonary resuscitation, and drills to practice the CERP.

Under current law, school boards and governing bodies of private schools must supply a standard first aid kit for use in an emergency. Under the bill, independent charter schools must also supply a standard first aid kit for use in an emergency. Current law also authorizes certain school personnel, including employees and volunteers of public and private schools, to administer an opioid antagonist to a person who appears to be undergoing an opioid-related drug overdose. Most recently, 2023 Wisconsin Act 194 provided civil immunity to elementary and secondary schools, school personnel, and particular medical professionals who provide or administer an opioid antagonist.

Under the bill, each local educational agency must ensure that each school maintains a usable supply of an opioid antagonist on site, in a place that is accessible at all times.

Under current law, DPI must establish a model management plan for maintaining indoor environmental quality in public and private schools. By no later than July 1, 2026, the bill requires DPI to include in that model plan that public and private schools must have a carbon monoxide detector in each room in a school that contains a fuel-burning, forced-air furnace or a boiler, and as otherwise required by DSPS.

Under current law, school boards and private schools participating in a parental choice program must have and implement a plan for maintaining indoor environmental quality in schools. The bill extends this requirement to independent charter schools. Additionally, the bill requires that, by no later than October 1, 2026, each local educational agency include in its management plan for maintaining indoor environmental quality the same carbon monoxide detector requirement that is included in DPI's model plan. Under the bill, each local educational agency must implement the carbon monoxide detector requirement by no later than July 1, 2027. The bill also requires local educational agencies to reasonably maintain all carbon monoxide detectors as specified in the detectors' instructions. The requirements related to carbon monoxide detectors do not apply to a local educational agency that is a private school participating only in the SNSP.

Under current law generally, carbon monoxide detectors are required in dwellings with an attached garage, a fireplace, or a fuel-burning appliance. Carbon monoxide detectors are also

required in public buildings that are used for sleeping or lodging and contain a fuel-burning appliance, a fuel-burning forced-air furnace, or an attached garage.

Costs of placing school resource officers in MPS schools

Current law requires the school board of a first class city school district—currently only Milwaukee Public Schools (MPS)—to ensure that at least 25 school resource officers are present at schools within the school district during normal school hours and that school resource officers are available, as needed, during before-school and after-school care, extracurricular activities, and sporting events (SRO requirement). Under current law, a school resource officer (SRO) is a law enforcement officer who is deployed in community-oriented policing and assigned by the law enforcement agency that employs him or her to work in a full-time capacity in collaboration with a school district. Current law also requires MPS and the City of Milwaukee to agree on how to apportion the costs of meeting the SRO requirement between the two entities. Under the bill, MPS and the City of Milwaukee must apportion the costs of meeting the SRO requirement as follows:

1. For school days, the greater of 25 percent of the costs or $400,000, as indexed to inflation, to MPS and the remainder to the City of Milwaukee.
2. For nonschool days, 100 percent to the City of Milwaukee.

Under the bill, "school day" means 1) a day on which school is actually taught and 2) a day on which school is not taught because school is closed due to inclement weather, parent-teacher conferences, an order of a local health officer or DHS, or a threat to the health or safety of pupils or school personnel.

Computer science course requirement

The bill requires school boards, independent charter schools, and private schools participating in a parental choice program to make available to pupils in grades 9 to 12 at least one computer science course, which must include concepts in computer programming or coding.

Participation in high school graduation ceremonies

The bill prohibits school boards, independent charter schools, and private schools participating in a parental choice program or the SNSP from excluding a pupil from a high school graduation ceremony due to the pupil's or the pupil's family's failure to pay any outstanding fees or charges. Under current law, pupil participation in high school graduation ceremonies is determined under school board, charter school, or private school policies.

Access to period products in schools

The bill requires school boards and independent charter schools to provide period products to any pupil who needs them while at school, at no charge to the pupil. In addition, the bill requires DPI to distribute aid for the provision of period products to certain school districts and independent charter schools. Under the bill, a school district or independent charter school is eligible for aid if the school district or independent charter school had a greater percentage of economically disadvantaged pupils enrolled in or attending the school district

or independent charter school than the statewide percentage of economically disadvantaged pupils in the previous school year. Under the bill, DPI must distribute to each eligible school district and independent charter school the greater of $100 or an amount that is proportionate to the number of economically disadvantaged pupils enrolled in or attending the eligible school district or independent charter school in the previous school year compared to the total number of economically disadvantaged pupils enrolled in or attending eligible school districts or independent charter schools in the previous school year. If the amount appropriated for this aid is insufficient to pay the full amount of aid, DPI must prorate the aid payments among the eligible school districts and independent charter schools. The bill defines an "economically disadvantaged pupil" as a pupil who satisfies the federal income eligibility requirements for a free or reduced-price lunch.

PRIMARY AND SECONDARY EDUCATION: ADMINISTRATIVE AND OTHER FUNDING

Early literacy coaches

Under current law, the Office of Literacy in DPI must establish and supervise a literacy coaching program to improve literacy outcomes in this state. Specifically, the Office of Literacy, in consultation with cooperative educational service agencies, must contract for up to 64 full-time equivalent literacy coaches. Current law requires the Office of Literacy to assign one-half of the literacy coaches to schools based on pupil scores on the third grade reading assessment and one-half of the literacy coaches to schools that request early literacy support. The latter half of the literacy coaches must be dispersed evenly among cooperative educational service agency regions. In addition, current law prohibits the Office of Literacy from assigning more than a total of 10 literacy coaches to a first class city school district and more than a total of four literacy coaches to a school district that is not a first class city school district.

Under current law, the Office of Literacy and the literacy coaching program sunset on July 1, 2028. The bill eliminates this sunset. Beginning in the 2026–27 school year, the bill increases the maximum number of full-time equivalent literacy coaches to 100, increases the maximum number of literacy coaches that may be assigned to a first class city school district to 16, and increases the maximum number of literacy coaches that may be assigned to a school district that is not a first class city school district to six.

Early literacy tutoring grants

The bill requires DPI to create a competitive grant program, under which it awards grants to community-based nonprofit organizations to provide literacy tutoring, including high-dosage literacy tutoring, to pupils who are in five-year-old kindergarten to third grade and do not yet read at grade-level. The bill defines "literacy tutoring" as tutoring that includes science-based early reading instruction and does not include three cueing. High-dosage literacy tutoring is defined under the bill as literacy tutoring that is provided in a one-on-one or small group setting, at least three times per week for at least 30 minutes each session, by the same tutor who is professionally trained and receives ongoing training, that

includes high-quality instructional materials that align with classroom content, and that is held during school hours.

Early childhood special education; coaches

Under current law, school boards and operators of independent charter schools must identify, locate, and evaluate children with disabilities who are in need of special education and related services and make available a free appropriate public education to those children if they are at least three years old. The process of identifying, locating, and evaluating children with disabilities who may need special education or related services is known as "Child Find."

The bill provides $600,000 in funding for DPI to contract with cooperative educational service agencies to employ regional child care collaboration coaches to promote Child Find to child care providers and provide training, technical assistance, and consultation to, and facilitate collaboration between, child care providers, operators of independent charter schools, and school boards for the purpose of providing special education and related services to children with disabilities.

Transferring Head Start state supplement to DCF

The bill transfers the Head Start state supplement from DPI to DCF. The bill transfers from the state superintendent to the secretary of children and families the responsibilities of determining whether agencies are eligible for designation as Head Start agencies under the federal Head Start program to provide comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families, and of distributing federal Head Start funds to those eligible agencies.

Community-based 4K approach

Under current law, a school board may, but is not required to, provide four-year-old kindergarten (4K). Currently, many school boards provide 4K using a public-private partnership approach, often referred to as the community approach. The community approach includes contracts between school boards and community-based providers that define the roles and responsibilities of the parties related to the operation of a 4K program.

Under the bill, DPI must, in consultation with DCF, develop a model community-based approach 4K contract by January 1, 2026. DPI must also, in consultation with DCF, establish by rule a standard per pupil payment to be paid to the community-based provider under the model contract.

Career and technical student organizations; grants

Under current law, DPI must maintain a career and technical student organizations (CTSO) team that consists of six consultants, each of whom is assigned an educational area. Specifically, DPI's CTSO team must have a consultant in agriculture education, business education, technology education, family and consumer sciences education, marketing education, and health science education. Under the bill, DPI must annually identify one CTSO for each of

these educational areas and distribute state funding to each identified CTSO based on the number of pupils who were members of the CTSO in the previous school year.

Teacher apprenticeship pathway to licensure

The bill requires DPI to issue an initial license to teach to an individual who holds a bachelor's degree, successfully completes a teacher apprenticeship offered through DWD, and if the initial license is to teach in grades kindergarten to five, to teach in special education, or to teach as a reading teacher or specialist, pass an examination identical to the Foundations of Reading test, commonly called the FORT. The bill also requires DPI to consult with DWD in the creation of DWD's teacher apprenticeship program so that an individual who completes DWD's teacher apprenticeship program will satisfy many of the requirements to obtain a license to teach from DPI, including the requirement that an applicant receive instruction in the study of minority group relations, that an applicant demonstrate competency related to various conflict resolution skills, and that an applicant for a license to teach reading or language arts to prekindergarten class to sixth grade successfully completes instruction in science-based early reading instruction. See *Employment*.

Grow Your Own programs

The bill creates a new grant program administered by DPI and available to school districts and operators of independent charter schools to reimburse the cost of "Grow Your Own" programs. Under the bill, Grow Your Own programs include high school clubs that encourage careers in teaching, payment of costs associated with current staff acquiring education needed for licensure, support for career pathways using dual enrollment, support for partnerships focused on attracting or developing new teachers, or incentives for paraprofessionals to gain licensure. The bill appropriates $5,000,000 in fiscal year 2026–27 for this purpose.

Educators rising; grant

The bill requires DPI to create a competitive request-for-proposal process to award a grant to an entity for the purpose of subsidizing cocurricular opportunities for public school pupils that encourage those pupils to pursue a career in teaching. Under the bill, to be eligible for this grant, an entity must demonstrate to DPI that it has successfully supported this type of cocurricular opportunities in public schools in this state.

Arts for All

Under current law, GPR is appropriated to DPI for Very Special Arts Wisconsin, Inc. In 2019, Very Special Arts Wisconsin changed its name to Arts for All Wisconsin. The bill updates the appropriation to reflect this name change.

Graduation Alliance

The bill requires the state superintendent of public instruction to annually distribute an amount appropriated to DPI to Graduation Alliance, Inc., to support pupils and their families through an academic coaching program known as Engage Wisconsin. Currently,

DPI partners with Graduation Alliance, Inc., to provide Engage Wisconsin to pupils and their families.

Mentor Greater Milwaukee, Inc.

The bill requires DPI to award grants to Mentor Greater Milwaukee, Inc., to expand access to quality youth mentoring in Milwaukee County.

The Literacy Lab

The bill requires the state superintendent of public instruction to annually distribute an amount appropriated to DPI to The Literacy Lab to provide an evidence-based literacy intervention program in public schools located in Milwaukee and Racine.

Grants for information technology education

The bill makes several changes to the information technology education grant program. Under current law, DPI must develop a competitive request-for-proposal process to award a grant to an entity to provide information technology education opportunities to public school pupils in grades 6 to 12, technical college district students, and patrons of public libraries. Currently, to be eligible for the grant, an entity must 1) demonstrate that it has successfully offered an information technology instructional program in schools in Wisconsin; 2) develop an instructional program that includes eight different components specified under current law; and 3) ensure that the instructional program will be operated in 225 sites, including 16 public libraries. In addition, under current law, DPI must give preference in awarding the grant to an entity that demonstrates that it has successfully provided high-quality information technology instructional programming and educational opportunities to pupils enrolled in or attending schools in Wisconsin.

The bill provides that DPI may award the information technology education grants to multiple entities. Under the bill, grants do not need to be awarded through a request-for-proposal process, and the grants are for the provision of certification opportunities in addition to information technology education. The bill modifies the eligibility criteria for the grants to require grant recipients to develop an instructional program that includes at least one of the eight components specified under current law and to maximize the number of sites at which the instructional program will be operated. In addition to the current law preference requirements, the bill requires DPI to give preference in awarding grants to entities that will develop an instructional program that includes more than one of the eight components specified under current law.

Student teacher stipends

The bill provides stipends, through DPI, to student teachers who are completing a teacher preparatory program that is approved by the superintendent of public instruction. The stipends are $2,500 per student teacher per semester, and begin in the 2026–27 school year. Receipt of a stipend under the bill does not preclude an individual from receiving a payment

under the Wisconsin Teacher Improvement Program, which currently provides stipends to prospective teachers in one-semester internships.

Cooperating teacher stipends

The bill provides stipends, through DPI, to teachers who are overseeing a student teacher in their classrooms. The stipends are in the amount of $1,000 per teacher per semester and begin in the 2026–27 school year.

Fees for licensure of school and public library personnel; appropriation changes

Under current law, 90 percent of the fees collected by DPI for licensure of school and public library personnel and for school districts' participation in DPI's teacher improvement program are credited to an annual sum certain appropriation. The remaining 10 percent of these fees are deposited into the general fund under current law. The bill changes this annual sum certain appropriation to a continuing appropriation and requires that 100 percent of the total fees collected by DPI be credited to the appropriation. An annual sum certain appropriation is expendable only up to the amount shown in the schedule and only for the fiscal year for which it is made. A continuing appropriation is expendable until fully depleted or repealed.

Under current law and the bill, the purposes of the appropriation are for 1) DPI's administrative costs related to licensure of school and public library personnel; 2) if DPI exercises its authority to provide information and analysis of the professional school personnel supply in this state, the costs of providing that information and analysis; and 3) DPI's teacher improvement program.

GED test fee payments

The bill requires DPI to pay the testing service fee for an eligible individual who takes a content area test given under the general educational development (GED) test. The GED test consists of four separate content area tests that cover mathematical reasoning and reasoning through language arts, social studies, and science. Under the bill, DPI will pay for an eligible individual to take all four content area tests once in each calendar year.

In order to be eligible for the payment, an individual must satisfy DPI's requirements to receive a Certificate of General Educational Development or a High School Equivalency Diploma. Among other things, DPI requires that the individual meet certain residency and minimum age requirements and attend a counseling session. The individual also must obtain a passing score on a GED practice test for the content area (commonly called a GED Ready practice test).

Farm to school program

The bill provides GPR to DPI for the purpose of providing matching funds for grants from the federal government for the farm to school program. The farm to school program promotes the use of locally and regionally grown foods in schools.

Information technology systems; modernization expenses

The bill appropriates GPR to DPI for the purpose of modernizing information systems used by DPI.

HIGHER EDUCATION

Administrative attachment of HEAB and DLAB to DOA

Under current law, the HEAB is an independent agency in the executive branch of state government. HEAB administers most of the state's higher education financial aid programs. The bill attaches HEAB to DOA for administrative purposes. Under current law, a board that is attached to another agency for administrative purposes is a distinct unit of that agency and exercises its powers and duties independently of that agency, but performs budgeting, program coordination, and related management functions under the direction and supervision of that agency.

Under current law, the Distance Learning Authorization Board (DLAB) is administratively attached to HEAB. DLAB administers the state's reciprocity agreement governing authorization and oversight of higher education institutions that provide distance education to out-of-state students.

The bill attaches DLAB for administrative purposes to DOA instead of HEAB.

Nonresident tuition exemption for undocumented individuals and certain tribal members enrolled in the UW System or a technical college

The bill creates a nonresident tuition exemptions for certain UW System and technical college students.

Current law allows the Board of Regents of the UW System to charge different tuition rates to resident and nonresident students. A person generally must be a resident of this state for at least 12 months prior to registering at a UW System institution in order to be exempt from paying nonresident tuition. However, current law also includes nonresident tuition exemptions, under which certain nonresident students pay resident tuition rates.

Also under current law, the TCS Board establishes program fees that technical college districts must charge students. With exceptions, the fees for nonresidents are 150 percent of the fees for residents. The TCS Board must establish procedures to determine the residence of students attending technical colleges, but current law specifies that certain students must be considered residents of this state.

The bill creates an exemption from nonresident tuition for an individual who is not a citizen of the United States and who 1) graduated from a Wisconsin high school or received a declaration of equivalency of high school graduation from Wisconsin; 2) was continuously present in Wisconsin for at least three years following the first day of attending a Wisconsin high school or immediately preceding receipt of a declaration of equivalency of high school graduation; and 3) enrolls in a UW System institution and provides the institution with proof stating that he or she has filed or will file an application for lawful permanent resident status

with the U.S. Citizenship and Immigration Services as soon as the individual is eligible to do so. The bill also provides that such an individual is considered a resident of this state for purposes of admission to and payment of fees at a technical college.

The bill also creates a nonresident tuition exemption for certain tribal members. Under the bill, a student enrolled in a UW System institution or technical college qualifies for resident tuition or fee rates if all of the following apply:

1. The student is a member of a federally recognized American Indian tribe or band in Wisconsin or is a member of a federally recognized tribe in Minnesota, Illinois, Iowa, or Michigan.
2. The student has resided in Wisconsin, Minnesota, Illinois, Iowa, or Michigan, or in any combination of these states, for at least 12 months prior to enrolling in a UW System institution or technical college.

Tuition and fee remission for certain tribal members and student teachers enrolled in the UW System or a technical college

The bill grants full remission of tuition and fees for certain tribal members who are UW System or technical college students. Under the bill, a student is exempt from tuition and segregated fees at a UW System institution and from tuition and incidental fees at a technical college if the student is a resident of this state and an enrolled member of a federally recognized American Indian tribe in this state. The student is eligible for the remission for 128 credits or eight semesters, whichever is longer, but only if the student maintains a cumulative grade point average of at least 2.0.

The bill also grants full remission of tuition for student teachers enrolled in the UW System or a technical college during their semester of student teaching. The remission applies for a student who is a resident of this state and is participating in the student teaching component of an educator preparatory program approved by DPI.

Tuition grant program for national guard members

The bill also makes changes to DMA's tuition grant program for national guard members. See *Military Affairs*.

Expansion of the nurse educator financial assistance program to allied health, behavioral health, and dentistry professions

Under current law, HEAB administers a nurse educator program that provides 1) fellowships to students who enroll in certain postgraduate nursing degree programs at institutions of higher education, 2) postdoctoral fellowships to recruit faculty for nursing programs at institutions of higher education, and 3) educational loan repayment assistance to recruit and retain faculty for nursing programs in institutions of higher education. Individuals who receive financial assistance under the program must make a commitment to teach for at least three consecutive years in a nursing program at an institution of higher education.

The bill expands the program to provide the same financial assistance and teaching commitment requirement to certain individuals in allied health, behavioral health, and dentistry professions, as defined in the bill.

Health care provider loan assistance program

The bill makes five new categories of health care providers eligible for the health care provider loan assistance (HCPLA) program and provides additional funding for loans to these health care providers.

Under current law, the Board of Regents of the UW System administers the HCPLA program under which it may repay, on behalf of a health care provider, up to $25,000 in loans for education related to the health care provider's field of practice. The repayment occurs over three years, with 40 percent of the loan or $10,000, whichever is less, repaid in each of the first two years of participation in the program and the final 20 percent or $5,000, whichever is less, repaid in the third year. A health care provider is defined as a dental hygienist, dental therapist, physician assistant, nurse-midwife, or nurse practitioner. The Board of Regents must enter into a written agreement with the health care provider in which the health care provider agrees to practice at least 32 clinic hours per week for three years in one or more eligible practice areas in this state or in a rural area. An "eligible practice area" is defined as a free or charitable clinic, a primary care shortage area, a mental health shortage area, an American Indian reservation or trust lands of an American Indian tribe, or, for a dental hygienist, a dental health shortage area or a free or charitable clinic. Money for loan repayments is derived from several sources, and loan repayments are subject to availability of funds. If insufficient funds are available to repay the loans of all eligible applicants, the Board of Regents must establish priorities among the eligible applicants based on specified considerations, including factors related to the degree of the health care need and shortage in the area. However, some funding for loan repayments is available only for health care providers who practice in rural areas.

The bill adds medical assistants, dental assistants, dental auxiliaries, behavioral health providers, and substance abuse treatment providers to the health care providers who are eligible for loan repayment under the HCPLA program. These health care providers are eligible under the current terms of the program, except medical assistants. Medical assistants are eligible for loan repayment of up to $12,500 in total, with repayments of 40 percent of the loan or $5,000, whichever is less, in each of the first two years and 20 percent or $2,500, whichever is less, in the third year. For purposes of an eligible practice area, dental assistants, dental auxiliaries, and dental therapists are treated similarly to the way dental hygienists are treated under current law.

Expanding the rural dentistry scholarship program

Under current law, HEAB in consultation with DHS administers a scholarship program for students enrolled in the Marquette University School of Dentistry (MUSD) who agree to practice dentistry in a dental health shortage area for 18 months for each annual scholarship received. A "dental health shortage area" is an area that is federally designated as having a shortage of dental professionals, not including Brown, Dane, Kenosha, Milwaukee, and Waukesha Counties. From the program, HEAB may award to no more than 15 MUSD students an annual scholarship of $30,000 per year for up to four years. A student who fails

to meet their obligation to practice in a dental health shortage area for the requisite period must repay the amount of scholarship received.

The bill expands the scholarship program to include dental general practice residents as possible recipients of the scholarship, in addition to any student enrolled in the MUSD.

Parkinson's disease registry

The bill directs the Population Health Institute (PHI), or its successor, at the UW-Madison School of Medicine and Public Health to establish and maintain a Parkinson's disease registry and to collect data on the incidence and prevalence of Parkinson's disease and parkinsonisms in this state. The bill defines "parkinsonism" as a condition that is similar or related to Parkinson's disease.

In addition, under the bill, if a health care provider treats or diagnoses a patient with Parkinson's disease or a parkinsonism, that health care provider or the health care facility that employs or contracts with the health care provider must report information about the patient's Parkinson's disease or parkinsonism to PHI for purposes of the Parkinson's disease registry. If a patient declines to participate in the Parkinson's disease registry, the health care provider or health care facility must report only the incident of the patient's Parkinson's disease or parkinsonism.

The bill directs PHI to create a website for the Parkinson's disease registry that includes annual reports on the incidence and prevalence of Parkinson's disease in this state. The bill also authorizes UW–Madison to enter into agreements in order to furnish data from the Parkinson's disease registry to another state's Parkinson's disease registry, a federal Parkinson's disease control agency, a local health officer, or a researcher who proposes to conduct research on Parkinson's disease, subject to certain confidentiality requirements. In addition, the bill requires the UW System to allocate from its general program operations appropriation $3,900,000 in fiscal year 2025–26 and $2,400,000 in fiscal year 2026–27 to establish the statewide Parkinson's disease registry.

UW System funding allocations and grant to the Institute for Healthy Aging

Under current law, most GPR appropriated to the UW System is appropriated through a single general program operations appropriation, a biennial appropriation sometimes referred to as the UW block grant appropriation. In the 2023–25 fiscal biennium, more than a billion dollars was appropriated through this appropriation in each year of the fiscal biennium.

The bill requires the UW System to allocate from this appropriation specified amounts for particular purposes in the 2025–27 fiscal biennium. The total amount of these required allocations is approximately $8.6 million in fiscal year 2025–26 and approximately $7.5 million in fiscal year 2026–27, and the purposes include the following: increasing assistance to students who are veterans and military personnel; extending eligibility for the Health Care Provider Loan Assistance Program to new categories of health care providers; establishing or continuing foster youth programming for eligible students; funding UW–Madison's UniverCity Alliance program; supporting journalism programs and fellowships; and funding

education, training, research, and technical assistance to support small businesses, economic development, and entrepreneurial activity.

The bill also requires the UW System to award a grant from this appropriation, in the amount of $450,000 in each fiscal year of the 2025–27 fiscal biennium, to the Institute for Healthy Aging to support programs in fall prevention and recovery training.

UW Missing-in-Action Recovery and Identification Project

Under the bill, the Board of Regents of the UW System must provide funding to the UW Missing-in-Action Recovery and Identification Project (MIA Recovery Project) for missions to recover and identify Wisconsin veterans who are missing in action. At the conclusion of the mission for which funding is provided, the MIA Recovery Project must submit to the Board of Regents, JCF, each legislative standing committee dealing with veterans matters, the governor, DVA, and DMA a report on the mission's findings and an accounting of expenditures for the mission. The bill allocates $500,000 in each year of the 2025–27 fiscal biennium for the MIA Recovery Project.

Grants to technical college district boards for adoption of artificial intelligence

Under current law, the TCS Board may award grants to technical college district boards in a variety of contexts, including to provide basic skills instruction in jails and prisons, to expand health care programs, and for the development of apprenticeship criteria. The bill allows the TCS Board to award grants to technical college district boards to support the district boards with the adoption and use of artificial intelligence in areas including the following: 1) educator recruitment, retention, and upskilling; 2) curriculum and resource development to meet employer demand; 3) stackable credential development; and 4) infrastructure development.

GENERAL EDUCATION AND CULTURAL AGENCIES

Library intern stipend payments

The bill requires the Division for Libraries and Technology in DPI to provide stipend payments to students who are enrolled in a library and information sciences master's degree program and are placed as an intern in a public library or school library. The stipend payments are $2,500 per student per semester, and begin in the 2026–27 school year.

Funding for the emergency weather warning system

Under current law, the Educational Communications Board is required to operate an emergency weather warning system, the operation of which is funded from moneys received from DOA for the provision of state telecommunications to state agencies. The bill changes the funding source for the operation of the emergency weather warning system to GPR.

Operational funding for the Northern Great Lakes Center

The bill expands a segregated-funds appropriation to SHS to allow expenditures for operational support of the Northern Great Lakes Center.

Security at museum located on N. Carroll Street in Madison

Current law requires SHS to have responsibility for security at the Wisconsin Historical Museum located at 30 N. Carroll Street in Madison. The Wisconsin Historical Museum located at 30 N. Carroll Street has been demolished. The bill requires SHS to have responsibility for security at any subsequent museum located on N. Carroll Street.

Elections

Automatic voter registration

The bill requires the Elections Commission to use all feasible means to facilitate the registration of all individuals eligible to vote in this state and to maintain the registration of all registered voters for so long as they remain eligible. Under the bill, the commission must attempt to facilitate the initial registration of all eligible individuals as soon as practicable. To facilitate that initial registration, the bill directs the commission and DOT to enter into an agreement so that DOT may transfer specified personally identifying information in DOT's records to the commission. The bill requires the commission to maintain the confidentiality of any information it obtains under the agreement and allows a driver's license or identification card applicant to opt out of DOT's transfer of this information to the commission.

Once the commission obtains all the information required under current law to complete an eligible individual's registration, the commission adds the individual's name to the statewide registration list. The bill also permits an individual whose name is added to the registration list or who wishes to permanently exclude his or her name from the list to file a request to have his or her name deleted or excluded from the list or to revoke a deletion or exclusion request previously made. In addition, the bill directs the commission to notify an individual by first class postcard whenever the commission removes his or her name from the registration list or changes his or her status on the list from eligible to ineligible.

The bill also directs the commission to report to the legislature and the governor, no later than July 1, 2027, its progress in initially registering eligible individuals under the bill. The report must contain an assessment of the feasibility and desirability of integration of registration information with information maintained by DHS, DCF, DWD, DOR, DSPS, and DNR; the UW System; and the TCS Board, as well as with the technical colleges in each technical college district.

Under current law, an eligible individual with a current and valid driver's license or identification card issued by DOT may register to vote electronically on a secure website maintained by the commission. To register electronically under current law, an eligible individual must also authorize DOT to forward a copy of his or her electronic signature to the commission. The authorization affirms that all information provided by the individual is correct and has the same effect as a written signature on a paper copy of the registration form. Finally, current law requires the commission and DOT to enter into an agreement that permits the commission to verify the necessary registration information instantly by accessing DOT's electronic files.

Early canvassing of absentee ballots

Under current law, absentee ballots may not be canvassed until election day. The bill authorizes a municipal clerk or municipal board of election commissioners to begin the canvassing of absentee ballots on the day before an election, subject to the following requirements:

1. The municipality must use automatic tabulating equipment to process absentee ballots.
2. Prior to the early canvassing of absentee ballots, the municipal clerk or municipal board of election commissioners must notify the Elections Commission in writing and must consult with the Elections Commission concerning administration of early canvassing of absentee ballots.
3. Early canvassing of absentee ballots under the bill may be conducted only between 7 a.m. and 8 p.m. on the day before the election, and ballots may not be tallied until after polls close on election day.
4. Members of the public must have the same right of access to a place where absentee ballots are being canvassed early as is provided under current law for canvassing absentee ballots on election day.
5. When not in use, automatic tabulating equipment used for canvassing absentee ballots and the areas where the programmed media and the absentee ballots are housed must be secured with tamper-evident security seals in a double-lock location such as a locked cabinet inside a locked office.
6. Subject to criminal penalty, no person may act in any manner that would give him or her the ability to know or to provide information on the accumulating or final results from the ballots canvassed early under the bill before the close of the polls on election day.
7. Certain notices must be provided before each election at which the municipality intends to canvass absentee ballots on the day before the election.

Residency requirement for voting

Under current law, with limited exceptions, an otherwise eligible voter must be a resident of Wisconsin and of the municipality and ward, if any, where the voter is voting for 28 days before an election in order to vote in the election in that municipality and ward. The bill shortens that residency requirement from 28 days to 10 days.

Voting absentee in person

Current law allows an individual to complete an absentee ballot in person no earlier than 14 days preceding the election and no later than the Sunday preceding the election. The bill eliminates the 14-day restriction on how soon a person may complete an absentee ballot in person.

Voter bill of rights

The bill creates a voter bill of rights that municipal clerks and boards of election commissioners must post at each polling place. The bill of rights informs voters that they have the right to do all of the following:

1. Vote if registered and eligible to vote.
2. Inspect a sample ballot before voting.
3. Cast a ballot if in line when the polling place closes or, if voting by in-person absentee ballot on the last day for which such voting is allowed, when the municipal clerk's office closes.

4. Cast a secret ballot.
5. Get help casting a ballot if disabled.
6. Get help voting in a language other than English as provided by law.
7. Get a new ballot, up to three ballots in all, if the voter makes a mistake on the ballot.
8. Cast a provisional ballot as provided by law.
9. Have the voter's ballot counted accurately.
10. Vote free from coercion or intimidation.
11. Report any illegal or fraudulent election activity.

Office of Election Transparency and Compliance

The bill creates under the Elections Commission the Office of Election Transparency and Compliance. The office is under the direction and supervision of a director who must be a policy initiatives advisor appointed in the classified service by the Elections Commission administrator.

The bill requires the office, as directed by the commission by resolution, to perform research and assist the commission's legal staff in presenting information to the members of the commission concerning sworn complaints of election law violations, including allegations that a person provided false or misleading information to an election official during the registration or voting process, and sworn complaints alleging noncompliance with election laws and processes by election officials. The bill further requires the office to provide assistance and research to the commission with respect to the following, as directed by the commission administrator:

1. Procedures at polling places.
2. Election processes.
3. Election systems and equipment, including with respect to accessibility requirements for individuals with disabilities.
4. Responding to public records requests.
5. Responding to legislative inquiries and requests for assistance.
6. Responding to inquiries from the public.

Voter registration in high schools

Prior to 2011 Wisconsin Act 240, state law required that all public high schools be used for voter registration for enrolled students and members of the high school staff. Prior law also authorized voter registration to take place at a private high school or a tribal school that operates high school grades if requested by the principal. The bill reinstates those provisions.

Under the bill, the municipal clerk must notify the school board of each school district in which the municipality is located that high schools will be used for voter registration. The school board and the clerk must then appoint at least one qualified voter at each high school to be a special school registration deputy. The bill allows students and staff to register at the school on any day that classes are regularly held. The deputies promptly forward the

registration forms to the clerk and the clerk adds qualified voters to the registration list. The clerk may reject a registration form, but the clerk must notify the registrant and inform the registrant of the reason for being rejected. Under the bill, a form completed by an individual who will be 18 years of age before the next election and who is otherwise qualified to vote must be filed in such a way that the individual is automatically registered to vote when the individual is 18.

Finally, the bill allows a principal of a private high school or tribal school that operates high school grades to request that the municipal clerk appoint a qualified voter at the school to be a special school registration deputy. Under the bill, the clerk must appoint a special school registration deputy if the clerk determines that the private high school or tribal school has a substantial number of students residing in the municipality.

Proof of identification for voting

Current law allows an individual to use as voter identification an unexpired identification card issued by a technical college, college, or university in this state if the card meets certain criteria. The card must have an expiration date that is no later than two years after the date it was issued, and the individual must establish proof of enrollment. The U.S. Court of Appeals for the 7th Circuit held that the requirement to present both an unexpired identification card and proof of enrollment had no rational basis and was therefore unconstitutional. See Luft v. Evers, 963 F.3d 665 (2020). The bill allows a student to use an expired student identification card under certain circumstances. Under the bill, a student does not need to present proof of enrollment if using an unexpired identification card but must provide proof of enrollment if using an expired identification card. In addition, the bill requires each technical college in this state and each UW System institution to issue student identification cards that meet the criteria to be used as voter identification.

Current law also allows an individual to use as voter identification an identification card issued by DOT. DOT may issue a receipt as a temporary identification card to use for voting and other purposes to an individual who is waiting for the permanent card. The receipt expires in 60 days. The bill extends the expiration date to 180 days.

Petitions to complete a partial recount

Under current law, any candidate voted for at an election who is an aggrieved party may petition for a full or partial recount of the votes cast in the jurisdiction or district of the office that the candidate seeks. Current law defines an "aggrieved party" as any of the following:

1. For an election at which 4,000 or fewer votes are cast for the office that the candidate seeks, a candidate who trails the leading candidate by no more than 40 votes.
2. For an election at which more than 4,000 votes are cast for the office that the candidate seeks, a candidate who trails the leading candidate by no more than 1 percent of the total votes cast for that office.

If a candidate who is an aggrieved party petitions for a partial recount, current law provides that the opposing candidate may file a petition for an additional partial or a full recount of

the wards or municipalities not subject to the initial partial recount no later than 5 p.m. two days after the initial partial recount is completed.

Under the bill, a candidate must be an aggrieved party in order to petition for an additional partial or a full recount after an initial partial recount is completed. Therefore, if, after an initial partial recount, the opposing candidate becomes an aggrieved party—i.e., the leading candidate becomes the trailing candidate—that opposing candidate may file a petition for an additional partial or a full recount. However, the bill excludes from that authorization to petition for an additional partial or full recount the candidate who filed the petition for the initial partial recount.

Special elections to fill vacancies in the office of U.S. senator and representative in congress

Under current law, a vacancy in the office of U.S. senator or representative in congress occurring prior to the second Tuesday in April in the year of the general election must be filled at a special primary and special election. A vacancy occurring in one of these offices between the second Tuesday in April and the second Tuesday in May in the year of the general election is filled at the partisan primary and general election.

Current law provides that a special primary be held four weeks before the day of the special election. However, if the election is held on the same day as the spring election, the special primary is held concurrently with the spring primary. Under current law, with regard to an election for a national office, the period between a special primary and special election or between the spring primary or spring election does not provide sufficient time to canvass and certify the primary results and prepare ballots to send to overseas voters as required by federal law.

Under the bill, a vacancy in the office of U.S. senator or representative in congress is filled in the following manner:

1. At a special election to be held on the third Tuesday in May following the first day of the vacancy with a special primary to be held concurrently with the spring primary on the third Tuesday in February.
2. At a special election to be held on the second Tuesday in August following the first day of the vacancy with a special primary to be held on the third Tuesday in May.
3. At a special election to be held on the Tuesday after the first Monday in November following the first day of the vacancy with a special primary to be held on the second Tuesday in August.

However, under the bill, a November special election is not held in any year in which the general election is held for that office; instead, the vacancy is filled at the partisan primary and general election.

Election administration grants

The bill requires the Elections Commission to award grants to cities, villages, and towns for election administration expenses. The bill additionally requires the commission to award up

to $400,000 in grants to cities, villages, towns, and counties in the 2025–26 fiscal year for the purchase of election supplies and equipment, including electronic poll books.

Reimbursement of counties and municipalities for certain election costs

The bill requires the Elections Commission to reimburse counties and municipalities for certain costs incurred in the administration of special primaries and special elections for state or national office. A cost is eligible for reimbursement only if certain conditions are met, including that the commission determines the cost is reasonable and the rate paid by the county or municipality for the cost does not exceed the rate customarily paid for similar costs at a primary or election that is not a special primary or election. Under the bill, only the following costs may be reimbursed:

1. Rental payments for polling places.
2. Election day wages paid to election officials working at the polls.
3. Costs for the publication of required election notices.
4. Printing and postage costs for absentee ballots and envelopes.
5. Costs for the design and printing of ballots and poll books.
6. Purchase of ballot bags or containers, including ties or seals for chain of custody purposes.
7. Costs to program electronic voting machines.
8. Purchase of memory devices for electronic voting machines.
9. Wages paid to conduct a county canvass.
10. Data entry costs for the statewide voter registration system.

Posting sample ballots in non-English languages

Under the bill, if any jurisdiction in the state provides voting materials in one or more languages other than English, the Elections Commission must post on its website the sample ballots for that jurisdiction in each such language.

Appropriation for clerk training

Current law appropriates money annually from the general fund to the Elections Commission for training county and municipal clerks concerning voter identification requirements. The bill expands this appropriation to authorize expenditures for training county and municipal clerks for the administration of elections generally.

Recount fees

Current law requires the Elections Commission to reimburse the counties for the actual costs of conducting a recount. The reimbursement comes from the fees that the commission collects from the person that filed the recount petition. The bill changes the appropriation for reimbursing the counties from an annual appropriation to a continuing appropriation.

Employment

EMPLOYMENT REGULATION

Collective bargaining for state and local employees; employee rights

Under current law, state and local governments are prohibited from collectively bargaining with employees except as expressly provided in the statutes. Current law allows certain protective occupation participants under the Wisconsin Retirement System, known as public safety employees, and certain municipal transit employees to collectively bargain over wages, hours, and conditions of employment. Under current law, other state and municipal employees may collectively bargain only over a percentage increase in base wages that does not exceed the percentage increase in the consumer price index. In addition, under current law, the Employment Relations Commission (ERC) assigns employees to collective bargaining units, but current law requires that public safety employees and municipal transit employees be placed in separate collective bargaining units that do not contain other state or municipal employees.

The bill adds frontline workers to the groups that may collectively bargain over wages, hours, and conditions of employment. In the bill, "frontline workers" are state or municipal employees with regular job duties that include interacting with members of the public or with large populations of people or that directly involve the maintenance of public works. Under the bill, the ERC determines which state and municipal employees meet the criteria. Also, the bill allows the ERC to place in the same collective bargaining unit both frontline workers and employees who are not frontline workers. If the ERC places employees of both types in a collective bargaining unit, the entire collective bargaining unit is treated as if all members are frontline workers and all members may collectively bargain over wages, hours, and conditions of employment.

Under current law, state or municipal employees in a collective bargaining unit elect their representative. The representative for a unit containing public safety employees or transit employees requires the support of the majority of the employees who are voting in the election, and the representative for a unit containing other employees requires the support of the majority of all of the employees who are in the collective bargaining unit. Under the bill, the representative for any collective bargaining unit containing any state or municipal employees requires the support of the majority of the employees who are voting in the election regardless of the number of employees who are in the collective bargaining unit.

Under current law, the ERC must conduct an annual election to certify each representative of a collective bargaining unit representing state or municipal employees who are not public safety employees or transit employees. At the election, if a representative fails to receive at least 51 percent of the votes of all of the members of the collective bargaining unit, the representative is decertified and the employees are unrepresented. The bill eliminates this annual recertification process.

The bill requires state and municipal employers to consult about wages, hours, and

conditions of employment with their employees who are not public safety employees, transit employees, or frontline workers. The employers must consult either when policy changes that affect wages, hours, or conditions are proposed or implemented or, in the absence of policy changes, at least quarterly.

The bill adds that employees of authorities, such as the UW Hospitals and Clinics Authority, WHEDA, and WEDC, may collectively bargain as state employees, and adds faculty and academic staff employed by the UW System, including those assigned to UW-Madison, to the state employees who may collectively bargain.

Eliminating the right-to-work law

The current right-to-work law prohibits a person from requiring, as a condition of obtaining or continuing employment, an individual to refrain or resign from membership in a labor organization, to become or remain a member of a labor organization, to pay dues or other charges to a labor organization, or to pay any other person an amount that is in place of dues or charges required of members of a labor organization. The bill eliminates these prohibitions and the associated misdemeanor offense for violating the right-to-work law.

The bill explicitly provides that, when an all-union agreement is in effect, it is not an unfair labor practice to encourage or discourage membership in a labor organization or to deduct labor organization dues or assessments from an employee's earnings. The bill sets conditions under which an employer may enter into an all-union agreement. The bill also sets conditions for the continuation or termination of all-union agreements, including that, if the Wisconsin Employment Relations Commission (WERC) determines there is reasonable ground to believe employees in an all-union agreement have changed their attitude about the agreement, WERC must conduct a referendum to determine whether the employees wish to continue the agreement. WERC must terminate an all-union agreement if it finds the union unreasonably refused to admit an employee into the union.

Prevailing wage

The bill requires that laborers, workers, mechanics, and truck drivers employed on the site of certain projects of public works be paid the prevailing wage and not be required or allowed to work a greater number of hours per day and per week than the prevailing hours of labor unless they are paid overtime for all hours worked in excess of the prevailing hours of labor. Projects subject to the bill include state and local projects of public works, including state highway projects, with exceptions including projects below certain cost thresholds, minor service or maintenance work, and certain residential projects. Under the bill, "prevailing wage rate" is defined as the hourly basic rate of pay, plus the hourly contribution for bona fide economic benefits, paid for a majority of the hours worked in a trade or occupation in the area in which the project is located, except that, if there is no rate at which a majority of those hours is paid, "prevailing wage rate" means the average hourly basic rate of pay, plus the average hourly contribution for bona fide economic benefits, paid for the highest-paid 51 percent of hours worked in a trade or occupation in the area. "Prevailing hours of labor" is defined as 10 hours per day and 40 hours per week, excluding weekends and holidays.

The bill requires DWD to conduct investigations and hold public hearings as necessary to define the trades or occupations that are commonly employed on projects that are subject to the prevailing wage law and to inform itself of the prevailing wage rates in all areas of the state for those trades or occupations, in order to determine the prevailing wage rate for each trade or occupation. The bill contains certain other provisions regarding the calculation of prevailing wage rates by DWD, including provisions allowing persons to request recalculations or reviews of the prevailing wage rates determined by DWD.

The bill requires contracts and notices for bids for projects subject to the bill to include and incorporate provisions ensuring compliance with the requirements. The bill also establishes a requirement that state agencies and local governments post prevailing wage rates and hours of labor in areas readily accessible to persons employed on the project or in sites regularly used for posting notices.

The bill makes a contractor that fails to pay the prevailing wage rate or overtime pay to an employee as required under the prevailing wage law liable to the affected employee for not only the amount of unpaid wages and overtime pay, but also for liquidated damages in an amount equal to 100 percent of the unpaid wages and overtime pay.

Finally, the bill includes, for both state and local projects of public works, provisions regarding coverage, compliance, enforcement, and penalties, including 1) requirements for affidavits to be filed by contractors affirming compliance with the prevailing wage law; 2) record retention requirements for contractors regarding wages paid to workers and provisions allowing for the inspection of those records by DWD; 3) liability and penalty provisions for certain violations, including criminal penalties; and 4) provisions prohibiting contracts from being awarded to persons who have failed to comply with the prevailing wage law.

Family and medical leave expansion

Under the current family and medical leave law, an employer that employs at least 50 individuals on a permanent basis must allow an employee who has been employed by the employer for more than 52 consecutive weeks and who has worked for the employer for at least 1,000 hours during the preceding 52 weeks to take family leave to care for the employee's child, spouse, domestic partner, or parent who has a serious health condition. Employers covered under the law must also allow an employee covered under the law to take up to two weeks of medical leave in a 12-month period when that employee has a serious health condition. An employee may file a complaint with DWD regarding an alleged violation of the family and medical leave law within 30 days after either the violation occurs or the employee should reasonably have known that the violation occurred, whichever is later.

The bill makes the following changes to the family and medical leave law:

1. Requires employers covered under the law to allow employees covered under the law to take family leave to provide for a grandparent, grandchild, or sibling who has a serious health condition.
2. Decreases the number of hours an employee is required to work before qualifying for family and medical leave to 680 hours during the preceding 52 weeks.

3. Extends the time period in which an employee may file a complaint with DWD to 300 days after either the violation occurs or the employee should reasonably have known that the violation occurred, whichever is later.
4. Removes the age restriction from the definition of "child" for various purposes under the family and medical leave law.
5.Requires employers to allow employees to take family leave in the instance of an unforeseen or unexpected gap in childcare for an employee's child, grandchild, or sibling or because of a qualifying exigency as to be determined by DWD related to covered active duty, as defined in the bill, or notification of an impending call or order to covered active duty of an employee's child, spouse, domestic partner, parent, grandparent, grandchild, or sibling who is a member of the U.S. armed forces.
6. Requires employers to allow employees to take family leave to address issues related to the employee or the employee's child, spouse, domestic partner, parent, grandparent, grandchild, or sibling being the victim of domestic abuse, sexual abuse, or stalking.
7. Requires employers to allow employees to take family leave to care for a child, spouse, domestic partner, parent, grandparent, grandchild, or sibling of an employee who is in medical isolation and requires employers to allow employees to take medical leave when an employee is in medical isolation. The bill defines "medical isolation" to include when a local health officer or DHS advises that an individual isolate or quarantine; when a health care professional, a local health officer, or DHS advises that an individual seclude herself or himself when awaiting the results of a diagnostic test for a communicable disease or when the individual is infected with a communicable disease; and when an individual's employer advises that the individual not come to the workplace due to a concern that the individual may have been exposed to or infected with a communicable disease.

Paid family and medical leave benefits

The bill requires employers that are covered by the current family and medical leave law to provide paid benefits to their employees for up to eight weeks of family and medical leave annually, beginning on January 1, 2027. The bill exempts most state employers from required coverage. Under the bill, an employer may buy private insurance to pay benefits to employees. Employers are prohibited from deducting any cost of the insurance from an employee's paycheck or otherwise seeking reimbursement for the cost of providing the leave benefits.

Under the bill, the amount of leave benefits for a week for which benefits are payable is as follows: 1) for the amount of the employee's average weekly earnings that are not more than 50 percent of the state annual median wage in the calendar year before the employee's application year, 90 percent of that individual's average weekly earnings; or 2) for the amount of the employee's average weekly earnings that are more than 50 percent of the state annual median wage in the calendar year before the employee's application year, 50 percent of that employee's average weekly earnings.

The bill also provides an employee with the right to appeal a final decision of an employer or an insurer to deny a leave benefit.

Minimum wage

The bill requires the secretary of workforce development to establish a committee to study options to achieve a minimum wage that ensures all workers in this state earn a living wage. Under the bill, the committee consists of nine members, with five appointed by the governor, and one each appointed by the speaker of the assembly, the assembly minority leader, the senate majority leader, and the senate minority leader. The committee must submit a report containing its recommendations for options to achieve a minimum wage and other means to ensure that all workers in this state earn a living wage to the governor and the appropriate standing committees of the legislature no later than October 1, 2026.

Employee right to request and receive work schedule changes

The bill requires an employer to negotiate in good faith with an employee to accommodate changes the employee requests to his or her work schedule. Further, the bill requires that unless an employer has a bona fide business reason for denying the request, the employer must approve an employee's request if it is directly related to any of the following:

1. A serious health condition of the employee.
2. Responsibilities of the employee as a caregiver for a family member.
3. Enrollment of the employee in certain educational or training programs.
4. A part-time employee's work scheduling conflicts with the employee's other employment.

If an employer denies an employee's request for a schedule change, the employer must inform the employee of the reasons for denial, including whether any of the reasons is a bona fide business reason as defined in the bill.

Service employee right to predictable work schedule

The bill requires an employer that employs an employee in certain service industry occupations, including retail, food service, and cleaning occupations, to provide the service employee with a written copy of the employee's work schedule on or before the service employee's first day of work. With certain exceptions, if an employer changes the service employee's work schedule, the employer must provide the new work schedule to the employee at least 14 days in advance.

The bill also requires that, if an employer changes a service employee's work schedule with fewer than 14 days' notice, the employer must pay the service employee an amount equal to the employee's regular rate of pay for one hour of work. Exceptions to this requirement include when the employee consents to the change or when the employer requires the service employee to work additional time because another employee was scheduled to work that time and is unexpectedly unavailable to work.

The bill also requires the following for employers that use certain scheduling practices:

1. If the service employee reports to work and the employer does not allow the employee to work all time scheduled, the employer must provide the employee with a) full compensation as if the employee had worked the full shift or b) if the employee is scheduled

to work more than four hours and works less than four hours, an amount equal to the employee's regular rate of pay for the difference between four hours and the amount of time the employee actually works.

2. |If the employer requires the service employee to contact the employer, or wait to be contacted by the employer less than 24 hours before a work shift to determine whether the employee must report to work, the employer must pay the employee an amount equal to the employee's regular rate of pay for one hour of work.

3. If the employer requires the service employee to work a split shift, the employer must pay the employee an amount equal to the employee's regular rate of pay for one hour of work.

If a service employee experiences more than one type of these scheduling practices with respect to a particular work shift, the employer must pay only one type of compensation, whichever is greatest.

The bill also provides that, during any period in which the employer's regular operations are suspended due to an event outside of the employer's control, the employer is not required to comply with the service employee work scheduling requirements created in the bill.

Enforcement of rights regarding work schedules

The bill provides that an employer may not interfere with, restrain, or deny the exercise of the right of an employee to request and receive work schedule changes and the right of certain service employees to a predictable work schedule, and may not discharge or discriminate against such an employee for enforcing the employee's rights under the bill. An employee whose rights are violated may file a complaint with DWD, and DWD must process the complaint in the same manner that employment discrimination complaints are processed under current law. That processing may include the ordering of back pay, reinstatement, compensation in lieu of reinstatement, and costs and attorney fees.

The bill also provides that DWD or an employee whose rights are violated may bring an action in circuit court against the employer without regard to exhaustion of any administrative remedy. If the circuit court finds that a violation has occurred, the employer may be liable to the employee for compensatory damages, reasonable attorney fees and costs, and, under certain circumstances, liquidated damages equal to 100 percent of the amount of compensatory damages awarded to the employee. In addition to any damages imposed on an employer in an administrative proceeding or circuit court action, an employer that willfully violates the protections created in the bill may be required to forfeit not more than $1,000 for each violation.

Liquidated damages in wage claim actions

Under current law, if an employee files a claim in circuit court for unpaid wages, the court may award liquidated damages to the employee in addition to past due wages. Under current law, the liquidated damages are as follows: 1) if an employee files the suit before DWD has finished its investigation and attempted to settle the claim, a court may award not more than 50 percent of the wages due and unpaid and 2) if an employee files the suit after DWD has

completed its investigation of a wage claim, a court may award not more than 100 percent of the wages due and unpaid. Under the bill, irrespective of whether DWD has completed its investigation of a wage claim, an employee is presumed to be entitled to 100 percent of the wages due and unpaid in liquidated damages in addition to the unpaid wages due. An employer may rebut this presumption by demonstrating that they acted in good faith and had a reasonable belief that they were in compliance with the law.

Compensation in job posting

Under the bill, an employer must include the compensation for the position in any job posting made by the employer.

Local employment regulations

The bill eliminates the preemptions of local governments from enacting or enforcing ordinances related to the following:

1. Regulations related to wage claims and collections.
2. Regulation of employee hours and overtime, including scheduling of employee work hours or shifts.
3. The employment benefits an employer may be required to provide to its employees.
4. An employer's right to solicit information regarding the salary history of prospective employees.
5. Regulations related to minimum wage.
6. Occupational licensing requirements that are more stringent than a state requirement. See *Local Government*.

Certain state and local employment regulations

The bill eliminates the following:

1. The prohibition of the state and local governments from requiring any person to waive the person's rights under state or federal labor laws as a condition of any approval by the state or local government.
2. A provision under which neither the state nor a local government may enact a statute or ordinance, adopt a policy or regulation, or impose a contract, zoning, permitting, or licensing requirement, or any other condition, that would require any person to accept any provision that is a subject of collective bargaining under state labor laws or the federal National Labor Relations Act.

Worker classification notice and posting

Current law requires DWD to perform certain duties related to worker classification, including for purposes of promoting and achieving compliance by employers with state employment laws. The bill requires DWD to design and make available to employers a notice regarding worker classification laws, requirements for employers and employees, and penalties for noncompliance. Under the bill, all employers in this state must post the notice in a conspicuous

place where notices to employees are customarily posted. Finally, the bill provides a penalty of not more than $100 for an employer who does not post the notice as required.

WORKER'S COMPENSATION

Expansion of PTSD coverage for first responders

The bill makes changes to the conditions of liability for worker's compensation benefits for emergency medical responders, emergency medical services practitioners, volunteer firefighters, correctional officers, emergency dispatchers, coroners and coroner staff members, and medical examiners and medical examiner staff members (collectively, "first responders"), who are diagnosed with post-traumatic stress disorder (PTSD).

Under current law, if a law enforcement officer or full-time firefighter is diagnosed with PTSD by a licensed psychiatrist or psychologist and the mental injury that resulted in that diagnosis is not accompanied by a physical injury, that law enforcement officer or firefighter can bring a claim for worker's compensation benefits if the conditions of liability are proven by the preponderance of the evidence and the mental injury is not the result of a good faith employment action by the person's employer. Also under current law, liability for such treatment for a mental injury is limited to no more than 32 weeks after the injury is first reported.

Under current law, an injured first responder who does not have an accompanying physical injury must, in order to receive worker's compensation benefits for PTSD, demonstrate a diagnosis based on unusual stress of greater dimensions than the day-to-day emotional strain and tension experienced by all employees as required under *School District No. 1 v. DILHR*, 62 Wis. 2d 370, 215 N.W.2d 373 (1974). Under the bill, such an injured first responder is not required to demonstrate a diagnosis based on that standard, and instead must demonstrate a diagnosis based on the same standard as law enforcement officers and firefighters. Also, under the bill, a first responder is restricted to compensation for a mental injury that is not accompanied by a physical injury and that results in a diagnosis of PTSD three times in his or her lifetime irrespective of a change of employer or employment, in the same manner as law enforcement officers and firefighters.

Worker's compensation; penalties for uninsured employers

Under current law, an employer who requires an employee to pay for any part of worker's compensation insurance or who fails to provide mandatory worker's compensation insurance coverage is subject to a forfeiture. If the employer violates those requirements, for the first 10 days, the penalty under current law is not less than $100 and not more than $1,000 for such a violation. If the employer violates those requirements for more than 10 days, the penalty under current law is not less than $10 and not more than $100 for each day of such a violation.

Under the bill, the forfeitures for an employer who requires an employee to pay for worker's compensation coverage or fails to provide the coverage (violation) are as follows:

1. For a first violation, $1,000 per violation or the amount of the insurance premium that would have been payable, whichever is greater.

2. For a second violation, $2,000 per violation or two times the amount of the insurance premium that would have been payable, whichever is greater.
3. For a third violation, $3,000 per violation or three times the amount of the insurance premium that would have been payable, whichever is greater.
4. For a fourth or subsequent violation, $4,000 per violation or four times the amount of the insurance premium that would have been payable, whichever is greater.

Under current law, if an employer who is required to provide worker's compensation insurance coverage provides false information about the coverage to his or her employees or contractors who request information about the coverage, or fails to notify a person who contracts with the employer that the coverage has been canceled in relation to the contract, the employer is subject to a forfeiture of not less than $100 and not more than $1,000 for each such violation.

Under the bill, the penalty for a first or second such violation remains as specified under current law, the penalty for a third violation is $3,000, and the penalty for a fourth or subsequent violation is $4,000.

Currently, an uninsured employer must pay to DWD an amount that is equal to the greater of the following: 1) twice the amount that the uninsured employer would have paid for worker's compensation coverage during periods in which the employer was uninsured in the preceding three years or 2) $750 or, if certain conditions apply, $100 per day.

The bill provides that the amounts an uninsured employer must pay to DWD for a determination of a failure to carry worker's compensation insurance are as follows:

1. For a first or second determination, the amounts specified in current law.
2. For a third determination, the greater of the following: a) three times the amount that the uninsured employer would have paid for worker's compensation coverage during periods in which the employer was uninsured in the preceding three years or b) $3,000.
3. For a fourth or subsequent determination, the greater of the following: a) four times the amount that the uninsured employer would have paid for worker's compensation coverage during periods in which the employer was uninsured in the preceding three years or b) $4,000.

False or fraudulent worker's compensation insurance applications

Current law specifies criminal penalties for various types of insurance fraud, which are punishable as either a Class A misdemeanor or a Class I felony, depending on the value of the claim or benefit. The bill adds to the list of criminally punishable insurance fraud the following: 1) the presentation of false or fraudulent applications for worker's compensation insurance coverage and 2) the presentation of applications for worker's compensation insurance coverage that falsely or fraudulently misclassify employees in order to lower premiums.

Also under current law, if an insurer or self-insured employer has evidence that a worker's compensation claim is false or fraudulent, the insurer or self-insured employer must generally report the claim to DWD. If, on the basis of the investigation, DWD has a reasonable

basis to believe that criminal insurance fraud has occurred, DWD must refer the matter to the district attorney for prosecution. DWD may request assistance from DOJ to investigate false or fraudulent activity related to a worker's compensation claim. If, on the basis of that investigation, DWD has a reasonable basis to believe that theft, forgery, fraud, or any other criminal violation has occurred, DWD must refer the matter to the district attorney or DOJ for prosecution. The bill extends these requirements to insurers that have evidence that an application for worker's compensation insurance coverage is fraudulent or that an employer has committed fraud by misclassifying employees to lower the employer's worker's compensation insurance premiums.

Worker's compensation; substantial fault

Currently, under the worker's compensation law, an employer is not liable for temporary disability benefits during an employee's healing period if the employee is suspended or terminated from employment due to misconduct by the employee connected with the employee's work. Current law defines "misconduct" by reference to the unemployment insurance (UI) law. The bill changes the definition of "misconduct" under the UI law, which change also applies for purposes of the worker's compensation law as described above.

Reimbursements for supplemental worker's compensation benefits

Under current law, worker's compensation insurers must pay supplemental benefits to certain employees who were permanently disabled by an injury that is compensable under worker's compensation.

DWD is authorized to collect up to $5,000,000 from insurers that provide worker's compensation insurance to provide those supplemental benefits. This money must be used exclusively to provide reimbursements to insurers that pay those supplemental benefits and that request reimbursements. The bill creates a new, separate appropriation in the worker's compensation operations fund, to be used exclusively to provide these reimbursements. The bill does not increase revenue to DWD or collections from insurers.

UNEMPLOYMENT INSURANCE

Unemployment insurance; worker misclassification penalties

Current law requires DWD to assess an administrative penalty against an employer engaged in construction projects or in the painting or drywall finishing of buildings or other structures who knowingly and intentionally provides false information to DWD for the purpose of misclassifying or attempting to misclassify an individual who is an employee of the employer as a nonemployee under the UI law. The penalty under current law is $500 for each employee who is misclassified, not to exceed $7,500 per incident. In addition, current law provides for criminal fines of up to $25,000 for employers who, after having previously been assessed such an administrative penalty, commit another violation. Current law additionally requires DWD to assess an administrative penalty against such an employer who, through coercion, requires an employee to adopt the status of a nonemployee; the penalty amount is $1,000

for each employee so coerced, but not to exceed $10,000 per calendar year. Penalties are deposited into the unemployment program integrity fund.

The bill does the following: 1) removes the $7,500 and $10,000 limitations on the administrative penalties and provides that the penalties double for each act occurring after the date of the first determination of a violation; 2) removes the limitations on the types of employers to whom the prohibitions apply, making them applicable to any type of employer; and 3) specifies that DWD may make referrals for criminal prosecution for alleged criminal misclassification violations regardless of whether an employer has been subject to any other penalty or assessment under the UI law.

Increasing maximum weekly benefits

Under current law, a person who qualifies for UI receives a weekly benefit rate equal to a percentage of that person's past earnings, but the weekly benefit rate is capped at $370. The bill changes the maximum weekly benefit rate in the following ways:

1. For benefits paid for weeks of unemployment beginning on or after January 4, 2026, but before January 3, 2027, the maximum weekly benefit rate is capped at $497.
2. For benefits paid for weeks of unemployment beginning on or after January 3, 2027, the maximum weekly benefit rate is increased based upon the change in the consumer price index and is then increased on the same basis annually thereafter.

Increasing benefit wage cap

Under current law, a person who qualifies for UI is ineligible to receive any UI benefits for a week if the person receives or will receive wages or certain other earnings totalling more than $500 (wage cap). The bill changes the wage cap in the following ways:

1. For weeks of unemployment beginning on or after January 4, 2026, but before January 3, 2027, the wage cap is increased to $672.
2. For weeks of unemployment beginning on or after January 3, 2027, the wage cap is increased based upon the change in the consumer price index and is then increased on the same basis annually thereafter.

Substantial fault

Under current law, a claimant for UI benefits whose work is terminated by his or her employer for substantial fault by the claimant connected with the claimant's work is ineligible to receive UI benefits until the claimant satisfies certain requalification criteria. With certain exceptions, current law defines "substantial fault" to include those acts or omissions of a claimant over which the claimant exercised reasonable control and that violate reasonable requirements of the claimant's employer. The bill eliminates this provision on substantial fault.

Misconduct

Under current law, a claimant for UI benefits whose work is terminated by his or her employer for misconduct by the claimant connected with the claimant's work is ineligible to receive UI

benefits until the claimant satisfies certain requalification criteria, and the claimant's wages paid by the employer that terminates the claimant for misconduct are excluded for purposes of calculating benefit entitlement. Current law defines "misconduct" using a general, common law standard derived from *Boynton Cab Co. v. Neubeck*, 237 Wis. 249 (1941), and enumerates several specific types of conduct that also constitute misconduct. Under one of these specific provisions, misconduct includes 1) absenteeism on more than two occasions within the 120-day period before the date of the claimant's termination, unless otherwise specified by his or her employer in an employment manual of which the claimant has acknowledged receipt with his or her signature, or 2) excessive tardiness by a claimant in violation of a policy of the employer that has been communicated to the claimant. In *Department of Workforce Development v. Labor and Industry Review Commission (Beres)*, 2018 WI 77, the supreme court held that an employer could, under the language described above, institute an attendance policy more restrictive than two occasions within the 120-day period.

Current law also provides that absenteeism or tardiness count as misconduct only if the claimant did not provide to his or her employer both notice and one or more valid reasons for the absenteeism or tardiness. In *Bevco Precision Manufacturing v. Labor and Industry Review Commission*, 2024 WI App. 54, the court of appeals held that under *Beres*, this qualifying language did not apply if an employer had adopted its own standard on absenteeism and tardiness, as described above.

The bill does all of the following:

1. Eliminates the language referencing "excessive tardiness."
2. Reverses the holding in *Bevco* by providing that a claimant's notice and reason for an occasion of absenteeism or tardiness are to be analyzed under the common law misconduct standard. Under the bill, therefore, an employer may not establish its own policy for determining the reasonableness of absenteeism or tardiness. The bill does not, however, affect the general ability of an employer to institute a standard for absenteeism and tardiness more restrictive than two occasions within the 120-day period before termination.
3. Clarifies, in another provision defining misconduct, that "tribal government" has the meaning given under state and federal law for what is considered an Indian tribe.

Drug testing

Current state law requires DWD to establish a program to test certain claimants who apply for UI benefits for the presence of controlled substances in a manner that is consistent with federal law. A claimant who tests positive for a controlled substance for which the claimant does not have a prescription is ineligible for UI benefits until certain requalification criteria are satisfied or unless he or she enrolls in a substance abuse treatment program and undergoes a job skills assessment, and a claimant who declines to submit to a test is simply ineligible for benefits until he or she requalifies. The bill eliminates the requirement to establish the drug testing program.

Also under current law, an employer may voluntarily submit to DWD the results of a

preemployment test for the presence of controlled substances that was conducted on an individual as a condition of an offer of employment or notify DWD that an individual declined to submit to such a test. If DWD then verifies that submission, the employee may be ineligible for UI benefits until he or she requalifies. However, a claimant who tested positive may maintain eligibility by enrolling in a substance abuse treatment program and undergoing a job skills assessment. The bill eliminates these preemployment drug testing provisions.

Acceptance of suitable work

Under current law, if a claimant for UI benefits fails, without good cause, to accept suitable work when offered, the claimant is ineligible to receive benefits until he or she earns wages after the week in which the failure occurs equal to at least six times the claimant's weekly UI benefit rate in covered employment. Current law specifies what is considered "suitable work" for purposes of these provisions, with different standards applying depending on whether six weeks have elapsed since the claimant became unemployed. Once six weeks have elapsed since the claimant became unemployed, the claimant is required to accept work that pays lower and involves a lower grade of skill.

The bill modifies these provisions described above so that the claimant is not required to accept less favorable work until *10 weeks* have elapsed since the claimant became unemployed.

Quits due to nonsuitable work

Under current law, unless an exception applies, if a claimant for UI benefits quits his or her job, the claimant is generally ineligible to receive UI benefits until he or she qualifies through subsequent employment. Under one such exception, if a claimant quits his or her job and 1) the claimant accepted work that was not suitable work under the UI law or work that the claimant could have refused, and 2) the claimant terminated the work within 30 calendar days after starting the work, the claimant remains eligible to collect UI benefits. Under the bill, this exemption applies if the claimant terminated that work within *10 weeks* after starting the work.

Waiting period

Currently, a claimant must wait one week after becoming eligible to receive UI benefits before the claimant may receive benefits for a week of unemployment, except for periods during which the waiting period is suspended. The waiting period does not affect the maximum number of weeks of a claimant's benefit eligibility.

The bill deletes the one-week waiting period, thus permitting a claimant to receive UI benefits beginning with his or her first week of eligibility.

Work search and registration

Under current law, a claimant for UI benefits is generally required to register for work and to conduct a work search for each week in order to remain eligible. Current law requires DWD to waive these requirements under certain circumstances, for example, if a claimant who is laid off from work reasonably expects to be recalled to work within 12 weeks, will start a new job within four weeks, routinely obtains work through a labor union referral, or

is participating in a training or work share program. Under current law, DWD may modify the statutory waivers or establish additional waivers by rule only if doing so is required or specifically allowed by federal law.

The bill removes the waiver requirements from statute and instead allows DWD to establish waivers for the registration for work and work search requirements by rule. DWD may establish a waiver by emergency rule if the secretary of workforce development determines that the waiver is needed only on a temporary basis or that permanent rules are not warranted, and the bill allows the secretary to extend the emergency rule for up to 60 days at a time. Also, the bill specifies that the work search requirement does not apply to a claimant who has been laid off but DWD determines that the claimant has a reasonable expectation to be recalled to work.

Social security disability insurance payments

Under current law, in any week in any month that a claimant is issued a benefit under the federal Social Security Disability Insurance program (SSDI payment), that claimant is ineligible for UI benefits. The bill eliminates that prohibition and instead requires DWD to reduce a claimant's UI benefit payments by the amount of SSDI payments. The bill requires DWD to allocate a monthly SSDI payment by allocating to each week the fraction of the payment attributable to that week.

Quits due to relocations

Under current law, unless an exception applies, if an individual quits his or her job, the individual is generally ineligible to receive UI benefits until he or she qualifies through subsequent employment.

Under one such exception, if the employee's spouse is a member of the U.S. armed forces on active duty and is relocated, and the employee quits his or her job in order to relocate with his or her spouse, the employee remains eligible to collect UI benefits. The bill expands this exception so that it applies to an employee who quits employment in order to relocate with a spouse who is required by any employer, not just the U.S. armed forces, to relocate.

Electronic communications

Currently, with certain exceptions, each employer that has employees who are engaged in employment covered by the UI law must file quarterly contribution (tax) and employment and wage reports and make quarterly contribution payments to DWD. An employer of 25 or more employees or an employer agent that files reports on behalf of any employer must file its reports electronically. Current law also requires each employer that makes contributions for any 12-month period ending on June 30 equal to a total of at least $10,000 to make all contribution payments electronically in the following year. Finally, current law allows DWD to provide a secure means of electronic interchange between itself and employing units, claimants, and other persons that, upon request to and with prior approval by DWD, may be used for transmission or receipt of any document specified by DWD that is related to the administration of the UI law in lieu of any other means of submission or receipt.

The bill makes use of these electronic methods mandatory in all cases unless the employer or other person demonstrates good cause for being unable to use the electronic method. The bill specifies what constitutes good cause for purposes of these provisions. The bill also makes various corresponding changes to penalty provisions that apply in the case of nonuse of these required electronic methods. The bill further provides that DWD may permit the use of electronic records and electronic signatures for any document specified by DWD that is related to the administration of the UI law.

JOBS AND JOB TRAINING

Wisconsin Fast Forward grants

Under current law, DWD awards grants under what is commonly known as the Wisconsin Fast Forward program, for various workforce training purposes. The bill adds grants for education and training in the use of artificial intelligence to the allowed uses of funds under the program and requires DWD to collaborate with DHS and DPI in administering the program. The bill also requires DWD to allocate moneys under the Wisconsin Fast Forward program as follows:

1. A total of $2,000,000 in GPR funding in fiscal year 2025–26 for green jobs training.
2. A total of $200,000 in GPR funding in each year of the 2025–27 fiscal biennium for grants to help school districts to prepare students for a future that includes artificial intelligence.
3. A total of $1,000,000 in GPR funding in each year of the 2025–27 fiscal biennium to provide grants to support costs of sponsoring teacher apprentices.
4. A total of $500,000 in GPR funding in each year of the 2025–27 fiscal biennium to support training in the health care industry.

Youth to registered apprentice grant program

The bill requires DWD to develop and administer a grant program to award grants to local youth apprenticeship consortia to encourage individuals who are enrolled in youth apprenticeship programs to continue their careers in registered apprenticeship programs. The bill limits grants to no more than $350,000 in any fiscal year.

On-the-job learning grant program

The bill requires DWD to develop and administer a grant program to award grants to employers for costs related to apprenticeship programs, specifically wages for apprentices and costs for mentoring and instruction. Eligible employers are healthcare employers under a pilot program and small or new employers that have never had an apprenticeship program or have not had an apprenticeship program in the particular trade, craft, or business for which the employer seeks the grant in the five years before applying for the grant.

Workforce innovation grant program

The bill requires DWD to establish and operate a program to provide grants to regional

organizations to design and implement programs to address their region's workforce challenges. The bill also provides that in the 2025–26 fiscal year, DWD must allocate $15,000,000 for grants for workforce development in the area of artificial intelligence and $25,000,000 for grants for health care workforce development.

Teacher apprenticeships

DWD is currently operating a teacher apprenticeship pilot program, under which an individual serving as a teacher apprentice earns an associate degree and a bachelor's degree that satisfy requirements for a license to teach issued by DPI while the individual earns money as a teacher apprentice. The bill requires DWD to, in consultation with DPI, prescribe the conditions under which an individual may serve as a teacher apprentice and to prescribe what an individual must do to demonstrate that the individual has successfully completed a teacher apprenticeship. See *Education*.

Wisconsin worker advancement program

The bill requires DWD to establish and maintain the Wisconsin worker advancement program to make grants to local organizations for the organizations to provide employment and workforce services.

DISCRIMINATION

Civil actions regarding employment discrimination, unfair honesty, and unfair genetic testing

Under current fair employment law, an individual who alleges that an employer has violated employment discrimination, unfair honesty testing, or unfair genetic testing laws may file a complaint with DWD seeking action that will effectuate the purpose of the fair employment law, including reinstating the individual, providing back pay, and paying costs and attorney fees.

The bill allows DWD or an individual who is alleged or was found to have been discriminated against or subjected to unfair honesty or genetic testing to bring an action in circuit court to recover compensatory and punitive damages caused by the act of discrimination, unfair honesty testing, or unfair genetic testing, in addition to or in lieu of filing an administrative complaint. The action in circuit court must be commenced within 300 days after the alleged discrimination, unfair honesty testing, or unfair genetic testing occurred. The bill does not allow such an action for damages to be brought against a local governmental unit or against an employer that employs fewer than 15 individuals.

Under the bill, if the circuit court finds that a defendant has committed employment discrimination, unfair honesty testing, or unfair genetic testing, the circuit court may award back pay and any other relief that could have been awarded in an administrative proceeding. In addition, the circuit court must order the defendant to pay to the individual found to have been discriminated against or found to have received unfair genetic testing or unfair honesty testing compensatory and punitive damages in the amount that the circuit court finds appropriate, except that the total amount of damage awarded for future economic losses and for

pain and suffering, emotional distress, mental anguish, loss of enjoyment of life, and other noneconomic losses and punitive damages is subject to the following limitations:

1. If the defendant employs 100 or fewer employees, no more than $50,000.
2. If the defendant employs more than 100 but fewer than 201 employees, no more than $100,000.
3. If the defendant employs more than 200 but fewer than 501 employees, no more than $200,000.
4. If the defendant employs more than 500 employees, no more than $300,000.

The bill requires DWD to annually revise these amounts on the basis of the change in the consumer price index in the previous year, if any positive change has occurred.

Employment discrimination based on conviction record

The bill provides that it is employment discrimination for a prospective employer to request conviction information from a job applicant before the applicant has been selected for an interview.

The bill, however, does not prohibit an employer from notifying job applicants that an individual with a particular conviction record may be disqualified by law or the employer's policies from employment in particular positions.

Employment discrimination based on gender expression and gender identity

Current law prohibits discrimination in employment on the basis of a person's sex or sexual orientation. The bill prohibits employers from discriminating against an employee on the basis of the employee's gender identity or gender expression. Gender expression is defined in the bill as an individual's actual or perceived gender-related appearance, behavior, or expression, regardless of whether these traits are stereotypically associated with the individual's assigned sex at birth. Gender identity is defined in the bill an individual's internal understanding of the individual's gender, or the individual's perceived gender identity.

ADMINISTRATION AND FINANCE

Worker's compensation; appropriations

Under current law, the costs of DWD's administration of the worker's compensation program is generally funded by a general worker's compensation operations appropriation under the worker's compensation operations fund. However, the worker's compensation uninsured employers program and certain other worker's compensation activities are instead funded by a separate appropriation from the worker's compensation operations fund. The bill does the following:

1. Eliminates the separate appropriation and instead funds the worker's compensation uninsured employers program and those other activities from the general appropriation.
2. Changes the general appropriation for worker's compensation from a sum certain to a sum sufficient appropriation.

Elimination of automatic transfer

Under current law, administration of the worker's compensation program is funded from a DWD appropriation from the worker's compensation operations fund. The Labor Industry and Review Commission (LIRC) decides appeals of worker's compensation decisions for DWD. Under current law, moneys are automatically transferred from the DWD appropriation to a LIRC appropriation account to pay for those hearing activities. The bill eliminates this automatic transfer of moneys to the LIRC appropriation account. The bill retains the LIRC appropriation, but funds it directly from the worker's compensation operations fund, in an amount set in the appropriation schedule in ch. 20, stats. With this change, any money remaining in the LIRC appropriation at the end of a fiscal year will lapse to the worker's compensation operations fund.

Wisconsin Fast forward training appropriation

The bill changes from an annual appropriation to a continuing appropriation an appropriation for training programs, grants, services, and contracts that are part of DWD's Wisconsin Fast Forward program.

Youth apprenticeship appropriation change

Under current law, DWD may award grants to local partnerships for youth apprenticeship programs. The grant program is funded through a sum certain appropriation. The bill changes that appropriation to a sum sufficient appropriation.

Migrant labor camp facilities

The bill excludes from the definition of "migrant labor camp" bed and breakfasts, hotels, and rooming houses that are required to be licensed by DATCP.

Migrant labor contractors and migrant labor camps

Under current law, migrant labor contractors are required to have a certificate of registration from DWD, which the contractor must renew annually. To receive the certificate, the contractor must provide an application, which must be accompanied by a fee. Also under current law, a person that maintains a migrant labor camp is required to have a certificate from DWD to operate the camp, which the person must renew annually. To receive the certificate, the operator of the camp must provide an application, which must be accompanied by a fee. Current law requires that these fees be deposited in the state general fund and not credited to a specific appropriation. The bill instead requires that the fees be credited to the DWD auxiliary services appropriation and authorizes that appropriation to be used for administrative costs related to the migrant labor program administered by DWD.

Environment

PFAS

The bill contains several provisions relating to perfluoroalkyl and polyfluoroalkyl substances (PFAS).

Spills law exemptions and requirements for PFAS

Under current law provisions known as the "spills law," a person that possesses or controls a hazardous substance or that causes the discharge of a hazardous substance must notify DNR immediately, restore the environment to the extent practicable, and minimize the harmful effects from the discharge. If action is not being adequately taken, or the identity of the person responsible for the discharge is unknown, DNR may take emergency action to contain or remove the hazardous substance; the person that possessed or controlled the hazardous substance that was discharged or that caused the discharge of the hazardous substance must then reimburse DNR for expenses DNR incurred in taking such emergency actions. The spills law allows DNR to enter property to take emergency action if entry is necessary to prevent increased environmental damages, and to inspect any record relating to a hazardous substance for the purpose of determining compliance with the spills law. DNR may also require that preventive measures be taken by any person possessing or having control over a hazardous substance if existing control measures are inadequate to prevent discharges.

The bill exempts a person who possesses or controls property where a PFAS discharge occurred from all of the requirements, if all of the following apply:

1. The property is exclusively used for agricultural use or residential use.
2. The discharge was caused by land application of sludge according to a water pollutant discharge elimination system (WPDES) permit.
3. The person who possesses or controls the property allows DNR, any responsible party, and any consultant or contractor of a responsible party to enter the property to take action to respond to the discharge.
4. The person who possesses or controls the property does not interfere with any action taken in response to the discharge and does not take any action that worsens or contributes to the PFAS discharge.
5. The person who possesses or controls the property follows any other condition that DNR determines is reasonable and necessary to ensure that DNR, the responsible party, or any consultant or contractor of the responsible party is able to adequately respond to the discharge, including taking action necessary to protect human health, safety, or welfare or the environment, taking into consideration the current or intended use of the property.
6. The person who possesses or controls the property allows DNR to limit public access to the property if DNR determines it is necessary to prevent an imminent threat to human health, safety, or welfare or to the environment.

Under the bill, this exemption applies only to PFAS for which there is a state or federal

standard, a public health recommendation from DHS, or a health advisory issue by the federal Environmental Protection Agency. The exemption also does not apply after December 31, 2035. The exemption does not apply to any substances other than PFAS, and does not apply if the person that possesses or controls the property takes action that worsens or contributes to the PFAS discharge.

The bill requires a person that is exempt from these provisions to provide written disclosure of the type and location of the PFAS contamination and remediation activities to any prospective purchaser or tenant of the property. The bill also provides that the exemption may not be transferred to subsequent owners of the property; each person that possesses or controls the property must establish eligibility for the exemption.

The bill also provides that DNR may not use the fact that a person has applied for financial assistance under the state's well compensation program, the county well testing grant program created in the bill, or any other state grant programs funded by the federal American Rescue Plan Act of 2021 to determine whether the person is a person that possesses or controls a hazardous substance or that causes the discharge of a hazardous substance for purposes of applying the spills law.

Finally, the bill provides that, if there is no existing standard for a hazardous substance, the person that possesses or controls the hazardous substance or that caused the discharge of the hazardous substance must propose site-specific environmental standards for DNR approval.

Groundwater standards for PFAS

Under current law, DNR maintains a list of substances that have a reasonable probability of entering the groundwater resources of the state and that are shown to involve public health concerns. DHS recommends groundwater enforcement standards for substances on this list, which DNR then proposes as DNR rules in its rule-making process. The bill requires DNR to begin the rule-making process to adopt DHS's recommended groundwater enforcement standards for any PFAS within three months after receiving DHS's recommendation.

Rule-making exemptions for PFAS

Current law requires an agency to suspend working on a permanent rule if it determines that the proposed rule may result in more than $10,000,000 in implementation and compliance costs over any two-year period. Current law also allows standing committees of the legislature and the Joint Committee for the Review of Administrative Rules (JCRAR) to review, approve, object to, or modify a proposed rule. If JCRAR objects to all or part of a proposed rule, that rule may not be promulgated unless a bill is introduced and enacted that authorizes the promulgation of the rule. In addition, current law allows JCRAR to suspend rules that have already been promulgated; if the rule suspended is an emergency rule, the agency that promulgated the emergency rule is prohibited from proposing a permanent rule that contains the same substance as the suspended emergency rule. The bill creates an exemption from these provisions for any proposed or existing DNR rule that establishes acceptable levels and standards, enforcement standards and preventative action limits, performance standards,

monitoring requirements, or required response actions for any PFAS compound or group or class of PFAS in groundwater, drinking water, surface water, air, soil, or sediment.

PFAS community grant program

The bill creates a community grant program, administered by DNR, to address PFAS. Under the program, DNR must provide grants to cities, towns, villages, counties, tribal governments, utility districts, lake protections districts, sewerage districts, and municipal airports (municipalities). DNR may award a grant only if the applicant tested or trained with a PFAS-containing firefighting foam in accordance with applicable state and federal law, or a third party tested or trained with PFAS-containing firefighting foam within the boundaries of the municipality; the applicant applied biosolids to land under a WPDES permit issued by DNR; PFAS are impacting the applicant's drinking water supply or surface water or groundwater within the municipality and the responsible party is unknown or is unwilling or unable to take the necessary response actions; or PFAS contamination in groundwater is impacting private wells within the area controlled by the municipality.

Under the bill, grants provided under this program may be used to investigate potential PFAS impacts in order to reduce or eliminate environmental contamination; treat or dispose of PFAS-containing firefighting foam containers; sample a private water supply within three miles of a site or facility known to contain PFAS or to have caused a PFAS discharge; assist private well owners with the cost of installation of filters, treatment, or well replacement; provide a temporary emergency water supply, a water treatment system, or bulk water to replace water contaminated with PFAS; conduct emergency, interim, or remedial actions to mitigate, treat, dispose of, or remove PFAS contamination; remove or treat PFAS in public water systems in areas where PFAS levels exceed the maximum contaminant level for PFAS in drinking water or an enforcement standard for PFAS groundwater or in areas where the state has issued a health advisory for PFAS; create a new public water system or connect private well owners to an existing public water system in areas with widespread PFAS contamination in private wells; or sample and test water in schools and daycares for PFAS contamination.

An applicant that receives a grant under this program must contribute matching funds equal to at least 20 percent of the amount of the grant. The applicant must apply for a grant on a form prescribed by DNR and must include any information that DNR finds is necessary to determine the eligibility of the project, identify the funding requested, determine the priority of the project, and calculate the amount of a grant. In awarding grants under this program, DNR must consider the applicant's demonstrated commitment to performing and completing eligible activities, including the applicant's financial commitment and ability to successfully administer grants; the degree to which the project will have a positive impact on public health and the environment; and any other criteria that DNR finds necessary to prioritize the funds available for awarding grants.

County PFAS well testing grant program

The bill also creates a grant program, under which DNR provides grants to counties to provide

sampling and testing services to private well owners to sample and test for PFAS, nitrates, bacteria, and lead. The bill creates an appropriation to be funded from the segregated PFAS fund for this purpose.

PFAS under the Safe Drinking Water Loan Program

Under current law, DOA and DNR administer the Safe Drinking Water Loan Program (SDWLP), which provides financial assistance from the environmental improvement program to municipalities, and to the private owners of community water systems that serve municipalities, for projects that will help the municipality comply with federal drinking water standards. DNR establishes a funding priority list for SDWLP projects, and DOA allocates funding for those projects.

The bill requires DNR, when ranking the priority of SDWLP projects, to rank a project relating to PFAS in the same manner as if a maximum contaminant level for PFAS had been attained or exceeded, if DHS has recommended an enforcement standard for the type of PFAS involved in the project.

Mediator for municipalities seeking alternate water sources due to PFAS

Under the bill, if a municipality's private water supplies have been contaminated by PFAS and the municipality is seeking an alternate water supply from another municipality, DNR may appoint a mediator to assist in negotiations between the two municipalities. Under the bill, this provision only applies if the contaminating PFAS is in excess of a state or federal drinking water standard, a state groundwater standard, or a public health recommendation from DHS. The bill provides that the person responsible for the contamination may participate in the negotiations. The bill requires DNR to promulgate rules to implement these provisions, including rules for the allocation of the cost of a mediator.

Landspreading and PFAS

Under current law, a wastewater treatment facility, and any person that wishes to land spread sludge, must obtain a WPDES permit from DNR. DNR is required to include conditions in such permits to ensure compliance with water quality standards.

Under the bill, a WPDES permit that allows the permittee to land spread sludge must also include a condition that requires the permittee to annually test the sludge for any type of PFAS for which there is a state or federal standard, a public health recommendation from DHS, or a health advisory from the federal Environmental Protection Agency. The permittee must report the sampling and testing results to DNR and to the property owner before applying the sludge.

Additionally, a WPDES permit issued to a treatment work must require the permittee to test all sludge for the presence of PFAS and to report the testing results to DNR.

Proof of financial responsibility for PFAS contamination

The bill also provides that DNR may, if it determines doing so is necessary to protect human health or the environment, require a person who possesses or controls or who causes the

discharge of PFAS, or who manufactures products that contain intentionally added PFAS, to provide proof of financial responsibility for remediation and long-term care to address contamination by a potential discharge of PFAS or environmental pollution that may be caused by a discharge of PFAS. This financial responsibility requirement does not apply to a person that is exempt from the spills law under the provisions of the bill.

Environmental justice impacts of PFAS transportation and disposal

The bill requires a person disposing of PFAS, or transporting PFAS for the purpose of disposal, to attempt to the greatest extent possible to avoid disposing of PFAS in, or transporting PFAS to, any location where such disposal or transportation will contribute to environmental justice concerns and to consider all reasonable alternatives for transport and disposal of PFAS. The bill requires DNR to assist in evaluating the environmental justice impacts of a person's PFAS disposal or transportation.

Statewide PFAS biomonitoring studies

The bill requires DHS to conduct biomonitoring studies across the state to assess PFAS exposure levels and better understand the factors that affect PFAS levels in residents of different communities. As part of these studies, DHS may survey volunteer participants, test blood samples for PFAS, and analyze the results.

DATCP testing for PFAS

Under current law, DATCP conducts several statewide monitoring programs, sampling programs, and surveys related to testing groundwater quality for agricultural purposes. The bill requires that, when collecting and testing samples under one of these statewide programs, DATCP must also, at its discretion and where appropriate, test samples for the presence of PFAS.

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Revitalize Wisconsin program

The bill creates the Revitalize Wisconsin program, which is administered by DNR and which provides aid, in the form of grants or direct services to local governments, dry cleaners, and private parties, to address the discharge of a hazardous substance or the existence of environmental pollution on the government's or person's property. Aid may be provided for sites for which the site's owner or operator applied for assistance under the dry cleaner environmental response program before the bill's effective date; brownfields; sites that are exempt from the state's spills law; and sites that are subject to the spills law but that are owned by private parties. The bill defines "private party" to mean a bank, trust company, savings bank, or credit union; a developer; a nongovernmental organization; or an innocent landowner. The bill defines an "innocent landowner" as a property owner that either 1) acquired the property prior to November 1, 2006, has continuously owned the property since the date of acquisition, and can demonstrate, through documentation, that the discharge or

environmental pollution being addressed was caused by another person and that the property owner did not know and had no reason to know of the discharge or pollution when the owner acquired the property or 2) acquired the property on or after November 1, 2006, meets all of the previously stated requirements, and can demonstrate, through documentation, that the property owner conducted all appropriate inquiries in compliance with federal law prior to acquiring the property.

The bill provides that DNR may not award aid to an applicant under the Revitalize Wisconsin program if the applicant caused the discharge or environmental pollution, unless the applicant is a dry cleaner that applied for assistance under the dry cleaner environmental response program before the bill's effective date. The bill also provides that DNR may require an applicant to provide a match, either in cash or in-kind services, for any aid that is awarded under the program.

Activities for which aid may be provided under the program include removing hazardous substances from contaminated media; investigating and assessing the discharge or environmental pollution; removing abandoned containers; asbestos abatement; and restoring or replacing a private potable water supply.

The bill also allows DNR to inspect any document in the possession of an applicant or any other person if the document is relevant to an application for financial assistance under the program.

Access to information on solid or hazardous waste

Under current law, a person who generated, transported, treated, stored, or disposed of solid or hazardous waste at a site or facility under investigation by DNR must provide DNR with access to certain records relating to that waste. The bill requires a person who generated solid or hazardous waste at a site or facility under investigation by DNR to also provide this information, if the waste was transported to, treated at, stored at, or disposed of at another site, facility, or location.

Kewaunee Marsh remediation funding

The bill appropriates moneys from the general fund to DNR for development of a remedial action plan and for the remediation of arsenic contamination in the Kewaunee Marsh in Kewaunee County.

Amcast superfund site remediation funding

The bill appropriates moneys from the segregated environmental fund to DNR for remedial action relating to the Amcast superfund site in Cedarburg. A "superfund site" is a site identified under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as being contaminated with hazardous substances and requiring cleanup.

5R Processors cleanup funding lapse

Under current law, DNR is appropriated moneys from the environmental fund to contract with third parties to perform assessment, collection, transportation, and disposal of cathode-ray tube

glass and related waste generated from activities undertaken by 5R Processors. The bill provides that, of those moneys, any unencumbered amounts are lapsed to the environmental fund.

WATER QUALITY

Well compensation grant program

The bill makes changes to the well compensation grant program currently administered by DNR.

Under current law, an individual owner or renter of a contaminated private well may apply for a grant from DNR to cover a portion of the costs to treat the water, reconstruct the well, construct a new well, connect to a public water supply, or fill and seal the well. To be eligible for a grant, the well owner's or renter's annual family income may not exceed $65,000. A grant awarded under the program may not cover any portion of a project's eligible costs in excess of $16,000 and, of those costs, may not exceed 75 percent of a project's eligible costs, meaning that a grant may not exceed $12,000. In addition, if the well owner's or renter's annual family income exceeds $45,000, the amount of the award is reduced by 30 percent of the amount by which the annual family income exceeds $45,000.

The bill increases the family income limit to $100,000. In addition, under the bill, a well owner or renter whose family income is below the state's median income may receive a grant of up to 100 percent of a project's eligible costs, not to exceed $16,000. The bill also eliminates the requirement to reduce an award by 30 percent if the well owner's or renter's family income exceeds $45,000.

The bill also expands the grant program to allow an owner or renter of a "transient non-community water supply" to apply for a grant. A "transient noncommunity water supply" is defined in the bill as a water system that serves at least 25 persons at least 60 days of the year but that does not regularly serve at least 25 of the same persons over six months per year.

Under current law, a well that is contaminated only by nitrates is eligible for a grant only if the well is a water supply for livestock, is used at least three months in each year, and contains nitrates in excess of 40 parts per million. The bill eliminates these restrictions for claims based on nitrates, and instead allows grants to be issued for wells based on contamination by at least 10 parts per million of nitrate nitrogen. The bill also allows grants to be issued for wells contaminated by at least 10 parts per billion of arsenic, or by a perfluoroalkyl or polyfluoroalkyl substance (PFAS) in an amount that exceeds any applicable health advisory or standard for that substance.

Under current law, DNR must issue grants in the order in which completed claims are received. Under the bill, if there are insufficient funds to pay claims, DNR may, for claims based on nitrate contamination, prioritize claims that are based on higher levels of nitrate contamination.

Town of Bloom well compensation grant eligibility

Under current law, a city, village, town, county, or special purpose district is not eligible for a

grant under the well compensation grant program. The bill provides that the town of Bloom in Richland County may apply for this type of grant, but the grant may not exceed $16,000.

Ballast water discharge

Under current law, DNR may issue a general permit authorizing a vessel that is 79 feet or greater in length to discharge ballast water into the waters of the state. DNR may charge an application fee of $1,200 and a $345 annual fee for the permit. DNR must use collected fees to administer the permit program.

The bill eliminates these provisions and provides that the owner or operator of any commercial vessel subject to the requirements of the federal Vessel Incidental Discharge Act that has operated outside this state must pay DNR $650 per arrival to a port of this state. Under the bill, the owner or operator of a commercial vessel subject to these requirements, including a vessel engaged in coastwise trade, may not be required to pay more than $3,250 in fees per calendar year. DNR must use collected fees for management, administration, inspection, monitoring, and enforcement activities relating to incidental discharges, including ballast water discharges.

Under current law, an employee or agent of DNR may board and inspect any vessel that is subject to requirements relating to environmental protection requirements for tank vessels or open burning on commercial vessels to determine compliance with those requirements.

The bill provides that DNR may enter into a memorandum of agreement with the U.S. Coast Guard authorizing an employee or agent of DNR to board and inspect any vessel that is subject to the requirements under the bill to determine compliance with the federal Vessel Incidental Discharge Act.

Storm water pond safety

Under current law, DNR issues water pollutant discharge elimination system (WPDES) permits and storm water discharge permits and promulgates rules for the administration of both permits. The bill requires that DNR promulgate rules establishing that any pond located in an area with a population density of at least 1,000 people per square mile that is constructed as part of an activity for which these permits are required must include one or more of the following safety features: 1) a shallow ledge around the periphery of the pond; 2) vegetation that is at least 24 inches high between the pond and any easy point of access; or 3) any other alternative safety feature authorized by DNR by rule.

Winter road safety improvement grant program

The bill requires DNR to administer a program to provide grants to municipalities for eligible expenditures for equipment critical to winter road safety. The bill requires DNR to promulgate rules necessary to administer the program, including rules that specify criteria for determining eligible recipients and expenditures.

Fee for high capacity well approvals

Under current law, no person may construct a high capacity well, which is a well with a

capacity of more than 100,000 gallons per day, without prior approval of DNR and payment of a $500 fee. The bill increases that fee to $1,000.

Fee for CAFO permits

Under current law, a person who operates a concentrated animal feeding operation (CAFO) must have a WPDES permit from DNR. A CAFO is a livestock operation that contains at least 1,000 animal units, that discharges pollutants to a navigable water, or that contaminates a well. Current law requires a CAFO operator with a WPDES permit to pay an annual fee of $345 to DNR. The bill increases the amount of this annual fee to $545.

Fee for WPDES general permits

Under current law, a person may not discharge a pollutant into waters of the state without a WPDES permit issued by DNR. In addition to site-specific individual permits, DNR is authorized to issue a general permit that authorizes specified discharges in a designated area of the state. The bill requires DNR to charge a $425 processing fee for these permits.

Storm water permit appropriation

Under current law, a person may need to obtain a permit from DNR to discharge storm water. Current law appropriates money annually from the general fund for the administration of the storm water discharge permit program. Storm water permit fees collected by DNR are credited to the storm water permit appropriation.

The bill changes the storm water permit appropriation from an annual to a continuing appropriation. An annual appropriation is expendable only up to the amount shown in the schedule and only for the fiscal year for which made. A continuing appropriation is expendable until fully depleted or repealed.

Lead service line replacement appropriation

Under current law, DOA and DNR administer the Safe Drinking Water Loan Program (SDWLP), which provides financial assistance from the environmental improvement program to local governmental units and to the private owners of community water systems that serve local governmental units for projects for the planning, designing, construction, or modification of public water systems. DNR establishes a funding list for SDWLP projects and DOA allocates funding for those projects.

The bill creates a continuing appropriation from the general fund to the environmental improvement program for projects involving forgivable loans to private users of public water systems to replace lead service lines.

Environmental improvement fund revenue bonding limit

Current law authorizes the issuance of revenue bonds for the Clean Water Fund Program and the SDWLP under the environmental improvement fund but limits the principal amount of those revenue bonds to $2,597,400,000. The bill increases that limit by $725,900,000, to $3,323,300,000.

Bonding for urban storm water, flood control, and riparian restoration

Under current law, the state may contract up to $61,600,000 in public debt to provide financial assistance for projects that manage urban storm water and runoff and for flood control and riparian restoration projects. The bill increases the bonding authority for these projects by $11,000,000.

Bonding for nonpoint source water pollution abatement

Under current law, the state may contract up to $57,050,000 in public debt to provide financial assistance for projects that control pollution that comes from diffuse sources rather than a single concentrated discharge source in areas that qualify as high priority due to water quality problems. The bill increases the bonding authority for these projects by $10,000,000.

Bonding for Great Lakes contaminated sediment removal

Under current law, the state may contract up to $40,000,000 in public debt to provide financial assistance for projects to remove contaminated sediment from Lake Michigan or Lake Superior, or a tributary of Lake Michigan or Lake Superior, if DNR has identified the body of water as being impaired by the sediment. The bill increases the bonding authority for sediment removal projects by $9,000,000.

AIR QUALITY

Fee for stationary source operation permits

Under current state and federal law, certain stationary sources that emit air contaminants are required to receive an operation permit from DNR. Current law requires DNR to promulgate rules for the payment and collection of fees by the owner or operator of a stationary source for which an operation permit is required under the federal Clean Air Act. The bill increases the fee from $35.71 per ton of emissions to $63.69 per ton of emissions.

GENERAL ENVIRONMENT

Environmental impacts to covered communities

Under current law, DNR issues various permits for the operation of facilities as part of DNR's regulation of air and water pollution and hazardous and solid waste. Under the bill, DNR may not issue permits for those facilities located in covered communities unless the permit applicant 1) prepares a report assessing the environmental impact of the facility, 2) makes the report available to the public and provides the report to DNR and to the municipality in which the covered community is located, and 3) conducts a public hearing in the municipality in which the covered community is located. Under the bill, "covered community" means a census tract that is at or above the 65th percentile for share of households with a household income at or below 200 percent of the federal poverty level and that meets any other criteria from a specified list.

Water resources account lapses

The bill lapses $1,000,000 to the conservation fund in fiscal year 2025–26. Of that amount, $386,500 is lapsed from the DNR appropriation for state recreational boating projects that provide public access to inland waters; $436,600 is lapsed from the DNR appropriation for state recreational boating projects that provide public access to lakes; and $176,900 is lapsed from the DNR appropriation for river management activities for habitat and recreational projects on the Mississippi and lower St. Croix Rivers and for environmental and resource management studies on the Mississippi and lower St. Croix Rivers.

Background checks on all transfers of firearms

Under current law, a federally licensed firearms dealer may not transfer a handgun until the dealer has requested DOJ to perform a background check on the prospective transferee to determine if he or she is prohibited from possessing a firearm under state or federal law. The bill generally prohibits any person from transferring any firearm, including the frame or receiver of a firearm, unless the transfer occurs through a federally licensed firearms dealer and involves a background check of the prospective transferee. Under the bill, the following are excepted from that prohibition: a transfer to a firearms dealer or to a law enforcement or armed services agency; a transfer of a firearm classified as antique; or a transfer that is by gift, bequest, or inheritance to a family member. A person who is convicted of violating the prohibition is guilty of a misdemeanor and must be fined not less than $500 nor more than $10,000, may be imprisoned for not more than nine months, and may not possess a firearm for a period of two years.

Waiting period for handgun purchases

Under current law, a federally licensed firearms dealer may not transfer a handgun until the dealer has requested DOJ to perform a background check on the prospective transferee to determine if he or she is prohibited from possessing a firearm under state or federal law. The bill prohibits the dealer from transferring a handgun to the transferee until 48 hours have passed since the firearms dealer requested the background check.

Self-assigned firearm exclusion

The bill requires DOJ to allow individuals to prohibit themselves from purchasing a firearm. Under the bill, DOJ must maintain a database of individuals who voluntarily prohibit themselves from purchasing a firearm. An individual may request inclusion in the database by submitting a request to DOJ that indicates the length of the prohibition they are requesting: a one-year, irrevocable prohibition; a five-year prohibition, the first year being irrevocable; or a 20-year prohibition, the first year being irrevocable. During a revocable period, an individual may remove the prohibition by submitting to DOJ a request for removal, and DOJ must wait 48 hours and remove the individual from the list. The bill also requires DOJ, when responding to a request for a background check from a licensed firearms dealer regarding an individual who is in the database, to indicate that the individual is prohibited from purchasing a firearm.

Extreme risk protection injunctions

Under current law, a person is prohibited from possessing a firearm, and must surrender all firearms, if the person is subject to a domestic abuse injunction, a child abuse injunction, or, in certain cases, a harassment or an individuals-at-risk injunction. If a person surrenders a firearm because the person is subject to one of those injunctions, the firearm may not be returned to the person until a court determines that the injunction has been vacated or has

expired and that the person is not otherwise prohibited from possessing a firearm. A person who is prohibited from possessing a firearm under such an injunction is guilty of a Class G felony for violating the prohibition.

The bill creates an extreme risk protection temporary restraining order (TRO) and injunction to prohibit a person from possessing a firearm. Under the bill, either a law enforcement officer or a family or household member of the person may file a petition with a court to request an extreme risk protection injunction. The petition must allege facts that show that the person is substantially likely to injure themself or another if the person possesses a firearm.

Under the bill, the petitioner may request the court to consider first granting a temporary restraining order. If the petitioner requests a TRO, the petitioner must include evidence that there is an immediate and present danger that the person may injure themself or another if the person possesses a firearm and that waiting for the injunction hearing increases the immediate and present danger.

If the petitioner requests a TRO, the court must hear the petition in an expedited manner. The judge must issue a TRO if, after questioning the petitioner and witnesses or relying on affidavits, the judge determines that it is substantially likely that the petition for an injunction will be granted and the judge finds good cause to believe there is an immediate and present danger that the person will injure themself or another if the person has a firearm and that waiting for the injunction hearing may increase the immediate and present danger. If the judge issues a TRO, the TRO is in effect until the injunction hearing, which must occur within 14 days of the TRO issuance. The TRO must require a law enforcement officer to personally serve the person with the order and to require the person to immediately surrender all firearms in their possession. If a law enforcement officer is unable to personally serve the person, then the TRO requires the person to surrender within 24 hours all firearms to a law enforcement officer or a firearms dealer and to provide the court a receipt indicating the surrender occurred.

At the injunction hearing, the court may grant an extreme risk protection injunction ordering the person to refrain from possessing a firearm and, if the person was not subject to a TRO, to surrender all firearms he or she possesses if the court finds by clear and convincing evidence that the person is substantially likely to injure themself or another if the person possesses a firearm. An extreme risk protection injunction is effective for up to one year and may be renewed. A person who is subject to an extreme risk protection injunction may petition to vacate the injunction. If a person surrenders a firearm because the person is subject to an extreme risk protection TRO or injunction, the firearm may not be returned to the person until a court determines that the TRO has expired or the injunction has been vacated or has expired and that the person is not otherwise prohibited from possessing a firearm.

A person who possesses a firearm while subject to an extreme risk protection TRO or injunction is guilty of a Class G felony. In addition, a person who files a petition for an extreme risk protection injunction, knowing the information in the petition to be false, is guilty of the crime of false swearing, a Class H felony.

Persons prohibited from possessing a firearm following a conviction for a misdemeanor crime of domestic violence

Under federal law, a person is prohibited from possessing a firearm if he or she has been convicted of a misdemeanor crime of domestic violence. Under state law, a person who is prohibited from possessing a firearm under federal or state law may not purchase a firearm or be issued a license to carry a concealed weapon. State law requires DOJ, before approving a handgun purchase or issuing a license, to conduct a background check on the prospective purchaser or applicant to determine if the person is prohibited from possessing a firearm. To determine if the person is prohibited under federal law, DOJ must review court records of all of the person's criminal convictions to identify if any conviction qualifies as a misdemeanor crime of domestic violence under federal law. DOJ must review the record to determine if the relationship between the offender and the victim qualifies as a domestic relationship and if the offender engaged in violent conduct when committing the crime. The bill reorganizes two statutes—the crime of disorderly conduct and the definition of domestic abuse—so that DOJ is able to more easily determine if a conviction qualifies as a misdemeanor crime of domestic violence under federal law.

First, under current law, a person is guilty of disorderly conduct if the person engages in violent, abusive, indecent, profane, boisterous, unreasonably loud, or otherwise disorderly conduct and if the conduct tends to cause or provoke a disturbance. A person who has been convicted of disorderly conduct is prohibited from possessing a firearm if the disorderly conduct was a misdemeanor crime of domestic violence—that is, if the person engaged in violent conduct and if the relationship between the person and the victim was domestic. The bill reorganizes the disorderly conduct statute to separate "violent" conduct from the other types of disorderly conduct so that the court record clearly indicates that the crime was a violent crime.

Second, under current state law, "domestic abuse" is defined as certain actions taken against a victim if the victim is related to the actor, has a child in common with the actor, or currently resides or has resided with the actor. Unlike state law, federal law does not define a crime as domestic violence if the only relationship is that the victim currently resides or has resided with the actor. The bill reorganizes the statute defining domestic abuse so that a court record would indicate the exact nature of the relationship. Therefore, under the bill, the court record would indicate when a person who is guilty under state law of a crime of domestic abuse is not guilty under federal law of a misdemeanor crime of domestic violence.

Undetectable firearms

The bill prohibits the manufacture, transportation, sale, possession, and carrying of firearms that cannot be detected by metal detectors or airport x-ray machines or scanners. Federal law currently has a comparable prohibition; under the bill, the person would violate state law as well. A person who violates the state prohibition is guilty of a Class G felony.

The bill prohibits the sale, posting, provision, or possession of plans for manufacturing an undetectable firearm. A person who violates the prohibition is guilty of a Class H felony.

The bill also prohibits the possession of a frame or a receiver of a firearm that is not marked with a serial number. A person who violates the prohibition is guilty of a Class I felony.

Prohibition on firearm accessories that accelerate the rate of fire

The bill prohibits the sale, manufacture, transfer, use, or possession of any firearm accessory that is designed to accelerate or functions to accelerate the rate of fire of a semiautomatic firearm. A person who violates the prohibition is guilty of a Class G felony.

Reporting a lost or stolen firearm

Under the bill, a person who owns a firearm that is stolen or missing must report the theft or loss to a law enforcement agency within 24 hours of discovering the theft or loss. A person who violates this requirement is guilty of a Class A misdemeanor for a first offense and guilty of a Class I felony for a subsequent offense. A person who falsely reports a stolen or lost firearm is guilty of the current-law crime of obstructing an officer and is subject to a fine of up to $10,000 or imprisonment of up to nine months, or both.

The bill also requires a person who commercially sells or transfers a firearm to provide the purchaser or transferee a written notice of the requirement, created in the bill, to report a theft or loss of a firearm within 24 hours of discovering it. A seller or transferor who violates this requirement is subject to a fine of up to $500 or imprisonment for up to 30 days, or both.

Containers and trigger locks at sale

The bill requires a person who commercially sells or transfers a firearm to provide the purchaser or transferee with either a secure, lockable container that is designed to store a firearm or a trigger lock for the firearm. A seller or transferor who violates this requirement is subject to a fine of up to $500 or imprisonment for up to 30 days, or both.

Firearms in unattended retail facilities

The bill requires that a retail business that sells firearms must secure all firearms when the business is unattended. Under the bill, the firearms must be secured in one of the following ways: in a locked fireproof safe, locked steel gun cabinet, or vault; in a steel-framed display case with specified reinforcements; with a hardened steel rod or cable; in a windowless, internal room that is equipped with a steel security door; or behind a steel roll-down door or security gate.

Storing a firearm when a child is present

The bill prohibits a person from storing or leaving a firearm at his or her residence if the person resides with a child who is under the age of 18, or knows a child who is under the age of 18 will be present in the residence, unless the firearm is in a securely locked box or container or other secure locked location or has a trigger lock engaged. A person who violates this prohibition is guilty of a Class A misdemeanor for a first offense and a Class I felony for a subsequent offense. This prohibition replaces the current law that penalizes a person who recklessly stores or leaves a loaded firearm within reach of a child who is under 14 if the child obtains it and does one of the following: 1) discharges the firearm and causes bodily harm

or death (Class A misdemeanor); or 2) possesses or exhibits the firearm in a public place or endangers public safety (Class C misdemeanor).

Storing a firearm in a residence at which a prohibited person resides

The bill requires a person to store any firearm he or she possesses in a securely locked box or container or other secure locked location or with a trigger lock engaged if the person resides with a person who is prohibited from possessing a firearm under state law. A person who violates this requirement is guilty of a Class A misdemeanor for a first offense and a Class I felony for a repeat offense. State law currently prohibits the following persons from possessing a firearm: persons who have been convicted of a felony; persons found not guilty of a felony by reason of mental disease or defect; persons who are subject to certain injunctions such as a domestic abuse or child abuse injunction or, in certain cases, a harassment or an individuals-at-risk injunction; and persons who have been involuntarily committed for mental health treatment and ordered not to possess a firearm.

Gambling

Bingo and raffle fees

Under current law, an organization that conducts bingo and raffles must obtain a license from the Division of Gaming within DOA and pay all related license fees. Bingo licensees, generally, must pay a $10 license fee for each bingo occasion, meaning a single gathering or session at which a series of successive bingo games is played, and a $5 license fee for an annual license for the designated member of the organization responsible for the proper utilization of gross receipts. A bingo licensee that is a community-based residential facility, a senior citizen community center, or an adult family home that conducts bingo as a recreational or social activity must pay a $5 license fee. Raffle licensees must pay a $25 license fee. The bill doubles all bingo and raffle license fees.

Also, under current law, a 1 percent occupational tax is imposed on the first $30,000 in gross receipts derived from the conduct of bingo by a licensed organization in a year. In gross receipts during a year that exceed $30,000, a 2 percent occupational tax is imposed. Under the bill, a 2 percent occupational tax is imposed on all gross receipts derived from the conduct of bingo by a licensed organization.

Gaming regulation and enforcement

Under current law and tribal gaming compacts, tribes make payments to the state to reimburse the state for costs relating to the regulation of certain gaming activities. This revenue, called Indian gaming receipts, may be expended for various purposes. The bill requires DOA to transfer portions of Indian gaming receipts to DOR to support DOR's gaming regulation and enforcement activities.

Gender Neutral Terminology

Making references in the statutes gender neutral

The bill recognizes same-sex marriage by making references in the statutes to spouses gender-neutral, with the intent of harmonizing the Wisconsin Statutes with the holding of the U.S. Supreme Court in *Obergefell v. Hodges*, 135 S. Ct. 2584, 192 L. Ed. 2d 609 (2015), which recognizes that same-sex couples have a fundamental constitutional right to marriage. The bill also recognizes legal parentage for same-sex couples under certain circumstances and adopts gender-neutral parentage terminology.

The bill provides that marriage may be contracted between persons of the same sex and confers the same rights and responsibilities on married persons of the same sex that married persons of different sexes have under current law. The bill defines "spouse" as a person who is legally married to another person of the same sex or a different sex and replaces every reference to "husband" or "wife" in current law with "spouse." The bill makes applicable to married persons of the same sex all provisions under current law that apply to married persons of different sexes. These provisions relate to such diverse areas of the law as income tax, marital property, inheritance rights, divorce, child and spousal support, insurance coverage, family and spousal recreational licenses, consent to conduct an autopsy, domestic abuse, and eligibility for various types of benefits, such as retirement or death benefits and medical assistance.

In addition to making statutory references to spouses gender-neutral, the bill specifies ways in which married couples of the same sex may be the legal parents of a child and, with some exceptions, makes current references in the statutes to "mother" and "father," and related terms, gender-neutral.

Under current law, all of the following may adopt a child: a husband and wife jointly, a husband or wife whose spouse is the parent of the child, and an unmarried adult. Because the bill makes references in the statutes to spouses gender-neutral, same-sex spouses jointly may adopt a child and become the legal parents of the child, and a same-sex spouse of a person who is the parent of a minor child may adopt the child and become the legal parent of his or her spouse's child.

Under current law, if a woman is artificially inseminated under the supervision of a physician with semen donated by a man who is not her husband and the husband consents in writing to the artificial insemination of his wife, the husband is the natural father of any child conceived. Under the bill, one spouse may also consent to the artificial insemination of his or her spouse and is the natural parent of the child conceived. The artificial insemination is not required to take place under the supervision of a physician, but, if it does not, the semen used for the insemination must have been obtained from a sperm bank.

Under current law, a man is presumed to be the father of a child if he and the child's natural mother 1) were married to each other when the child was conceived or born or 2) married each other after the child was born but had a relationship with each other when the

child was conceived and no other man has been adjudicated to be the father or is presumed to be the father because the man was married to the mother when the child was conceived or born. The paternity presumption may be rebutted in a legal action or proceeding by the results of a genetic test showing that the statistical probability of another man's parentage is 99.0 percent or higher. The bill expands this presumption into a parentage presumption, so that a person is presumed to be the natural parent of a child if he or she 1) was married to the child's established natural parent when the child was conceived or born or 2) married the child's established natural parent after the child was born but had a relationship with the established natural parent when the child was conceived and no person has been adjudicated to be the father and no other person is presumed to be the child's parent because he or she was married to the mother when the child was conceived or born. The parentage presumption may still be rebutted by the results of a genetic test showing that the statistical probability of another person's parentage is 99.0 percent or higher. Expanding on current law, the bill allows for a paternity action to be brought for the purpose of rebutting the parentage presumption, regardless of whether that presumption applies to a male or female spouse.

Current law provides that a mother and a man may sign a statement acknowledging paternity and file it with the state registrar. If the state registrar has received such a statement, the man is presumed to be the father of the child. Under current law, either person who has signed a statement acknowledging paternity may rescind the statement before an order is filed in an action affecting the family concerning the child or within 60 days after the statement is filed, whichever occurs first. Under current law, a man who has filed a statement acknowledging paternity that is not rescinded within the time period is conclusively determined to be the father of the child. The bill provides that two people may sign a statement acknowledging parentage and file it with the state registrar. If the state registrar has received such a statement, the people who have signed the statement are presumed to be the parents of the child. Under the bill, a statement acknowledging parentage that is not rescinded conclusively establishes parentage with regard to the person who did not give birth to the child and who signed the statement.

The bill defines "natural parent" as a parent of a child who is not an adoptive parent, whether the parent is biologically related to the child or not. Thus, a person who is a biological parent, a parent by consenting to the artificial insemination of his or her spouse, or a parent under the parentage presumption is a natural parent of a child. The definition applies throughout the statutes wherever the term "natural parent" is used. In addition, the bill expands some references in the statutes to "biological parent" by changing the reference to "natural parent."

Gender neutral references on birth certificates

Generally, the bill substitutes the term "spouse" for "husband" in the birth certificate statutes and enters the spouse, instead of the husband, of the person who has given birth on the birth certificate at times when a husband would currently be entered on a birth certificate. The name of the person who has given birth is entered on a birth certificate when the person

gives birth to a child, and current law specifies when another name should be entered on the birth certificate. Current law requires that if a birth mother is married at any time from the conception to the birth of a child, then her husband's name is entered on the birth certificate as the legal father of the child. Under the bill, if a person who gives birth is married at any time from the conception to the birth of the child, then that person's spouse's name is entered as a legal parent of the child. The bill also specifies that, in the instance that a second parent's name is initially omitted from the birth certificate, if the state registrar receives a signed acknowledgement of parentage by people presumed to be parents because the two people married after the birth of the child, the two people had a relationship during the time the child was conceived, no person is adjudicated to be the father, and no other person is presumed to be the parent, then the state registrar must enter the name of the spouse of the person who gave birth as a parent on the birth certificate.

PUBLIC ASSISTANCE

Presumptive eligibility for Wisconsin Shares

Under current law, an individual is eligible to receive a child care subsidy under the Wisconsin Shares program if DCF determines that the individual meets certain requirements, including requirements related to age of the child, income of the individual, and the individual's participation in certain eligible activities.

Under the bill, DCF may find an individual presumptively eligible for a child care subsidy while DCF verifies the individual's actual eligibility. If DCF finds an individual presumptively eligible for the child care subsidy, DCF must immediately begin issuing benefits to the individual. If DCF determines that the individual is actually ineligible, DCF must discontinue issuing benefits. To be found presumptively eligible for the subsidies, an individual must submit a report to DCF that includes information establishing the individual's actual eligibility and, based on the report, DCF must be able to plausibly assume that the individual is actually eligible for the subsidies.

Wisconsin Shares copayment increase structure

Under current law, if an individual is already receiving a Wisconsin Shares child care subsidy and the individual's family income exceeds the maximum eligible income of 200 percent of the poverty line, the individual will continue to be eligible for the subsidy until or unless the individual's family income exceeds 85 percent of the state median income. Until that time when the individual's income exceeds 85 percent of the state median income, the individual's copayment minimum for the Wisconsin Shares child care subsidy will increase on a sliding scale based on the amount that the individual's family income increases.

The bill eliminates this copayment increase structure in order to comply with federal rule 89 FR 15366, effective April 30, 2024, which establishes that copayments for individuals receiving a child care subsidy from the federal Child Care and Development Fund may not exceed 7 percent of family income. Under the bill, in general, if an individual is already receiving a Wisconsin Shares child care subsidy and the individual's family income exceeds 85 percent of the state median income, the individual is no longer eligible for the Wisconsin Shares child care subsidy.

Wisconsin Shares like-kin update

2023 Wisconsin Act 119 extended kinship care eligibility to like-kin, in addition to relatives of a child. "Like-kin" is defined under current law as an individual who has a significant emotional relationship with a child or the child's family that is similar to a familial relationship and who is not and has not previously been the child's licensed foster parent and, for an Indian child, includes individuals identified by the child's tribe according to tribal tradition, custom or resolution, code, or law. The bill conforms language under the child care subsidy program, Wisconsin Shares, to this change so that references to kinship care are not limited to relatives.

Child care quality improvement program

The bill authorizes DCF to establish a program for making monthly payments and monthly per-child payments to certified child care providers, licensed child care centers, and child care programs established or contracted for by a school board. This new payment program is in addition to the current law system for providing child care payments under Wisconsin Shares. The bill requires DCF to promulgate rules to implement the program, including establishing eligibility requirements and payment amounts and setting requirements for how recipients may use the payments, and authorizes DCF to promulgate these rules as emergency rules. The bill funds the program through a new appropriation and by allocating federal moneys, including child care development funds and moneys received under the Temporary Assistance for Needy Families (TANF) block grant program.

The bill eliminates the current law method by which DCF may modify maximum payment rates for child care providers under Wisconsin Shares based on a child care provider's rating under the quality rating system known as YoungStar.

Wisconsin Shares is a part of the Wisconsin Works program under current law, which DCF administers and which provides work experience and benefits for low-income custodial parents who are at least 18 years old. Under current law, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, who needs child care services to participate in various education or work activities, and who satisfies other eligibility criteria may receive a child care subsidy for child care services under Wisconsin Shares.

Expanded Transform Milwaukee Jobs and Transitional Jobs programs

Under current law, DCF administers a temporary wage subsidy program for individuals who meet all of the following qualifications: 1) are at least 18 years old and, if over 25 years old, are the parent or primary relative caregiver of a child; 2) have a household income below 150 percent of the federal poverty line; 3) have been unemployed for at least four weeks; 4) are ineligible to receive unemployment insurance benefits; 5) are not participating in a Wisconsin Works employment position; and 6) satisfy applicable substance abuse screening, testing, and treatment requirements. Under current law, funding is directed first to the program as established in Milwaukee County, called the Transform Milwaukee Jobs program, and next, if funding is available, to the program as established outside of Milwaukee County, called the Transitional Jobs program.

The bill provides funding for and requires DCF to establish the Expanded Transform Milwaukee Jobs program and Transitional Jobs program, which under the bill must be identical to the Transform Milwaukee Jobs program and Transitional Jobs program except that, to be eligible, an individual is not required to have an annual household income below 150 percent of the federal poverty line and, if over 25 years of age, is not required to be a parent or primary relative caregiver of a child.

Transform Milwaukee Jobs and Transitional Jobs programs

The bill modifies the qualifications for participating in the Transform Milwaukee Jobs and

Transitional Jobs programs by removing the requirement that the individual has been unemployed for at least four weeks, and by specifying that anyone who is not receiving unemployment insurance benefits, regardless of their eligibility to receive those benefits, may participate.

Temporary Assistance for Needy Families

Under current law, DCF allocates specific amounts of federal moneys, including child care development funds and moneys received under the TANF block grant program, for various public assistance programs. Under the bill, TANF funding allocations are changed in the following ways, as compared to the funding allocation in the 2023–25 fiscal biennium:

1. For homeless case management services grants, total funding is doubled.
2. For the administration of public assistance programs and collection of public assistance overpayments, total funding is increased by 33 percent.
3. For emergency assistance payments, total funding is increased by 71 percent.
4. For grants to Wisconsin Trust Account Foundation, Inc., for distribution to programs that provide civil legal services to low-income families, funding is increased by 800 percent, from $500,000 per fiscal year to $4,500,000 per fiscal year.
5. For the Transform Milwaukee and Transitional Jobs programs, total funding is increased by 31 percent.
6. For the Jobs for America's Graduates program, total funding is doubled.
7. For direct child care services, child care administration, and child care improvement programs, total funding is increased by 14 percent.
8. For the support of the dependent children of recipients of supplemental security income, funding is increased by 75 percent per fiscal year from the funding in fiscal year 2024–25.
9. For kinship care and long-term kinship care payments and kinship care administration, total funding is increased by 47 percent.
10. For grants to the Boys and Girls Clubs of America, funding is increased by 239 percent, from $2,807,000 in each fiscal year to $9,507,000 in each fiscal year.
11. For the earned income tax credit supplement, total funding is increased by 60 percent.
12. For all other programs under TANF, funding is continued with a funding change of 6 percent or less.

The bill additionally allocates $3,472,000 in fiscal year 2025–26 and $6,944,000 in fiscal year 2026–27 for a child support debt reduction program and eliminates an allocation of $500,000 per fiscal year for skills enhancement grants.

Civil legal services grants

Under current law, DCF provides funding to the Wisconsin Trust Account Foundation, Inc. (the foundation), to provide civil legal services to TANF-eligible individuals in two ways:

1. DCF provides up to $100,000 in each fiscal year in matching funds to the foundation for the provision of civil legal services to eligible individuals. This grant does not specify what types of civil legal services may be provided.

2. DCF provides a $500,000 grant in each fiscal year to the foundation to provide grants to programs, up to $75,000 each, that provide certain legal services to eligible individuals. The legal services provided through this grant are limited to legal services in civil matters related to domestic abuse or sexual abuse or to restraining orders or injunctions for individuals at risk.

The bill removes the grant that requires matching funds and increases the grant to provide certain legal services to eligible individuals to $4,500,000 per fiscal year. Under the bill, the foundation may additionally use this funding to provide to eligible individuals civil legal services related to eviction. The bill removes the $75,000 cap on grants provided by the foundation to individual programs.

Child support debt reduction

The bill creates a program administered by DCF to provide debt reduction for child support. Under the bill, if a noncustodial parent completes an eligible employment program, as determined by DCF by rule, and the custodial parent agrees to a reduction, the noncustodial parent is eligible for child support debt reduction in an amount up to $1,500. Under the bill, a parent may not qualify for the debt reduction more than once in any 12-month period.

Child care water safety grant program

The bill requires DCF to award a grant each fiscal year to Community Water Services, Inc., to help child care providers access safe drinking water.

Grants for services for homeless and runaway youth

The bill increases the limit on the amount that DCF may award in each fiscal year to support programs that provide services for homeless and runaway youth from $400,000 to $2,872,800.

Tribal family services grants and funding for out-of-home-care placements by tribal courts

Current law uses Indian gaming receipts to fund tribal family service grants and unexpected or unusually high-cost placements of Indian children by tribal courts in foster homes, group homes, or residential care centers for children and youth, in the homes of a relative other than a parent, or in a supervised independent living arrangement (out-of-home care). The bill appropriates GPR moneys for those purposes as well.

Healthy eating incentive pilot program

The bill modifies certain provisions of the healthy eating incentive pilot program. The bill defines an eligible retailer, for purposes of the program, to be a retailer authorized to participate in the federal Supplemental Nutrition Assistance Program, also known as the federal food stamp program. Under current law, DHS must select, through a competitive selection process, one or more nonprofit organizations to administer the program statewide. The bill modifies that requirement, instead requiring only that DHS select one or more third-party organizations through the competitive selection process. Current law requires DHS to seek any available federal matching moneys from the Gus Schumacher Nutrition Incentive Program to fund the program. The bill specifies that DHS must require any organization

chosen to administer the program to fulfill that requirement to seek federal matching funds. Under the bill, a third-party organization chosen to administer the program may retain for administrative purposes an amount not to exceed 33 percent of the total contracted amount or the applicable cap found in federal law or guidance, whichever is lower.

Electronic benefit transfer processing program

The bill requires DHS to provide electronic benefit transfer and credit and debit card processing equipment and services to farmers' markets and farmers who sell directly to consumers as a payment processing program. The bill specifies that the electronic benefit transfer processing equipment and services must include equipment and services for the state food stamp program, which is known as FoodShare. Under the bill, the vendor that processes the electronic benefit transfer and credit and debit card transactions must also process any local purchasing incentives.

Eliminating FSET drug testing requirement

2015 Wisconsin Act 55 required DHS to promulgate rules to develop and implement a drug screening, testing, and treatment policy, which DHS promulgated as ch. DHS 38, Wis. Adm. Code. 2017 Wisconsin Act 370 incorporated into statutes ch. DHS 38, relating to drug screening, testing, and treatment for recipients of the FoodShare employment and training program (FSET). FoodShare provides financial assistance to purchase food items to individuals who have limited financial resources. The bill eliminates the requirement to implement a drug screening, testing, and treatment policy and removes from the statutes the language incorporated by Act 370.

FSET work requirement

Current law requires DHS to require all able-bodied adults, with some limited exceptions, who seek benefits from the FoodShare program to participate in the FoodShare employment and training program, known as FSET, unless they are already employed. The bill eliminates that requirement for able-bodied adults with dependents while retaining the requirement for able-bodied adults without dependents.

Eliminating FSET pay-for-performance requirement

Current law requires DHS to create and implement a payment system based on performance for entities that perform administrative functions for the FoodShare employment and training program, known as FSET. DHS must base the pay-for-performance system on performance outcomes specified in current law. The bill eliminates the requirement for DHS to create a pay-for-performance system for FSET vendors.

EMERGENCY SERVICES

Emergency medical services funding assistance

Under current law, DHS must annually distribute grants for vehicles, supplies, equipment, medication, or training to certain emergency medical responder departments and certain ambulance service providers under a funding formula consisting of an identical base amount

plus a supplemental amount based upon the population of the primary service area or contract area. Under the bill, the funding formula must consist of a base amount based on provider type and a supplemental amount based upon the population or other relevant factors of the primary service area or contract area. Currently, grant recipients may not expend more than 15 percent of a grant on nondurable or disposable medical supplies or equipment and medications. The bill removes the limitation for equipment.

In addition, current law requires DHS to distribute grants to emergency medical responder departments and certain ambulance service providers to pay for certain training, licensure, and certification requirements, including administration of the licensure examination for emergency medical technicians. Under the bill, the grants may be used to pay for administration of the licensure examination for any type of emergency medical services practitioner, not just emergency medical technicians.

Emergency medical services grant funding

The bill requires DHS to award grants each fiscal year to municipalities to improve or expand emergency medical services and creates an appropriation for that purpose. From the moneys appropriated each fiscal year, DHS must award 25 percent to municipalities to support the development of 24-7 paid service models in accordance with criteria developed by DHS. DHS must award the remainder using a formula consisting of a base amount, determined by DHS, for each municipality, plus a supplemental amount based on the municipality's population.

MEDICAL ASSISTANCE

Medicaid expansion; elimination of childless adults demonstration project

BadgerCare Plus and BadgerCare Plus Core are programs under the state's Medical Assistance program, which provides health services to individuals who have limited financial resources. The federal Patient Protection and Affordable Care Act allows a state to receive an enhanced federal medical assistance percentage payment for providing benefits to certain individuals through a state's Medical Assistance program. The bill changes the family income eligibility level to up to 133 percent of the federal poverty line for parents and caretaker relatives under BadgerCare Plus and for childless adults currently covered under BadgerCare Plus Core and for those who are incorporated into BadgerCare Plus in the bill. The bill requires DHS to comply with all federal requirements and to request any amendment to the state Medical Assistance plan, waiver of Medicaid law, or other federal approval necessary to qualify for the highest available enhanced federal medical assistance percentage for childless adults under the BadgerCare Plus program.

Under current law, certain parents and caretaker relatives with incomes of not more than 100 percent of the federal poverty line, before a 5 percent income disregard is applied, are eligible for BadgerCare Plus benefits. Under current law, childless adults who 1) are under age 65; 2) have family incomes that do not exceed 100 percent of the federal poverty line, before a 5 percent income disregard is applied; and 3) are not otherwise eligible for Medical

Assistance, including BadgerCare Plus, are eligible for benefits under BadgerCare Plus Core. The bill eliminates the childless adults demonstration project, known as BadgerCare Plus Core, as a separate program on July 1, 2025.

Current law, as created by 2017 Wisconsin Act 370, requires that DHS implement the BadgerCare Reform waiver as it relates to childless adults as approved by the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) effective October 31, 2018. The 2015–17 and 2017–19 biennial budget acts required DHS to submit a waiver request to the federal Department of Health and Human Services authorizing DHS to take certain actions, including imposing premiums on, requiring a health risk assessment of, and limiting the time of eligibility for recipients of BadgerCare Plus under the childless adults demonstration project waiver. Act 370 required DHS to implement the childless adults BadgerCare Reform waiver by no later than November 1, 2019. If JCF determines that DHS has not complied with the implementation deadline, has not made sufficient progress in implementing the BadgerCare Reform waiver, or has not complied with other requirements relating to approved waiver implementation, Act 370 allows JCF to reduce from moneys allocated for state operations or administrative functions DHS's appropriation or expenditure authority, whichever is applicable, or change the authorized level of full-time equivalent positions for DHS related to the Medical Assistance program. In April 2021, CMS withdrew approval of the community engagement requirements that had previously been approved in the October 31, 2018, BadgerCare Reform waiver. The 2018 waiver was set to expire December 31, 2023, but CMS approved a temporary extension to December 31, 2024. As part of the approval of that extension, CMS removed authority for certain elements of the demonstration project, including disenrollment lockout periods, monthly premiums, health behavior assessments, health risk assessments, and the requirement for beneficiaries to answer questions about substance use treatment needs in order to remain eligible. On October 29, 2024, CMS approved DHS's request for an extension of the BadgerCare Reform waiver through December 31, 2029, subject to the same limitations set forth in the 2023 temporary extension.

The bill eliminates the statutory implementation requirement for the BadgerCare Reform waiver, including the deadline and penalties, eliminates the statutory requirement for DHS to seek the waiver, and allows DHS to modify or withdraw the waiver.

Postpartum Medical Assistance coverage

The bill requires DHS to seek approval from the federal Department of Health and Human Services to extend until the last day of the month in which the 365th day after the last day of the pregnancy falls Medical Assistance benefits to women who are eligible for those benefits when pregnant. Currently, postpartum women are eligible for Medical Assistance benefits until the last day of the month in which the 60th day after the last day of the pregnancy falls. 2021 Wisconsin Act 58 required DHS to seek approval from the federal Department of Health and Human Services to extend these postpartum Medical Assistance benefits until the last day of the month in which the 90th day after the last day of the pregnancy falls. On June 3, 2022, DHS filed a Section 1115 Demonstration Waiver application with the federal Centers for

Medicare & Medicaid Services to extend postpartum coverage for eligible Medical Assistance recipients, as required by 2021 Wisconsin Act 58.

Determination of eligibility for Medical Assistance or subsidized health insurance coverage by indicating interest on an individual income tax return

The bill requires DOR to include questions on an individual income tax return to determine whether the taxpayer or any member of the taxpayer's household does not have health care coverage under a health insurance policy or health plan. If the taxpayer indicates that the taxpayer or any member of the taxpayer's household does not have health care coverage, DOR must, at the taxpayer's request, forward the taxpayer's response to DHS to have DHS evaluate whether the taxpayer or a member of the taxpayer's household is eligible to enroll in the Medical Assistance program or whether the taxpayer or a member of the taxpayer's household is eligible for subsidized health insurance coverage through a health insurance marketplace for qualified health plans under the federal Patient Protection and Affordable Care Act. The bill specifies that DHS may not use any information provided to determine that the individual is ineligible to enroll in the Medical Assistance program.

Medical Assistance waiver for health-related social needs

The bill directs DHS to request a waiver from the federal Department of Health and Human Services to provide reimbursement for services for health-related social needs under the Medical Assistance program. Under the bill, DHS must provide reimbursement for those services if the waiver is granted.

Payment for school medical services

Under current law, if a school district or a cooperative educational service agency elects to provide school medical services and meets certain requirements, DHS is required to reimburse the school district or cooperative educational service agency for 60 percent of the federal share of allowable charges for the school medical services that they provide. If the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing elects to provide school medical services and meets certain other requirements, DHS is also required to reimburse DPI for 60 percent of the federal share of allowable charges for the school medical services that the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing provide. Further, under current law, DHS is required to reimburse school districts, cooperative educational service agencies, and DPI, on behalf of the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, for 90 percent of the federal share of allowable school medical services administrative costs.

The bill increases the amount that DHS is required to reimburse a school district, cooperative educational service agency, and DPI, on behalf of the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, for provided school medical services to 100 percent of the federal share

of allowable charges for the school medical services. The bill also increases the amount that DHS is required to reimburse a school district, cooperative educational service agency, and DPI, on behalf of the Wisconsin Center for the Blind and Visually Impaired or the Wisconsin Educational Services Program for the Deaf and Hard of Hearing, to 100 percent of the federal share of allowable school medical services administrative costs.

Certified peer specialist services

The bill requires DHS to provide as a benefit and reimburse services provided by certified peer specialists under the Medical Assistance program. The bill also adds services provided by certified peer specialists to a DHS program to coordinate and continue care following a substance use overdose. A "certified peer specialist," as defined in the bill, is an individual who has experience in the mental health and substance use services system, who is trained to provide support to others, and who has received peer specialist or parent peer specialist certification.

The bill requires DHS to reimburse under the Medical Assistance program a certified peer specialist service that meets all of the following criteria: the recipient of the certified peer specialist service is in treatment for or recovery from mental illness or a substance use disorder; the certified peer specialist provides the service under the supervision of a competent mental health professional and in coordination and accordance with the recipient's individual treatment plan and treatment goals; and the certified peer specialist completes the training requirements specified by DHS.

Medical Assistance coverage of doula services

The bill requires DHS to request any necessary waiver or amendment to the state Medical Assistance plan to allow Medical Assistance reimbursement for doula services and, if any necessary waiver or amendment is approved, directs DHS to reimburse certified doulas for doula services provided to Medical Assistance recipients. Doula services consist of childbirth education and support services, including emotional and physical support provided during pregnancy, labor, birth, and the postpartum period.

Medical Assistance coverage for incarcerated individuals

The bill authorizes DHS to submit a request to the secretary of the federal Department of Health and Human Services for a waiver of federal Medicaid law to conduct a demonstration project allowing prerelease coverage to incarcerated individuals for certain services under the Medical Assistance program for up to 90 days before release if the individual is otherwise eligible for coverage under the Medical Assistance program. The bill provides that if the waiver is approved, DHS may provide reimbursement under the Medical Assistance program for both the federal and nonfederal share of services, including case management services, provided to incarcerated individuals under the waiver.

Medical assistance coverage of nonsurgical treatment for TMJ disorder

Under current law, the Medical Assistance program provides coverage for certain dental

services. Under the bill, this coverage includes nonsurgical treatment of temporomandibular joint disorder, commonly known as "TMJ disorder."

Statewide contract for dental benefits

The bill requires DHS to submit any necessary request to the federal Department of Health and Human Services for a state plan amendment or waiver of federal Medicaid law to implement a statewide contract for dental benefits through a single vendor under the Medical Assistance program. If the federal government disapproves the amendment or waiver request, the bill provides that DHS is not required to implement the statewide contract.

Medical Assistance coverage for detoxification and stabilization services

The bill requires DHS to provide reimbursement for detoxification and stabilization services under the Medical Assistance program. The bill requires DHS to submit to the federal government any request for federal approval necessary to provide the reimbursement for detoxification and stabilization services under the Medical Assistance program, and makes reimbursement contingent upon any needed federal approval. The bill defines detoxification and stabilization services as adult residential integrated behavioral health stabilization service, residential withdrawal management service, or residential intoxication monitoring service.

The bill also requires DHS, through the community grants program it is required to administer, to distribute not more than $500,000 each fiscal year for grants to community-based withdrawal centers, including those certified as a residential intoxication monitoring service, residential withdrawal management service, or adult residential integrated behavioral health stabilization service.

Medical Assistance payments to rural health clinics

The bill modifies the methodology DHS must use for reimbursing rural health clinics for services provided to Medical Assistance recipients. Currently, DHS reimburses rural health clinics for the reasonable costs of the services they provide. Under the bill, for services provided on or after July 1, 2026, DHS must reimburse rural health clinics using a payment methodology based on the federal Medicaid prospective payment system, which directs that reimbursement be provided to a rural health clinic at a rate that is based upon the rural health clinic's per-visit costs in previous years, adjusted for medical cost inflation and for any change in the scope of services furnished by the rural health clinic.

Elimination of birth cost recovery

Under current law, as a condition of eligibility for benefits under the Medical Assistance program, a person is deemed to have assigned to the state by applying for or receiving benefits under the Medical Assistance program any rights to medical support or other payment of medical expenses from any other person. Current law further provides that if a mother of a child was enrolled in a health maintenance organization or other prepaid health care plan under the Medical Assistance program at the time of the child's birth, then birth expenses that were incurred by the health maintenance organization or other prepaid health care plan

may be recovered by the state. The bill provides that no birth expenses may be recovered by the state under this process.

Eliminating legislative oversight of federal waivers.

Current law, as created by 2017 Wisconsin Act 370, prohibits DHS from submitting a request to a federal agency for a waiver or renewal, modification, withdrawal, suspension, or termination of a waiver of federal law or rules or for authorization to implement a pilot program or demonstration project unless legislation has been enacted specifically directing the submission of the request. For any legislation that requires submission of a request that has not yet been submitted, current law requires DHS to submit an implementation plan to JCF and submit its final proposed request to JCF for approval. Current law requires DHS to take certain actions and submit monthly progress reports to JCF once a request has been submitted to the federal agency. When the federal agency has approved the request in whole or in part and the request has not been fully implemented, current law requires DHS to submit its final implementation plan to JCF for approval. Current law allows JCF to reduce from moneys allocated for state operations or administrative functions the agency's appropriation or expenditure authority or change the authorized level of full-time equivalent positions for the agency related to the program for which the request is required to be submitted if JCF determines that the state agency has not made sufficient progress or is not acting in accordance with the enacted legislation requiring the submission of the request. The bill eliminates the requirement that legislation be enacted in order for DHS to submit a request for a waiver or renewal, modification, withdrawal, suspension, or termination of a waiver of federal law or rules or for authorization to implement a pilot program or demonstration project. The bill also eliminates the legislative review procedure for requests for waivers, pilot programs, or demonstration projects required by current law created by Act 370.

Eliminating legislative review of Medicaid state plan amendments

The Medical Assistance program is the state's Medicaid program and is jointly funded by the state and federal governments through a detailed agreement known as the state plan. Under current law created by 2017 Wisconsin Act 370, DHS is required to submit to JCF under its passive review process any proposed Medical Assistance state plan amendment and any proposed change to a reimbursement rate for or supplemental payment to a Medical Assistance provider that has an expected fiscal effect of $7,500,000 or more from all revenue sources over a 12-month period. The bill eliminates this requirement to submit for JCF review Medical Assistance state plan amendments, changes to reimbursement rates, or supplemental payments.

Dental reimbursement pilot project reporting requirement

Under current law, DHS must distribute moneys under a dental reimbursement pilot project to increase the reimbursement rate for pediatric dental care and adult emergency dental services provided under the Medical Assistance program in Brown, Marathon, Polk, and Racine Counties and, if certain requirements are met, in any other county, as determined

by DHS, where Medical Assistance recipients have the greatest need for pediatric dental care and adult emergency dental services. In addition, current law requires DHS to submit a biennial report on the pilot project to the chief clerk of each house of the legislature, each standing committee of the legislature with jurisdiction over health or public benefits, and JCF. The bill eliminates the reporting requirement.

Community support program

Currently, mental health and psychosocial rehabilitative services provided by a community support program are a benefit provided by the Medical Assistance program. Under current law, for these services, a county pays the nonfederal share of the Medical Assistance reimbursement and DHS reimburses the service provider for the federal share of the Medical Assistance reimbursement. Under the bill, DHS must reimburse a county for both the federal and nonfederal share of the allowable charges for mental health and psychosocial rehabilitative services provided by a community support program.

Hospital assessment

Under current law, certain hospitals must pay an annual assessment that is equal to a percentage of the hospital's gross patient revenues. Currently, DHS must set the percentage so that the total amount of assessments collected in a fiscal year is $414,507,300. The bill increases this amount to $1,341,839,500. Under current law, institutions for mental disease, certain general psychiatric hospitals, and critical access hospitals are not required to pay the assessment. The bill also exempts rehabilitation hospitals and long-term acute care hospitals from paying the assessment. Currently, DHS must use a portion of the assessments collected to pay for services provided under the Medical Assistance program by the hospitals from which the assessments are collected. Under current law, the payments must equal the amount collected divided by 61.68 percent. The bill increases that percentage to 62.39.

Under current law, a critical access hospital must also pay an annual assessment that is equal to a percentage of the critical access hospital's gross inpatient revenues. Currently, DHS must use a portion of the assessments collected to pay for services provided by critical access hospitals under the Medical Assistance program. Under current law, the payments must equal the amount collected divided by 61.68 percent. Under the bill, the payments must equal $49,392,400, and moneys from a biennial GPR appropriation for Medical Assistance program benefits may also be used as needed to fund the nonfederal share of payments for the services.

Children's behavioral health managed care

The bill authorizes DHS to request a waiver from the federal Department of Health and Human Services to administer a children's behavioral health specialty managed care program under the Medical Assistance program. The bill provides that DHS may administer the children's behavioral health specialty managed care program if the waiver is granted.

Children's long-term support waiver program

The bill requires DHS to ensure that any eligible child who applies for the disabled children's

long-term support waiver program receives services under that program. The disabled children's long-term support waiver program provides services to children who have developmental, physical, or severe emotional disabilities and who are living at home or in another community-based setting.

Pediatric inpatient supplement

The bill establishes in statute reference to supplemental funding totaling $2,000,000 to be distributed by DHS to certain acute care hospitals located in Wisconsin that have a total of more than 12,000 inpatient days in the hospital's acute care pediatric units and intensive care pediatric units, not including neonatal intensive care units. In addition, under the bill, DHS may distribute additional funding of $7,500,000 in each state fiscal year to hospitals that are free-standing pediatric teaching hospitals located in Wisconsin that have a Medicaid inpatient utilization rate greater than 45 percent.

CHILDREN

Expanding eligibility for subsidized guardianships and kinship care payments

Under current law, a guardian appointed by the juvenile court or tribal court to provide care to a child adjudged to be in need of protection or services or a juvenile adjudged to be in need of protection or services, if the juvenile's parent or prior guardian is unable or needs assistance to control the juvenile, may receive monthly subsidized guardianship payments from DCF or a county department of human or social services (county department) reimbursed by DCF or an Indian tribe reimbursed by DCF. A guardian may receive such payments only if certain conditions have been met, including that 1) the child, if 14 years of age or over, has been consulted with regarding the guardianship arrangement; 2) the guardian has a strong commitment to caring for the child permanently; 3) the guardian is licensed as the child's foster parent, which licensing includes an inspection of the guardian's home under rules promulgated by DCF; 4) the guardian and all adult residents of the guardian's home have passed a criminal background investigation; and 5) prior to being named as guardian of the child, the guardian entered into a subsidized guardianship agreement with DCF, the county department, or the Indian tribe.

Under the bill, a guardian appointed by the juvenile court or tribal court to a juvenile adjudged to be delinquent or a juvenile adjudged to be in need of protection or services for any reason may receive monthly subsidized guardianship payments from DCF, a county department, or an Indian tribe.

Under current law, a kinship care provider who is providing temporary care to a child or juvenile adjudged to be in need of protection or services may receive monthly kinship care payments from DCF, a county department, or an Indian tribe. Under the bill, a kinship care provider who is providing temporary care to a juvenile alleged to be delinquent may receive such payments.

Under current law, kinship care payments are administered directly by DCF in Milwaukee

County. Under the bill, a county department in Milwaukee County may administer kinship care payments and be reimbursed by DCF.

The bill also requires that in a dispositional order placing a juvenile who has been adjudicated delinquent outside his or her home, in addition to the findings required under current law, the court must also find that continued placement in the juvenile's home would be contrary to the welfare of the juvenile. Under current law, such an order must include a finding that the juvenile's current residence will not safeguard the welfare of the juvenile or the community due to the serious nature of the act for which the juvenile was adjudicated delinquent.

DCF child support assignment and referrals

The bill removes the assignment to the state of child support orders and arrears existing at the time a child enters foster care. The bill also removes the role of DCF and a county department in providing child support referrals and collecting child support for families with children in out-of-home care except if DCF or a county department determines that such a referral is appropriate under rules to be promulgated by DCF. The bill eliminates from the Juvenile Justice Code requirements that the juvenile court order child support, except for modification of existing orders, and order the parents of a juvenile under DCF supervision to contribute towards the costs of certain sanctions, dispositions, or placements.

The bill also adds language to the "best interests of the child" factor that under current law must be used by the family court when modifying a child support order. The bill specifies that, for a child in out-of-home care under the Children's Code or the Juvenile Justice Code, this factor includes the impact on the child of family expenditures to improve any conditions in the home that would facilitate the reunification of the child with the child's family, if appropriate, and the importance of a placement that is the least restrictive of the rights of the child and the parents and the most appropriate for meeting the needs of the child and the family.

Foster care and kinship care rates and payments

The bill eliminates the separate monthly basic maintenance rates that the state or a county pays to foster parents certified to provide level one care so that age-based monthly basic maintenance rates are paid to all foster parents. The bill changes the rates paid to all kinship care providers, which under current law are $375 per month for a child of any age, to be the same as the age-based monthly basic maintenance rates paid to foster parents. The bill also increases these age-based monthly basic maintenance rates by 5 percent. Beginning on January 1, 2026, the monthly rates are $463 for a child under five years of age, $507 for a child 5 to 11 years of age, $575 for a child 12 to 14 years of age, and $601 for a child 15 years of age or over.

The bill provides that, in addition to the monthly rates currently paid to a foster home or a kinship care provider who is providing care and maintenance for a child, DCF or a county department of human services or social services may make emergency payments for kinship care to a kinship care provider or for foster care to a foster home if any of the following conditions are met:

1. The governor has declared a state of emergency, or the federal government has declared a major disaster, that covers the locality of the home of the kinship care provider who is providing foster care in the home (home).
2. This state has received federal funding to be used for child welfare purposes due to an emergency or disaster declared for the locality of the home.
3. DCF has determined that conditions in this state or in the locality of the home have resulted in a temporary increase in the costs borne by foster homes and kinship care providers, including a pandemic or other public health threat, a natural disaster, or unplanned school closures of five consecutive days or more.

The bill provides that DCF must determine the amount of an emergency payment based on available funding and may promulgate rules governing the provision of the payments.

The bill changes the statutes and the administrative code to make all foster homes and kinship care providers eligible to receive exceptional payments to enable siblings or a minor parent and minor children to reside together and to receive an initial clothing allowance. Under current law, these payments are only available to foster homes certified to provide higher than level one care.

Benefits eligibility screening

The bill directs DCF or a county department (the department) to periodically screen each child under the placement and care of the department in out-of-home care, other than children placed with kinship care providers receiving kinship care payments, to determine if the child is eligible for federal or state benefits (benefits). If the department finds that a child is eligible for benefits, the department must do all of the following:

1. Apply for the benefits for which the child is eligible on behalf of the child.
2. Ensure that the child, the child's guardian ad litem, and the child's parent, guardian, or Indian custodian receive proper and timely notice of any application for benefits, the results of an application for benefits, and any appeal of a denial of benefits that could be or is filed on behalf of the child.
3. Provide the child with training covering financial literacy and maintaining benefit eligibility prior to the child aging out of out-of-home care.

If the department is appointed as representative payee for a child receiving benefits under the bill, the department must conserve the child's benefits in protected accounts that avoid asset limitations for federal and state programs, consistent with the best interests of the child; provide a periodic accounting to the child, the child's attorney or guardian ad litem, and the child's parent, guardian, or Indian custodian regarding the conservation and use of the child's benefits while the child is in the department's care; and work with the child and the appropriate federal agency to return remaining funds to the child or another fiduciary once the child exits the department's care.

The department may contract with a public or private agency to fulfill the requirements of the bill. The department may not use benefits received on behalf of a child to pay for the

costs of caring for the child in out-of-home care, but may use the child's federal benefits for the child's unmet needs beyond what the agency is obligated to, is required to, or has agreed to provide.

The bill requires DCF to promulgate rules to implement the bill and authorizes DCF to promulgate emergency rules for the period before permanent rules take effect.

Representation of parents in CHIPS proceedings

Under current law, a parent is generally not entitled to representation by a public defender in a proceeding under the Children's Code in which a child is alleged to be in need of protection or services. However, a pilot program that began in 2018 requires the SPD to assign counsel to any nonpetitioning parent in these cases in Brown, Outagamie, Racine, Kenosha, and Winnebago Counties. This five-county pilot program is set to expire after June 2025. The bill extends the expiration date of the pilot program to December 31, 2026.

Independent living services eligibility expansion

The bill expands a current program under which DCF must distribute $231,700 each fiscal year for the purpose of assisting individuals who reach the age of 18 while residing in out-of-home care to make the transition from out-of-home care to a successful adulthood. The bill expands this program to also assist an individual who resided in out-of-home care, including in the home of like-kin or in the home of a person who is not a relative or like-kin, for at least six months after his or her 16th birthday; an individual who was placed under a guardianship as a child in need of protection or services on or after his or her 16th birthday; and an individual who was adopted on or after his or her 16th birthday following time in out-of-home care. The bill also allows the services funded by this program to be offered until age 23, and allows the funding to be distributed to Indian tribes and private and public agencies and organizations. The bill also removes the requirement that DCF distribute a minimum of $231,700 in each fiscal year for the program.

Specialized congregate care payments

The bill grants DCF the authority to expend funds to provide payments for specialized services to children with high acuity needs in congregate care facilities. "Congregate care facilities" means group homes, shelter care facilities, and residential care centers for children and youth.

Children and family services

Under current law, DCF must distribute $101,551,400 in fiscal year 2023–24 and $101,939,600 in fiscal year 2024–25 to counties for children and family services. The bill updates those amounts to $104,969,500 in fiscal year 2025–26 and $110,869,200 in fiscal year 2026–27.

Child care partnership grant program

The bill authorizes DCF to establish a grant program to award funding to businesses, nonprofits, or governmental entities (businesses) that provide or wish to provide child care services for their employees. The bill allows such a grant to be used to reserve child care placements for local business employees, pay child care tuition, and other costs related to child care.

Under the bill, a grant recipient with 50 or fewer employees must provide at least 10 percent matching funds and a grant recipient with more than 50 employees must provide at least 15 percent matching funds. The bill allows DCF to promulgate rules to administer the grant program, including to determine eligibility for a grant, and authorizes DCF to promulgate these as emergency rules.

Child care access program

The bill requires DCF to contract with Wonderschool, Inc., and Wisconsin Early Childhood Association, Inc., to increase access to high-quality child care. The bill requires DCF to enter into a $4,500,000 contract with Wonderschool to 1) increase the child care workforce by launching an online software platform that is linked to DCF's website to connect child care providers with child care workers and a pool of substitute child care workers and 2) build child care capacity in this state. The bill also requires DCF to enter into a $5,500,000 contract with Wisconsin Early Childhood Association to provide 1) existing or prospective child care providers with licensing and certification assistance, 2) coaching and other support services, and 3) tax education assistance for child care centers that provide care and supervision for between four and eight children.

Grants for out-of-school time programs

The bill directs DCF to make grants to out-of-school time programs, defined as structured programs or activities that meet all of the following conditions:

1. To the extent practicable, the program or activity is led by adult mentors using evidence-based or evidence-informed practices and is provided to school-age children before school, after school, or during the summer.
2. The program or activity does not supplant instructional services provided by a school or result in academic credit for students.
3. The program or activity relates to improving social, emotional, academic, or career readiness competencies; reducing negative behaviors, including violence and crime, tobacco use, alcohol and substance abuse, disengagement from school, school suspension, truancy, and health-compromising behaviors; providing a safe out-of-school time environment; or engaging in career exploration or formal or informal work-based learning.

The bill requires DCF to promulgate rules to implement the grant program and authorizes DCF to promulgate emergency rules for the period before permanent rules take effect.

HEALTH

Complex patient pilot program

The bill requires DHS to select, using a competitive grant selection process, partnership groups to be designated as participating sites for a complex patient pilot program and then award grants to the partnership groups selected. The bill provides that a partnership group is one or more hospitals in partnership with one or more post-acute facilities. The bill provides

that DHS must solicit feedback regarding the pilot program from representatives of health care system organizations, long-term care provider organizations, long-term care operator organizations, patient advocate groups, insurers, and any other organization determined to be relevant by the secretary of health services. Under the bill, DHS must require each partnership group that applies to be designated as a site for the pilot program to address certain issues in its application, including 1) the number of complex patient care beds that will be set aside in a post-acute facility or through implementation of another innovative model of patient care in a post-acute facility to which participating hospitals agree; 2) defined goals and measurable outcomes of the partnership both during and after the pilot program; 3) the types of complex patients for whom care will be provided; 4) an operating budget for the proposed site; and 5) the participant group's expertise to successfully implement the proposal.

The bill requires DHS to develop a methodology to evaluate the pilot program and contract with an independent organization to complete the evaluation. Under the bill, DHS may pay the organization's fee from the funding appropriated for the pilot program. The bill requires DHS to give additional weight to partnership groups that would ensure geographic diversity. Upon completion of the required evaluation, the independent organization contracted by DHS to conduct the evaluation must provide the evaluation to DHS.

Health care entity oversight and transparency

The bill creates various requirements and procedures related to health care entity oversight and transparency.

The bill establishes procedures for review of proposed material change transactions involving health care entities. The bill requires DHS to promulgate rules to define, for purposes of the provisions in the bill, what entities are considered to be health care entities and what constitutes a material change transaction. The bill requires, among other things, that before consummating any material change transaction, a health care entity must submit written notice to DHS. Under the bill, DHS must post information about the proposed transaction on its website no less than 30 days before the anticipated implementation of the material change transaction or, if the department is notified less than 30 days before the anticipated implementation, as soon as is practicable. The bill includes procedures for DHS to review and approve, conditionally approve, or disapprove a proposed transaction. The bill provides for post-transaction oversight, including possible enforcement by the attorney general and DHS, as well as monitoring of compliance and required reporting. The bill also prohibits the corporate practice of medicine and requires DHS to promulgate rules to define what conduct constitutes the corporate practice of medicine within the scope of the prohibition.

The bill adds transparency requirements relating to ownership and control of health care entities. Under the bill, with certain exceptions, each health care entity must report certain information relating to ownership and control to DHS annually and upon the consummation of a material change transaction involving the entity, including the legal name of the entity, its business address, and locations of operations, as well as a current organizational chart showing the business structure of the health care entity and the name and contact information

of a representative of the entity. Beginning in 2028, the bill requires DHS to post on its publicly available website an annual report based on the health care entity reporting from the previous year. The bill includes enforcement mechanisms, including granting DHS authority to audit and inspect the records of any health care entity that has failed to submit complete reporting information or if DHS has reason to question the accuracy or completeness of the information submitted. The bill requires DHS to conduct annual audits of a random sample of health care entities to verify compliance with and accuracy and completeness of required reporting. The bill includes penalties for failure to submit a required report and for submitting a report containing false information. Health care entities consisting of independent health care providers or provider organizations without any third-party ownership or control entities, with 10 or fewer physicians or less than $10 million in annual revenue, are subject to forfeiture of up to $50,000 for each report not provided or containing false information, and all other health care entities are subject to a forfeiture of up to $500,000 for each report not provided or containing false information.

The bill also includes authority for DHS to promulgate rules to implement the provisions of the bill.

Women's health block grant

Under current law, DHS must allocate women's health funds, which are funds received by the state from the federal government under Title V of the federal Social Security Act, to develop and maintain an integrated system of community health services and to maximize the coordination of family planning services. Current law excludes from the definition of "family planning" the performance, promotion, encouragement, or counseling in favor of, or referral either directly or through an intermediary for, voluntary termination of pregnancy but includes in the definition of "family planning" the provision of nondirective information explaining prenatal care and delivery or infant care, foster care, or adoption. Current law provides that DHS must distribute women's health funds only to public entities. However, current law allows those public entities to provide some or all of the funds received to other public entities or private entities but only if the recipients of the funds do not provide abortion services, make referrals for abortion services, or have an affiliate that provides abortion services or makes referrals for abortion services. The bill continues to allow public entities that receive funds from DHS to provide some or all of the funds to other public or private entities but eliminates the restriction on which public or private entities may receive those funds. The bill also includes in the definition of "family planning" the provision of nondirective information explaining pregnancy termination.

Nursing home bed access

Under current law, DHS licenses nursing home beds and enforces a maximum limit on the number of these licensed beds in the state. The bill reduces that limit from 51,795 to 25,415. The bill also directs DHS to allocate 125 nursing home beds to applicants that agree to prioritize admissions of patients with complex needs and patients who have been unable to find appropriate placement at another facility.

Newborn screening program

In general, under current law, newborns must be tested for certain congenital and metabolic disorders as specified in rules promulgated by DHS. The federal Department of Health and Human Services maintains a list of disorders for which it recommends testing in newborns, known as the federal Recommended Uniform Screening Panel (RUSP).

Under the bill, DHS must evaluate each disorder that is included in the RUSP as of January 1, 2025, to determine whether newborns in this state should be tested for that disorder. This requirement does not apply to any disorder in the RUSP if, as of January 1, 2025, the disorder is already included in the list of disorders for which newborns must be tested in this state. In addition, the bill requires DHS to evaluate any disorder added to the RUSP after January 1, 2025, to determine whether newborns in this state should be tested for that newly added disorder. If DHS determines newborns should not be tested for the disorder, DHS must annually review medical literature and DHS's capacity and resources to test for the disorder in order to determine whether to reevaluate the inclusion of the disorder in newborn testing in this state. If, in any of these evaluations or reevaluations, DHS determines that a disorder in the RUSP should be added to the list of disorders for which newborns must be tested in this state, the bill requires DHS to promulgate rules to add that disorder.

The requirements for evaluations, reviews, and reevaluations under the bill do not apply to a disorder in the RUSP if DHS is in the process of adding, by rule, the disorder to the list of disorders for which newborns must be tested in this state. However, if the rule-making procedure for that disorder does not result in promulgation of a rule, then DHS must consider the disorder under the review and reevaluation procedures under the bill.

Electrocardiogram screening pilot project for middle school and high school athletes in Milwaukee and Waukesha Counties

The bill directs DHS to develop a pilot program to provide electrocardiogram screenings for participants in middle school and high school athletics programs in Milwaukee and Waukesha Counties. DHS is required to award $4,067,200 in grants in fiscal year 2026–27 to local health departments to implement the program. The bill specifies that participation in the program by participants in middle school and high school athletics programs must be optional.

Alzheimer's Family and Caregiver Support Program

Under current law, DHS is required to allocate funds to agencies to be used for the administration and implementation of an Alzheimer's Family and Caregiver Support Program for persons with Alzheimer's disease and their caregivers. Current law provides that DHS may not distribute more than $3,058,900 in each fiscal year for services to persons with Alzheimer's disease and their caregivers. The bill increases that limit to $3,558,900 in each fiscal year.

Maternal and child health grants

The bill authorizes DHS to distribute up to $800,000 in each fiscal year to organizations whose mission is to improve maternal and child health in Wisconsin.

Mobile dental clinic grants

The bill requires DHS to award grants to community health centers to procure and operate mobile dental clinics. A community health center is a health care entity that provides primary health care, health education, and social services to low-income individuals.

Grants for free and charitable clinics and FQHC look-alikes

Under current law, DHS must annually award $2,250,000 in grants to free and charitable clinics. The bill increases that amount to $2,500,000 annually. Free and charitable clinics are nonprofit health care organizations that provide health services to individuals who are uninsured, underinsured, or have limited or no access to primary, specialty, or prescription care.

The bill also requires DHS to annually award $200,000 in grants to federally qualified health center (FQHC) look-alikes. Under the bill, a grant to an FQHC look-alike may not exceed $100,000. "FQHC" is a federal designation for health care entities that meet certain requirements, including providing primary health care services to medically underserved populations, and receive federal grant moneys. "FQHC look-alike" is a federal designation for health care entities that meet all of the requirements of FQHCs but do not receive federal FQHC grant moneys.

Health care provider training grants

Under current law, DHS must distribute grants to hospitals, health systems, and educational entities that form health care education and training consortia for allied health professionals in an amount up to $125,000 per consortium in each fiscal year. The grants may be used for curriculum and faculty development, tuition reimbursement, or clinical site or simulation expenses.

Current law also requires DHS to distribute grants to hospitals and clinics that provide training opportunities for advanced practice clinicians in an amount up to $50,000 per hospital or clinic in each fiscal year and to give preference to training programs that include rural hospitals and rural clinics as clinical training locations. The grants must be used to pay for the costs of operating a clinical training program for advanced practice clinicians. Current law requires grant recipients under both grant programs to match the grants through their own funding sources.

The bill combines those grant programs under a single section of the statutes and funds the grants from a single appropriation. The bill removes the current law matching requirement for grant recipients and the grant amount caps. The bill also requires DHS to distribute grants to health systems that provide training opportunities for advanced practice clinicians and to hospitals, health systems, clinics, and educational entities that form health care education and training consortia for behavioral health providers. In awarding any grant under the bill, DHS must give preference to training programs that include rural hospitals and rural clinics as clinical training locations. The bill specifies that acceptable uses of grant moneys include reasonable expenses incurred by a trainee, expenses related to planning and implementing a training program, and up to $5,000 in equipment expenses.

Falls prevention funding

The bill directs DHS to award $450,000 in each of fiscal years 2025–26 and 2026–27 to an organization committed to reducing falls among older adults for the purpose of statewide falls prevention awareness and initiatives.

Assistive technology services

Under current law, DHS awards grants for certain community programs. The bill allows DHS to distribute up to $250,000 in each fiscal year for grants to provide assistive technology services.

Community dental health coordinators

The bill requires DHS to award grants to support community dental health coordinators in rural regions of the state. Community dental health coordinators are individuals who help facilitate oral health care for families and individuals, particularly in underserved communities.

Grant funding for diaper banks

Under current law, DHS is required to award grants for certain community programs. The bill allows DHS to distribute up to $500,000 in each fiscal year as grants to diaper banks to provide diapers to families in need.

Health care provider innovation grants

The bill requires DHS to award $7,500,000 in fiscal year 2025–26 as grants to health care providers and long-term care providers to implement best practices and innovative solutions to increase worker recruitment and retention.

Medical debt collections reporting

The bill prohibits a health care provider, or a billing administrator or debt collector acting on behalf of a health care provider, from reporting to a consumer reporting agency that a debt arising from services provided by the health care provider is in collections status unless 1) the health care provider provided a written statement to the patient describing the unpaid amount and due date and that included the name and address of the health care provider that provided the services, 2) the written statement includes a statement indicating that if payment is not received, the debt may be reported to a credit reporting agency, 3) six months have passed since the due date listed on that statement, and 4) the patient does not dispute the charges.

Statewide poison control program

Under current law, DHS must implement a statewide poison control system that provides statewide poison control services 24 hours a day and 365 days a year and provides poison information and education to health care professionals and the public. Current law provides that DHS must distribute funding up to $425,000 in each fiscal year to supplement the operation of the system and to provide for the statewide collection and reporting of poison control data. The bill increases this amount to $482,500.

Conversion of lead poisoning and lead services grant appropriation from annual to continuing.

The bill converts an appropriation to DHS for the purpose of providing lead poisoning or lead exposure prevention grants from an annual appropriation to a continuing appropriation. Annual appropriations are appropriations expendable only for the fiscal year for which they are made. Continuing appropriations are appropriations that are expendable until fully depleted or repealed by the legislature.

Mike Johnson grants

The bill increases from $4,000,000 to $4,500,000 the annual maximum amount of Mike Johnson life care and early intervention services grants that DHS awards to organizations for HIV-related services, including needs assessments, assistance in procuring services, counseling and therapy, home care services and supplies, advocacy, case management services, and early intervention services.

Grants for pediatric health psychology residency and fellowship training programs

Under current law, DHS awards grants for certain community programs. The bill allows DHS to distribute up to $600,000 in each fiscal year as grants to support pediatric health psychology residency and fellowship training programs.

Trauma resilience grant

The bill allows DHS, through the grants program it is required to administer, to distribute up to $250,000 in fiscal year 2025–26 and up to $250,000 in fiscal year 2026–27 as a grant to an organization in the city of Milwaukee to support the needs of individuals impacted by trauma and to develop the capacity of organizations to treat and prevent trauma.

BEHAVIORAL HEALTH AND DEVELOPMENTAL DISABILITIES

Psychiatric residential treatment facilities

The bill establishes a DHS certification process for psychiatric residential treatment facilities. The bill defines a psychiatric residential treatment facility as a nonhospital facility that provides inpatient comprehensive mental health treatment services to individuals under the age of 21 who, due to mental illness, substance use, or severe emotional disturbance, need treatment that can most effectively be provided in a residential treatment facility. Psychiatric residential treatment facilities must be certified by DHS to operate.

The bill also provides that services through a psychiatric residential treatment facility are reimbursable under the Medical Assistance program. The bill requires DHS to submit to the federal government any request for federal approval necessary to provide the reimbursement for services by a psychiatric residential treatment facility under the Medical Assistance program.

Under current law, DHS must award grants for certain community programs. The bill allows DHS to distribute up to $1,790,000 each fiscal year to support psychiatric residential treatment facilities.

988 Suicide and Crisis Lifeline grants

The bill requires DHS to award grants to organizations that provide crisis intervention services and crisis care coordination to individuals who contact the national 988 Suicide and Crisis Lifeline from anywhere within the state. Currently, DHS partners with Wisconsin Lifeline to provide statewide 988 crisis hotline services.

Crisis stabilization facilities grants

The bill requires DHS to award grants for services at facilities providing crisis stabilization services. Under the bill, "crisis stabilization services" are optional emergency mental health services that provide short-term, intensive, community-based services to avoid the need for inpatient hospitalization.

Crisis program enhancement grants

The bill expands the crisis program enhancement grant program to include grants to counties, regions comprising multiple counties, or municipalities to establish and enhance law enforcement and behavioral health services emergency response collaboration programs. Under current law, the crisis program enhancement grant program requires DHS to award grants to counties or regions of multiple counties to establish or enhance crisis programs to serve individuals having crises in rural areas. The bill instructs DHS to annually award a total amount of $2,000,000 in each fiscal biennium to establish and enhance law enforcement and behavioral health services emergency response collaboration programs. The bill requires any entity that receives a grant to establish and enhance law enforcement and behavioral health services emergency response collaboration programs to contribute at least 25 percent of the grant amount awarded for the purpose that the grant money is received.

Crisis urgent care and observation facilities

The bill amends a biennial appropriation to DHS for grants to support crisis urgent care and observation facilities to make it a continuing appropriation. Biennial appropriations are appropriations that are expendable for the fiscal biennium for which they are made. Continuing appropriations are appropriations that are expendable until fully depleted or repealed by a subsequent action of the legislature.

Extended intensive treatment surcharge

Under current law, an individual may be placed at or transferred to a state center for the developmentally disabled if DHS and the individual's county of residence agree upon a maximum discharge date for the individual, among other requirements. Currently, DHS may impose a surcharge on a county for certain services provided at a center for the developmentally disabled after an individual's maximum discharge date. Under current law, all moneys received as payment for the surcharge must be provided to counties for onetime costs associated with relocating individuals from a center for the developmentally disabled. Under the bill, the surcharge must be used instead for the provision of alternative services by mental health institutes and centers for the developmentally disabled, such as residential, dental, and mental health services.

Funding for Winnebago Mental Health Institute

The bill transfers moneys from the general fund to a program revenue appropriation for DHS to support the operations of Winnebago Mental Health Institute.

Mental health consultation program

The bill combines the child psychiatry consultation program with additional services into a new mental health consultation program. The bill also splits off funding for the existing addiction medicine consultation program into a separate appropriation.

Currently, the child psychiatry consultation program assists participating clinicians in providing care to children with mental health care needs and provides referral support and additional services. Current law requires DHS to convene interested persons, including the Medical College of Wisconsin, to develop a plan and standards for a comprehensive mental health consultation program incorporating various psychiatry specialties, including addiction medicine; a perinatal psychiatry consultation program; and the child psychiatry consultation program. This requirement is eliminated in the bill along with the separate child psychiatry consultation program. Under current law, the addiction medicine consultation program assists participating clinicians in providing care to patients with substance use addiction and provides referral support and additional services. The bill retains the program, but establishes a new appropriation to fund the program.

The bill requires an organization to administer a mental health consultation program (MHCP) that incorporates a comprehensive set of mental health consultation services and may include perinatal, child, adult, geriatric, pain, veteran, and general mental health consultation services. Under the bill, the organization that currently administers the child psychiatry consultation program must administer the MHCP during the 2025–26 fiscal year, but DHS may contract with another organization in subsequent fiscal years. The contracting organization may contract with any other entity to perform any operations and satisfy any requirements of the MHCP. The contracting organization must do all of the following: ensure that mental health providers providing services through the MHCP have the appropriate credentials as described in the bill, maintain infrastructure to provide services statewide on every weekday, provide consultation services as promptly as practicable, report to DHS any information DHS requires, conduct surveys of participating clinicians as described in the bill, and provide certain specified services. Those specified services are the following: support for clinicians participating in the MHCP to assist in the management of mental health concerns; triage-level assessments to determine the most appropriate response; diagnostics and therapeutic feedback when medically appropriate; and recruitment of other practices to a provider's services. The MHCP must be able to provide consultation services by telephone and email but may also provide services by other means. In addition to the services required in the bill, which are eligible for funding by DHS, the contracting organization may provide any of the services specified in the bill that are eligible for funding by DHS.

Housing

WHEDA housing programs modifications

The bill makes modifications to three housing programs administered by WHEDA: the residential housing infrastructure revolving loan program, also known as the Infrastructure Access program; the main street housing rehabilitation revolving loan program, also known as the Restore Main Street program; and the commercial-to-housing conversion revolving loan program, also known as the Vacancy-to-Vitality program.

For the Infrastructure Access program, the bill does all of the following:

1. Allows a loan to a developer to provide for up to 33 percent of total project costs and a loan to a governmental unit to provide for up to 25 percent of total project costs. Under current law, a loan to developers may provide for up to 20 percent of total project costs and a loan to a governmental unit may provide for up to 10 percent of total project costs.
2. Permits up to 25 percent of the amount of a loan to a developer to be used for improvements to private infrastructure. Under current law, a loan may be used for improvements to only infrastructure that is or will be owned, maintained, or provided for or to a governmental unit or infrastructure in a rural area that is transferred to public use.
3. Allows tribal housing authorities to receive loans as developers of eligible projects.

For the Restore Main Street program, the bill does all of the following:

1. Allows a loan to provide for up to $50,000 per dwelling unit or 33 percent of total project costs, whichever is less. Under current law, a loan may provide for up to $20,000 per dwelling unit or 25 percent of total project costs, whichever is less.
2. Allows loans to be awarded to projects under the jurisdiction of a federally recognized American Indian tribe or band.

For the Vacancy-to-Vitality program, the bill does all of the following:

1. Allows a loan to provide for up to 33 percent of total project costs. Under current law, a loan may provide up to $1,000,000 per project or 20 percent of total project costs, whichever is less.
2. Permits housing developments with fewer than six dwelling units to be eligible for a loan. Under current law, an eligible housing development must have fewer than 16 dwelling units.
3. Allows loans to be awarded to projects under the jurisdiction of a federally recognized American Indian tribe or band.

In addition, the bill does the following for each of the three programs:

1. Removes the requirements that a governmental unit have updated the housing element of its comprehensive plan within five years in order to be eligible for a loan and permits projects to benefit from a tax incremental district and to use historic tax credits.
2. For the purpose of establishing that a governmental unit has reduced the costs of housing as part of applying for a loan, allows the governmental unit to submit to WHEDA measures taken by the governmental unit on or after January 1, 2015. Under current law,

a governmental unit or political subdivision must show cost-reduction measures taken on or after January 1, 2023.

3. Allows a loan to be awarded for projects on tribal reservation or trust lands not subject to property taxes in this state.

Discrimination in housing based on receipt of rental or housing assistance

Current open housing law prohibits discrimination in housing based on sex; race; color; sexual orientation; disability; religion; national origin; marital status; family status; status as a victim of domestic abuse, sexual assault, or stalking; lawful source of income; age; or ancestry. The bill prohibits discrimination in housing based on receipt of rental or housing assistance in the form of a contribution from a third party.

Capital reserve fund bonding limit

Under current law, WHEDA issues notes and bonds for most WHEDA programs, including housing programs for individuals and families of low or moderate income. Current law prohibits WHEDA from issuing notes and bonds that are secured by a capital reserve fund if the total aggregate outstanding principal amount would exceed $1,000,000,000. The bill increases this limit to $1,300,000,000.

Low-income housing tax credit

Under current law, WHEDA may certify a person to claim, for a period of up to six years, a state tax credit if the person has an ownership interest in a low-income housing project in Wisconsin and qualifies for the federal low-income housing tax credit program. The bill increases the amount of credits that WHEDA may annually certify from $42,000,000 to $100,000,000. The bill also requires that the project be allocated the federal credit and financed with tax-exempt bonds that are not subject to the federal credit's volume cap—as opposed to *any* tax-exempt bonds, as required under current law—and allows WHEDA to waive these requirements to the extent that WHEDA anticipates that sufficient tax-exempt private activity bond volume cap under federal law will not be available to finance low-income housing projects in any year.

Affordable housing and workforce development grants

The bill requires DOA to establish a competitive grant program to award grants to cities, villages, towns, counties, school districts, and businesses, whether operated for profit or not for profit, to fund the start-up of programs focused on developing the skilled workforce by building or rehabilitating affordable housing in their communities.

Grants to incentivize eliminating zoning barriers to affordable housing

The bill requires DOA to establish a competitive grant program to award grants to cities, villages, towns, counties, and federally recognized American Indian tribes and bands in the state that adopt one or more of the policy initiatives enumerated in the bill to eliminate zoning barriers for the creation or expansion of affordable housing.

Homeless case management services grants

Under current law, DOA may award up to 10 grants of up to $50,000 each year to shelter facilities for case management services provided to homeless families. The bill eliminates the limit on the number of grants that may be awarded and raises the grant limit to $75,000.

Geographic distribution of housing grants

Under current law, DOA may award grants to provide homeless individuals with housing and other supportive services to facilitate their movement to independent living. DOA must ensure that the funds for the grants are reasonably balanced among geographic areas of the state that correspond to the geographic areas served by each continuum of care organization designated by the federal Department of Housing and Urban Development. Under the bill, the geographic areas of the state among which DOA must balance funds for the grants need not correspond to the geographic areas served by each continuum of care organization.

Grants to Milwaukee County Housing First

The bill directs DOA to award two grants of $100,000 in fiscal years 2025–26 and 2026–27 to the Milwaukee County Department of Health and Human Services to support Milwaukee County's Housing First initiative.

Whole-home upgrade grants

The bill establishes a pilot program under which DOA must award one or more grants to Walnut Way Conservation Corp. for the purpose of funding home improvements in low-income households in a first class city (presently only Milwaukee) that have one or more of the following goals: 1) reducing carbon emissions; 2) reducing energy burdens; 3) creating cost savings; or 4) creating healthier living environments. The bill authorizes DOA to establish eligibility requirements and other program guidelines for the grant program and allows a grant recipient to use grant moneys for administrative costs.

Housing quality standards grants

The bill requires DOA to award grants to owners of rental housing units in Wisconsin for purposes of satisfying applicable housing quality standards.

Prescription Drug Affordability Review Board

The bill creates the Prescription Drug Affordability Review Board, whose purpose is to protect Wisconsin residents and other stakeholders from the high costs of prescription drugs. The board consists of the commissioner of insurance and the following members, all of whom are appointed by the governor for four-year terms:

1. Two members who represent the pharmaceutical drug industry, at least one of whom is a licensed pharmacist.
2. Two members who represent the health insurance industry.
3. Two members who represent the health care industry, at least one of whom is a licensed practitioner.
4. Two members who represent the interests of the public.

The bill requires the board to meet in open session at least four times per year to review prescription drug pricing information. The board must provide at least two weeks' public notice of its meetings, make the meeting's materials publicly available at least one week prior to meeting, and provide the opportunity for public comment. The bill imposes conflict of interest requirements for the board relating to recusal and public disclosure of certain conflicts. The bill directs the board to access and assess drug pricing information, to the extent practicable, by accessing and assessing information from other states, by assessing spending for the drug in Wisconsin, and by accessing other available pricing information.

Under the bill, the board must conduct drug cost affordability reviews. The first step in the reviews is for the board to identify prescription drugs whose launch wholesale acquisition cost exceeds specified thresholds, prescription drugs whose increase in wholesale acquisition cost exceeds specified thresholds, and other prescription drugs that may create affordability challenges for the health care system in Wisconsin. For each identified prescription drug, the board must determine whether to conduct an affordability review by seeking stakeholder input and considering the average patient cost share for the drug. During an affordability review, the board must determine whether use of the prescription drug that is fully consistent with the labeling approved by the federal Food and Drug Administration or standard medical practice has led or will lead to an affordability challenge for the health care system in Wisconsin. In making this determination, the bill requires the board to consider a variety of factors, which include the following:

1. The drug's wholesale acquisition cost.
2. The average monetary price concession, discount, or rebate the manufacturer provides, or is expected to provide, for the drug to health plans.
3. The total amount of price concessions, discounts, and rebates the manufacturer provides to each pharmacy benefit manager for the drug.
4. The price at which therapeutic alternatives have been sold and the average monetary

concession, discount, or rebate the manufacturer provides, or is expected to provide, to health plan payors and pharmacy benefit managers for therapeutic alternatives.

5. The costs to health plans based on patient access consistent with federal labeled indications and recognized standard medical practice.
6. The impact on patient access resulting from the drug's cost relative to insurance benefit design.
7. The current or expected dollar value of drug-specific patient access programs that are supported by the manufacturer.
8. The relative financial impacts to health, medical, or social services costs that can be quantified and compared to baseline effects of existing therapeutic alternatives.
9. The average patient copay or other cost sharing for the drug.

If the board determines that a prescription drug will lead to an affordability challenge, the bill directs the board to establish an upper payment limit for that drug that applies to all purchases and payor reimbursements of the drug dispensed or administered to individuals in Wisconsin. In establishing the upper payment limit, the board must consider the cost of administering the drug, the cost of delivering it to consumers, and other relevant administrative costs. For certain drugs, the board must solicit information from the manufacturer regarding the price increase and, if the board determines that the price increase is not a result of the need for increased manufacturing capacity or other effort to improve patient access during a public health emergency, the board must establish an upper payment limit equal to the drug's cost prior to the price increase.

Office of the Public Intervenor

The bill creates the Office of the Public Intervenor, attached to OCI. Under the bill, the Office of the Public Intervenor assists individuals with claims, policies, appeals, and other legal actions related to pursuing insurance coverage for medical procedures, prescription medications, and other health care services. The bill authorizes the office to levy an assessment on insurance providers based upon their premium volume for health insurance policies written in the state.

Prescription drug importation program

The bill requires the commissioner of insurance, in consultation with persons interested in the sale and pricing of prescription drugs and federal officials and agencies, to design and implement a prescription drug importation program for the benefit of and that generates savings for Wisconsin residents. The bill establishes requirements for the program, including all of the following: 1) the commissioner must designate a state agency to become a licensed wholesale distributor or contract with a licensed wholesale distributor and to seek federal certification and approval to import prescription drugs; 2) the program must comply with certain federal regulations and import from Canadian suppliers only prescription drugs that are not brand-name drugs, have fewer than four competitor drugs in this country, and for which importation creates substantial savings; 3) the commissioner must ensure that

prescription drugs imported under the program are not distributed, dispensed, or sold outside of Wisconsin; and 4) the program must have an audit procedure to ensure the program complies with certain requirements specified in the bill. Before submitting the proposed program to the federal government for certification, the commissioner must submit the proposed program to JCF for its approval.

State prescription drug purchasing entity

The bill requires OCI to conduct a study on the viability of creating or implementing a state prescription drug purchasing entity.

Exemption from prior authorization requirements

The bill allows the commissioner of insurance to establish, by rule, that any health insurance policy or plan that uses a prior authorization process must exempt health care providers from obtaining prior authorizations for a health care item or service for a period of time established by the commissioner if, in the most recent evaluation period established by the commissioner, the health insurance policy or plan has approved or would have approved not less than a certain proportion of prior authorization requests, as established by the commissioner, submitted by the health care provider for the health care item or service. The commissioner may specify the health care items or services that may be subject to this exemption. Further, the commissioner may specify how health care providers may obtain an exemption from obtaining prior authorizations under the bill, including by providing a process for automatic evaluation.

Prior authorization transparency

The bill imposes several regulations on the use of prior authorization requirements used by health care plans. Under the bill, "prior authorization" is defined to mean the process by which a health care plan or a contracted utilization review organization determines the medical necessity and medical appropriateness of otherwise covered health care services.

The bill requires health care plans to maintain a list of services for which prior authorization is required and publish the list on its website to be accessible by members of the general public without requiring the creation of an account or the entry of any credentials or personal information. Further, the bill requires health care plans to make the current prior authorization requirements and restrictions that it uses accessible and conspicuously posted on its website or on the website of a contracted utilization review organization for enrollees and providers.

The bill provides that any clinical review criteria on which a prior authorization requirement or restriction is based must satisfy certain criteria, including that the criteria are based on nationally recognized, generally accepted standards except where provided by law, that the criteria are developed in accordance with the current standards of a national medical accreditation entity, and that the criteria ensure quality of care and access to needed health care services.

The bill prohibits a health care plan from denying a claim for failure to obtain prior

authorization if the prior authorization requirement was not in effect on the date that the service was provided. Further, the bill prohibits health care plans and utilization review organizations contracted with health care plans from deeming supplies or services as incidental and from denying a claim for supplies or services if a provided health care service associated with the supplies or services receives prior authorization or if a provided health care service associated with the supplies or services does not require prior authorization.

Finally, the bill provides that if a health care plan intends to impose a new prior authorization requirement or restriction or intends to amend a prior authorization requirement or restriction, the health care plan must provide all providers contracted with the health care plan with advanced written notice of the new or amended requirement or restriction no less than 60 days before the new or amended requirement or restriction is implemented. No health care plan may implement a new or amended prior authorization requirement or restriction unless the health care plan or a contracted utilization review organization has updated the post on its website to reflect the new or amended prior authorization requirement or restriction.

Inpatient mental health prior authorization

The bill prohibits health insurance policies and self-insured governmental health plans that cover inpatient mental health services from requiring prior authorization for the provision or coverage of those services. Health insurance policies are referred to as disability insurance policies in the bill, and a self-insured governmental health plan is a self-funded health plan of the state or a county, city, village, town, or school district.

Coverage of individuals with preexisting conditions and other insurance market regulations

The bill requires certain health plans to guarantee access to coverage; prohibits plans from imposing preexisting condition exclusions; prohibits plans from setting premiums or cost-sharing amounts based on health status-related factors; prohibits plans from setting lifetime or annual limits on benefits; requires plans to cover certain essential health benefits; requires coverage of certain preventive services by plans without a cost-sharing contribution by an enrollee; sets a maximum annual amount of cost sharing for enrollees; and designates risk pool, medical loss ratio, and actuarial value requirements.

The bill requires every individual health insurance policy, referred to in the bill as health benefit plans, to accept every individual who, and every group health insurance policy to accept every employer that, applies for coverage, regardless of the sexual orientation, the gender identity, or any preexisting condition of any individual or employee who will be covered by the plan. The bill allows health benefit plans to restrict enrollment in coverage to open or special enrollment periods and requires the commissioner of insurance to establish a statewide open enrollment period that is no shorter than 30 days for every individual health benefit plan. The bill prohibits a group health insurance policy, including a self-insured governmental health plan, from imposing a preexisting condition exclusion. The bill also prohibits an individual health insurance policy from reducing or denying a claim or loss

incurred or disability commencing under the policy on the ground that a disease or physical condition existed prior to the effective date of coverage.

A health benefit plan offered on the individual or small employer market or a self-insured governmental health plan may not vary premium rates for a specific plan except on the basis of 1) whether the plan covers an individual or a family; 2) the area in the state; 3) age; and 4) tobacco use, as specified in the bill. An individual health benefit plan or self-insured health plan is prohibited under the bill from establishing rules for the eligibility of any individual to enroll based on health status-related factors, which are specified in the bill. A self-insured health plan or an insurer offering an individual health benefit plan is also prohibited from requiring an enrollee to pay a greater premium, contribution, deductible, copayment, or coinsurance amount than is required of an otherwise similarly situated enrollee based on a health status-related factor. Current state law prohibits group health benefit plans from establishing rules of eligibility or requiring greater premium or contribution amounts based on a factor related to health status. The bill adds to these current law requirements for group health benefit plans that the plan may not require a greater deductible, copayment, or coinsurance amount based on a health status-related factor.

Under the bill, an individual or group health benefit plan or a self-insured governmental health plan may not establish lifetime or annual limits on the dollar value of benefits for an enrollee or a dependent of an enrollee under the plan. The bill specifies a maximum amount of cost sharing that a plan may impose as the amount calculated under the federal Patient Protection and Affordable Care Act (ACA).

The bill requires individual and small employer plans to have either a single statewide risk pool for the individual market and a single pool for the small employer market or a single statewide risk pool for a combination of the individual and small employer markets. The bill requires individual and small employer plans to have a medical loss ratio of at least 80 percent and larger group plans to have a medical loss ratio of at least 85 percent. The medical loss ratio is the proportion of premium revenues that the plan spends on clinical services and quality improvement. The bill also requires individual and small employer plans to provide a level of coverage that is designed to provide benefits that are actuarially equivalent to at least 60 percent of the full actuarial value of the benefits provided under the plan. An actuarial value of 60 percent corresponds to a bronze tier plan under the ACA.

The bill requires certain health insurance policies and governmental self-insured health plans to cover essential health benefits that will be specified by the commissioner of insurance by rule. The bill specifies a list of requirements that the commissioner must follow when establishing the essential health benefits including certain limitations on cost sharing and the following general categories of benefits, items, or services in which the commissioner must require coverage: ambulatory patient services, emergency services, hospitalization, maternity and newborn care, mental health and substance use disorder services, prescription drugs, rehabilitative and habilitative services and devices, laboratory services, preventive and wellness services and chronic disease management, and pediatric services. If an essential health benefit specified by the commissioner is also subject to its own mandated coverage

requirement, the bill requires the health insurance policy or self-insured health plan to provide coverage under whichever requirement provides the insured or plan participant with more comprehensive coverage.

The bill requires health insurance policies and governmental self-insured health plans to cover certain preventive services and to provide coverage of those preventive services without subjecting that coverage to deductibles, copayments, or coinsurance. The preventive services for which coverage is required are specified in the bill. The bill also specifies certain instances when cost-sharing amounts may be charged for an office visit associated with a preventive service.

Preventing surprise bills for emergency medical services and other items and services

The bill requires defined network plans, such as health maintenance organizations, and certain preferred provider plans and self-insured governmental plans that cover benefits or services provided in either an emergency department of a hospital or an independent freestanding emergency department to cover emergency medical services without requiring a prior authorization determination and without regard to whether the health care provider providing the emergency medical services is a participating provider or facility. If the emergency medical services for which coverage is required are provided by a nonparticipating provider, the plan must 1) not impose a prior authorization requirement or other limitation that is more restrictive than if the service was provided by a participating provider; 2) not impose cost sharing on an enrollee that is greater than the cost sharing required if the service was provided by a participating provider; 3) calculate the cost-sharing amount to be equal to the recognized amount specified under federal law; 4) provide, within 30 days of the provider's or facility's bill, an initial payment or denial notice to the provider or facility and then pay a total amount to the provider or facility that is equal to the amount by which an out-of-network rate exceeds the amount it received in cost sharing from the enrollee; and 5) count any cost-sharing payment made by the enrollee for the emergency medical services toward any in-network deductible or out-of-pocket maximum as if the cost-sharing payment was made for services provided by a participating provider or facility.

For coverage of an item or service that is provided by a nonparticipating provider in a participating facility, a plan must 1) not impose a cost-sharing requirement for the item or service that is greater than the cost-sharing requirement that would have been imposed if the item or service was provided by a participating provider; 2) calculate the cost-sharing amount to be equal to the recognized amount specified under federal law; 3) provide, within 30 days of the provider's bill, an initial payment or denial notice to the provider and then pay a total amount to the provider that is equal to the amount by which the out-of-network rate exceeds the amount it received in cost sharing from the enrollee; and 4) count any cost-sharing payment made by the enrollee for the items or services toward any in-network deductible or out-of-pocket maximum as if the cost-sharing payment was made for items or services provided by a participating provider. A nonparticipating provider providing an item or service in a participating facility may not bill or hold liable an enrollee for more than the cost-sharing amount unless the provider provides notice and obtains consent as described in

the bill. However, if the nonparticipating provider is providing an ancillary item or service that is specified in the bill, and the commissioner of insurance has not specifically allowed providers to bill or hold an enrollee liable for that item or service by rule, the nonparticipating provider providing the ancillary item or service in a participating facility may not bill or hold liable an enrollee for more than the cost-sharing amount.

Under the bill, a provider or facility that is entitled to a payment for an emergency medical service or other item or service may initiate open negotiations with the defined network plan, preferred provider plan, or self-insured governmental health plan to determine the amount of payment. If the open negotiation period terminates without determination of the payment amount, the provider, facility, or plan may initiate the independent dispute resolution process as specified by the commissioner of insurance. If an enrollee of a plan is a continuing care patient, as defined in the bill, and is obtaining services from a participating provider or facility, and the contract is terminated because of a change in the terms of the participation of the provider or facility in the plan or the contract is terminated, resulting in a loss of benefits under the plan, the plan must notify the enrollee of the enrollee's right to elect to continue transitional care, provide the enrollee an opportunity to notify the plan of the need for transitional care, and allow the enrollee to continue to have the benefits provided under the plan under the same terms and conditions as would have applied without the termination until either 90 days after the termination notice date or the date on which the enrollee is no longer a continuing care patient, whichever is earlier.

Health insurance claims

The bill imposes upon insurers certain requirements for health insurance claims processing and denials, including a requirement to process claims within a reasonable time frame that prevents an undue delay in care, to provide a detailed explanation of a claim denial, and to disclose whether the insurer uses artificial intelligence or algorithmic decision-making in processing claims. The bill also prohibits certain actions by an insurer with respect to health insurance claims, including using vague or misleading terms to deny a claim, stalling review of a claim to avoid timely payment, allowing non-physician personnel to determine whether care is medically necessary, mandating prior approval for routine or urgent procedures in a manner that causes harmful delays, or requiring an insured to fail a cheaper treatment before approving coverage for necessary care. The bill directs insurers to annually publish a report about their claim denials for health insurance policies and their use of artificial intelligence or algorithmic decision-making in processing claims for health insurance policies. The bill also directs the commissioner of insurance to maintain a public database of insurers' health insurance claim denial rates and the outcomes of independent reviews of adverse actions under health insurance policies.

Under current law, insureds may request an independent review of adverse actions under a health insurance policy under certain circumstances. The bill provides that an insured also has the right to request from the Office of the Public Intervenor created under the bill a review of any health insurance claim denial.

In addition, the bill authorizes the commissioner of insurance to audit insurers that deny health insurance claims with such frequency as to indicate a general business practice. Under the bill, the commissioner may collect any relevant information from an insurer necessary to conduct an audit; contract with a third party to conduct an audit; order an insurer to comply with a corrective action plan based on the findings of an audit; and impose forfeitures or sanctions on an insurer that fails to comply with a corrective action plan. The bill also requires insurers to provide a written response to any adverse findings of an audit.

Application of manufacturer discounts

Health insurance policies and plans often apply deductibles and out-of-pocket maximum amounts to the benefits covered by the policy or plan. A deductible is an amount that an enrollee in a policy or plan must pay out of pocket before attaining the full benefits of the policy or plan. An out-of-pocket maximum amount is a limit specified by a policy or plan on the amount that an enrollee pays, and once that limit is reached, the policy or plan covers the benefit entirely. The bill requires health insurance policies that offer prescription drug benefits and self-insured health plans to apply the amount of any discounts that a manufacturer of a brand-name drug provides to reduce the amount of cost sharing that is charged to an enrollee for those brand-name drugs to the enrollee's deductible and out-of-pocket maximum amount. That requirement applies for brand-name drugs that have no generic equivalent and for brand-name drugs that have a generic equivalent but that the enrollee has prior authorization or physician approval to obtain.

Fiduciary duty of pharmacy benefit managers

The bill imposes fiduciary and disclosure requirements on pharmacy benefit managers. Pharmacy benefit managers contract with health plans that provide prescription drug benefits to administer those benefits for the plans. They also have contracts with pharmacies and pay the pharmacies for providing the drugs to the plan beneficiaries.

The bill provides that a pharmacy benefit manager owes a fiduciary duty to a plan sponsor. The bill also requires that a pharmacy benefit manager annually disclose all of the following information to the plan sponsor:

1. The indirect profit received by the pharmacy benefit manager from owning a pharmacy or service provider.
2. Any payments made to a consultant or broker who works on behalf of the plan sponsor.
3. From the amounts received from drug manufacturers, the amounts retained by the pharmacy benefit manager that are related to the plan sponsor's claims or bona fide service fees.
4. The amounts received from network pharmacies and the amount retained by the pharmacy benefit manager.

Licensure of pharmacy benefit management brokers and consultants

The bill requires an individual who is acting as a pharmacy benefit management broker or consultant or who is acting to procure the services of a pharmacy benefit manager on behalf

of a client to be licensed by OCI. The bill allows OCI to promulgate rules to establish criteria, procedures, and fees for licensure.

Licensure of pharmaceutical representatives

The bill requires a pharmaceutical representative to be licensed by OCI and to display the pharmaceutical representative's license during each visit with a health care professional. The bill defines "pharmaceutical representative" to mean an individual who markets or promotes pharmaceuticals to health care professionals on behalf of a pharmaceutical manufacturer for compensation. The term of a license issued under the bill is one year, and the license is renewable. Under the bill, the license fee is set by the commissioner of insurance. The bill directs the commissioner to promulgate rules to implement the bill's requirements, including rules that require pharmaceutical representatives to complete continuing educational coursework as a condition of licensure. An individual who violates any of the requirements under the bill is subject to a fine, and the individual's license may be suspended or revoked.

Pharmacy services administrative organizations

The bill requires that a pharmacy services administrative organization (PSAO) be licensed by OCI. Under the bill, a PSAO is an entity operating in Wisconsin that does all of the following:

1. Contracts with an independent pharmacy to conduct business on the pharmacy's behalf with a third-party payer.
2. Provides at least one administrative service to an independent pharmacy and negotiates and enters into a contract with a third-party payer or pharmacy benefit manager on the pharmacy's behalf.

The bill defines "independent pharmacy" to mean a licensed pharmacy operating in Wisconsin that is under common ownership with no more than two other pharmacies. "Administrative service" is defined to mean assisting with claims or audits, providing centralized payment, performing certification in a specialized care program, providing compliance support, setting flat fees for generic drugs, assisting with store layout, managing inventory, providing marketing support, providing management and analysis of payment and drug dispensing data, or providing resources for retail cash cards. The bill defines "third-party payer" to mean an entity operating in Wisconsin that pays or insures health, medical, or prescription drug expenses on behalf of beneficiaries. The bill uses the current law definition of "pharmacy benefit manager," which is an entity doing business in Wisconsin that contracts to administer or manage prescription drug benefits on behalf of an insurer or other entity that provides prescription drug benefits to Wisconsin residents.

To obtain the license required by the bill, a person must apply to OCI and provide the contact information for the applicant and a contact person, evidence of financial responsibility of at least $1,000,000, and any other information required by the commissioner of insurance. Under the bill, the license fee is set by the commissioner, and the term of a license is two years.

The bill also requires that a PSAO disclose to OCI the extent of any ownership or control by an entity that provides pharmacy services; provides prescription drug or device services;

or manufactures, sells, or distributes prescription drugs, biologicals, or medical devices. The PSAO must notify OCI within five days of any material change in its ownership or control related to such an entity.

Moneys from pharmacy benefit manager regulation used for general program operations

The bill credits to the appropriation account for OCI's general program operations all moneys received from the regulation of pharmacy benefit managers, pharmacy benefit management brokers, pharmacy benefit management consultants, pharmacy services administration organizations, and pharmaceutical representatives.

Insurer network adequacy standards

The bill allows OCI to promulgate rules to establish minimum network time and distance standards and minimum network wait-time standards for defined network plans and preferred provider plans. The bill specifies that OCI, in promulgating rules under the bill, must consider standards adopted by the federal Centers for Medicare and Medicaid Services for qualified health plans offered on the federally facilitated health insurance marketplace established pursuant to the ACA.

State-based exchange

The bill directs OCI to establish and operate a state-based health insurance exchange. Under current law, the ACA requires that an exchange be established in each state to facilitate the purchase of qualified health insurance coverage by individuals and small employers. Under the ACA, a state must operate its own state-based exchange, use the federally facilitated exchange operated by the federal Department of Health and Human Services, or adopt a hybrid approach under which the state operates a state-based exchange but uses the federal platform, known as HealthCare.gov, to handle eligibility and enrollment functions. Wisconsin currently uses the federally facilitated exchange. The bill directs OCI to establish and operate a state-based exchange, first by using the federal platform and then transitioning to a fully state-run exchange. The bill authorizes OCI to enter into any agreement with the federal government necessary to implement those provisions. The bill also requires that OCI impose a user fee on insurers offering plans through the state-based exchange. Under current law, the ACA imposes user fees on insurers offering plans through federally facilitated exchanges and state-based exchanges using the federal platform, which are currently 1.5 percent and 1.2 percent of total monthly premiums, respectively. The bill authorizes OCI to impose a user fee at the following rates:

1. For any plan year that OCI operates the state-based exchange using the federal platform, the rate is 0.5 percent.
2. For the first two plan years that OCI operates the fully state-run exchange, the rate is equal to the user fee for the federally facilitated exchanges. For later plan years, the rate is set by OCI by rule.

The bill creates an annual GPR appropriation for OCI's general program operations. Further, the bill allows OCI to spend up to $500,000 in fiscal year 2025–26 and up to $500,000 in fiscal year 2026–27 for the development of a public option health insurance plan.

Telehealth parity

The bill requires health insurance policies and self-insured governmental health plans to cover a treatment or service that is provided through telehealth if the treatment or service is covered by the policy or plan when provided in person. A policy or plan may limit its coverage to those treatments or services that are medically necessary. "Telehealth" is defined in the bill as a practice of health care delivery, diagnosis, consultation, treatment, or transfer of medically relevant data by means of audio, video, or data communications that are used either during a patient visit or consultation or are used to transfer medically relevant data about a patient.

The bill also sets parameters on the coverage of telehealth treatments and services that is required in the bill. A policy or plan may not subject a telehealth treatment or service to a greater deductible, copayment, or coinsurance than if provided in person. Similarly, a policy or plan may not impose a policy or calendar year or lifetime benefit limit or other maximum limitation or a prior authorization requirement on a telehealth treatment or service that is not imposed on treatments or services provided through manners other than telehealth. A policy or plan also may not place unique location requirements on a telehealth treatment or service. If a policy or plan covers a telehealth treatment or service that has no in-person equivalent, the policy or plan must disclose this in the policy or plan materials.

Short-term, limited duration plan coverage requirements

The bill sets certain coverage requirements on individual health plans that are short-term, limited duration plans. Under current law, a short-term, limited duration plan is individual health benefit plan coverage that is marketed and designed to provide short-term coverage as a bridge between other coverages and that has a term of not more than 12 months and an aggregate term of all consecutive periods of coverage that does not exceed 18 months. Under current law, an insurer generally must renew individual health coverage at the option of the insured, but an insurer is not required to renew a short-term, limited duration plan.

The bill requires an insurer that offers a short-term, limited duration plan to accept every individual who applies for coverage, regardless of whether the individual has a preexisting condition. The bill also prohibits a short-term, limited duration plan from imposing a preexisting condition exclusion. Under current law, a short-term, limited duration plan may impose a preexisting condition exclusion, but the plan must reduce the length of time of the exclusion by the aggregate duration of the insured's consecutive periods of coverage. Under current law, a preexisting condition exclusion is a period of time during which a plan will not cover a medical condition for which the insured received some medical attention before the effective date of coverage.

Under the bill, an insurer that offers a short-term, limited duration plan may not vary

premium rates for a specific plan except on the basis of 1) whether the plan covers an individual or a family; 2) the area in the state; 3) age; and 4) tobacco use, as specified in the bill. An insurer that offers a short-term, limited duration plan is prohibited under the bill from establishing rules for the eligibility of any individual to enroll based on certain health status-related factors, which are specified in the bill, and from requiring an enrollee to pay a greater premium, contribution, deductible, copayment, or coinsurance amount than is required of a similarly situated enrollee based on a health status-related factor. Under the bill, a short-term, limited duration plan may not establish lifetime limits or limits for the duration of the coverage on the dollar value of benefits for an enrollee or a dependent of an enrollee under the plan.

Finally, the bill reduces the maximum allowable term of a short-term, limited duration plan from 12 months to three months and reduces the maximum aggregate duration from 18 months to six months.

Special enrollment period for pregnancy

The bill requires health insurance plans and self-insured governmental health plans to allow a pregnant individual who is eligible for coverage under the plan, and any individual who is eligible for coverage because of a relationship to the pregnant individual, to enroll in the plan at any time during the pregnancy. Under the bill, the coverage must begin no later than the first day of the first calendar month in which the pregnant individual receives medical verification of the pregnancy, except that the pregnant individual may direct coverage to begin on the first day of any month occurring during the pregnancy. The bill also requires that insurers offering group health insurance coverage notify individuals of the special enrollment period at or before the time the individual is initially offered the opportunity to enroll in the plan.

Coverage of infertility services

The bill requires health insurance policies and self-insured governmental health plans that cover medical or hospital expenses to cover diagnosis of and treatment for infertility and standard fertility preservation services. Coverage required under the bill must include at least four completed egg retrievals with unlimited embryo transfers, in accordance with certain guidelines, and single embryo transfer when recommended and medically appropriate. Policies and plans may not impose an exclusion, limitation, or other restriction on the coverage required under the bill on the basis that an insured person participates in fertility services provided by or to a third party. Policies and plans are also prohibited from imposing an exclusion, limitation, or other restriction on coverage of medications for which the bill requires coverage that is not imposed on any other prescription medications covered under the policy or plan. Similarly, policies and plans may not impose any exclusion, limitation, cost-sharing requirement, benefit maximum, waiting period, or other restriction on diagnosis, treatment, or services for which coverage is required under the bill that is different from any exclusion, limitation, cost-sharing requirement, benefit maximum, waiting period, or other restriction imposed on benefits for other services.

Coverage of over-the-counter oral contraceptives

Under current law, every health insurance policy and every self-insured governmental health plan that covers outpatient health care services, preventive treatments and services, or prescription drugs and devices must provide coverage for contraceptives prescribed by a health care provider. Under the bill, these insurance policies and health plans must also provide coverage of oral contraceptives that are lawfully furnished over the counter without a prescription.

Reimbursement to federal drug pricing program participants

The bill prohibits any person from reimbursing certain entities that participate in the federal drug pricing program, known as the 340B Program, for a drug subject to an agreement under the program at a rate lower than that paid for the same drug to pharmacies that have a similar prescription volume. The bill also prohibits a person from imposing any fee, charge back, or other adjustment on the basis of the entity's participation in the 340B Program. The entities covered by the prohibitions under the bill are federally qualified health centers, critical access hospitals, and grantees under the federal Ryan White HIV/AIDS Program, as well as these entities' pharmacies and any pharmacy with which any of the entities have contracted to dispense drugs through the 340B Program. The bill allows the commissioner of insurance to promulgate rules to establish minimum reimbursement rates for entities that participate in the 340B Program.

Reimbursement for emergency ambulance services under health insurance policies and plans

The bill makes several changes to the coverage and reimbursement of emergency ambulance services under health insurance policies and plans. First, the bill requires defined network plans, preferred provider plans, and self-insured governmental plans that provide coverage of emergency medical services to cover emergency ambulance services provided by an ambulance service provider that is not a participating provider at a rate that is the greatest of 1) a rate that is set or approved by a local governmental entity in the jurisdiction in which the emergency ambulance services originated; 2) a rate that is 400 percent of the current published rate for the provided emergency ambulance services established by the federal Centers for Medicare and Medicaid Services for the Medicare program in the same geographic area or a rate that is equivalent to the rate billed by the ambulance service provider for emergency ambulance services provided, whichever is less; or 3) the contracted rate at which the defined network plan, preferred provider plan, or self-insured governmental plan would reimburse a participating ambulance service provider for the same emergency ambulance services. The bill prohibits any defined network plan, preferred provider plan, or self-insured governmental plan from imposing a cost-sharing amount on an enrollee for emergency ambulance services provided by an ambulance service provider that is not a participating provider at a rate that is greater than the requirements that would apply if the emergency ambulance services were provided by a participating ambulance service provider. The bill provides that no ambulance service provider that receives reimbursement as provided in the bill may

charge an enrollee for any additional amount for emergency ambulance services except for any copayment, coinsurance, deductible, or other cost-sharing responsibilities required to be paid by the enrollee. Finally, the bill provides that any health insurance policy or self-insured governmental health plan must respond to claims for covered emergency ambulance services within 30 days after receipt of the claim and, if the claim is without defect, promptly remit payment for the covered emergency ambulance services directly to the ambulance service provider. If the claim has a defect, the bill instead requires the health insurance policy or self-insured governmental health plan to provide a written notice to the ambulance service provider within 30 days after receipt of the claim.

Coverage of treatment or services provided by qualified treatment trainees

The bill prohibits any health insurance plan from excluding coverage for mental health or behavioral health treatment or services provided by a qualified treatment trainee within the scope of the qualified treatment trainee's education and training if the health insurance plan covers the mental health or behavioral health treatment or services when provided by another health care provider. "Qualified treatment trainee" is defined under current law to mean either a graduate student who is enrolled in an accredited institution in psychology, counseling, marriage and family therapy, social work, nursing, or a closely related field or a person with a graduate degree from an accredited institution and course work in psychology, counseling, marriage and family therapy, social work, nursing, or a closely related field who has not yet completed the applicable supervised practice requirements described under the administrative code.

Coverage of treatment or services provided by substance abuse counselors

The bill prohibits any health insurance plan from excluding coverage for alcoholism or other drug abuse treatment or services provided by a certified substance abuse counselor within the scope of the substance abuse counselor's education and training if the health insurance plan covers the alcoholism or other drug abuse treatment or services when provided by another health care provider. "Substance abuse counselor" is defined under current law to mean a substance abuse counselor-in-training, a substance abuse counselor, or a clinical substance abuse counselor.

Coverage of services, treatment, or procedures provided by dental therapists

Current law prohibits any health insurance plan from excluding coverage for diagnosis and treatment of a condition or complaint by a dental therapist within the scope of the dental therapist's license if the health insurance plan covers diagnosis and treatment of the condition or complaint by another health care provider. The bill instead prohibits any health insurance plan from excluding coverage for dental services, treatment, or procedures provided by a dental therapist within the scope of the dental therapist's license if the health insurance plan covers the dental services, treatment, or procedures when provided by another health care provider. "Dental therapist" is defined under current law as an individual who engages in the limited practice of dentistry.

Cost-sharing cap on insulin

The bill prohibits every health insurance policy and governmental self-insured health plan that covers insulin and imposes cost sharing on prescription drugs from imposing cost sharing on insulin in an amount that exceeds $35 for a one-month supply. Current law requires every health insurance policy that provides coverage of expenses incurred for treatment of diabetes to provide coverage for specified expenses and items, including insulin. The required coverage under current law for certain diabetes treatments other than insulin infusion pumps is subject to the same exclusions, limitations, deductibles, and coinsurance provisions of the policy as other covered expenses. The bill's cost-sharing limitation on insulin supersedes the specification that the exclusions, limitations, deductibles, and coinsurance are the same as for other coverage.

Insulin safety net programs

The bill requires insulin manufacturers to establish a program under which qualifying Wisconsin residents who are in urgent need of insulin and are uninsured or have limited insurance coverage can be dispensed insulin at a pharmacy. Under the program, if a qualifying individual in urgent need of insulin provides a pharmacy with a form attesting that the individual meets the program's eligibility requirements, specified proof of residency, and a valid insulin prescription, the pharmacy must dispense a 30-day supply of insulin to the individual and may charge the individual a copayment of no more than $35. The pharmacy may submit an electronic payment claim for the insulin's acquisition cost to the manufacturer or agree to receive a replacement of the same insulin in the amount dispensed.

The bill also requires that each insulin manufacturer establish a patient assistance program to make insulin available to any qualifying Wisconsin resident who, among other requirements, is uninsured or has limited insurance coverage and whose family income does not exceed 400 percent of the federal poverty line. Under the bill, an individual must apply to participate in a manufacturer's program. If the manufacturer determines that the individual meets the program's eligibility requirements, the manufacturer must issue the individual a statement of eligibility, which is valid for 12 months and may be renewed. Under the bill, if an individual with a statement of eligibility and valid insulin prescription requests insulin from a pharmacy, the pharmacy must submit an order to the manufacturer, who must then provide a 90-day supply of insulin at no charge to the individual or pharmacy. The pharmacy may charge the individual a copayment of no more than $50. Under the bill, a manufacturer is not required to issue a statement of eligibility if the individual has prescription drug coverage through an individual or group health plan and the manufacturer determines that the individual's insulin needs are better addressed through the manufacturer's copayment assistance program. In such case, the manufacturer must provide the individual with the necessary drug coupons, and the individual may not be required to pay more than a $50 copayment for a 90-day supply of insulin.

Under the bill, if the manufacturer determines that an individual is not eligible for the patient assistance program, the individual may file an appeal with OCI. The bill directs OCI

to establish procedures for deciding appeals. Under the bill, OCI must issue a decision within 10 days, and that decision is final.

The bill requires that insulin manufacturers annually report to OCI certain information, including the number of individuals served and the cost of insulin dispensed under the programs and that OCI annually report to the governor and the legislature on the programs. The bill also directs OCI to conduct public outreach and develop an information sheet about the programs, conduct satisfaction surveys of individuals and pharmacies that participate in the programs, and report to the governor and the legislature on the surveys by July 1, 2028. Additionally, the bill requires that OCI develop a training program for health care navigators to assist individuals in accessing appropriate long-term insulin options and maintain a list of trained navigators.

The bill provides that a manufacturer that violates the bill's provisions may be required to forfeit not more than $200,000 per month of violation, which increases to $400,000 per month if the manufacturer continues to be in violation after six months and to $600,000 per month if the manufacturer continues to be in violation after one year. The bill's requirements do not apply to manufacturers with annual insulin sales revenue in Wisconsin of no more than $2,000,000 or to insulin that costs less than a specified dollar amount.

Value-based diabetes medication pilot project

The bill directs OCI to develop a pilot project under which a pharmacy benefit manager and a pharmaceutical manufacturer are directed to create a value-based, sole-source arrangement to reduce the costs of prescription diabetes medication. The bill allows OCI to promulgate rules to implement the pilot project.

Funding for health insurance navigators

The bill directs the commissioner of insurance to award $500,000 in fiscal year 2025–26 and $500,000 in fiscal year 2026–27 to a licensed navigator to prioritize services for the direct care workforce population. Navigators are individuals or entities that perform certain duties, including conducting public education activities to raise awareness of the availability of qualified health plans, distributing fair and impartial information concerning enrollment in qualified health plans, facilitating enrollment in qualified health plans, and providing referrals for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage.

Health Insurance Risk-Sharing Plan balance transfer

The Health Insurance Risk-Sharing Plan (HIRSP) provided health insurance coverage in individual policies to certain eligible individuals, including individuals who were refused coverage in the private health insurance market because of their mental or physical condition. HIRSP was dissolved and, by March 31, 2014, all coverage under HIRSP was finally terminated. 2015 Wisconsin Act 55 repealed two appropriations to OCI that provided funding for the affairs of HIRSP and for winding up the affairs of HIRSP. The bill transfers any balance that was credited to those appropriations and not lapsed as a result of 2015 Wisconsin Act 55 to the general program operations appropriation for OCI in fiscal year 2025–26.

Wisconsin Healthcare Stability Plan spending limit

Under current law, the Wisconsin Healthcare Stability Plan (WIHSP) makes a reinsurance payment to a health insurance carrier if the claims for an individual who is enrolled in a health benefit plan with that carrier exceed a threshold amount in a benefit year. WIHSP is administered by OCI and operates under specific terms and conditions of a waiver agreement between OCI and the federal Department of Health and Human Services, which was dated July 29, 2018, and extended December 1, 2022. Currently, the commissioner of insurance is limited to spending $230,000,000 for WIHSP from all revenue sources in a year, unless JCF increases the amount. Under the bill, the governor, not JCF, may increase the spending limit. In addition, the bill increases the spending limit to $250,000,000 in 2026, and beginning in 2027, the bill directs the commissioner to annually adjust the spending limit based on the increase, if any, in the medical care index of the consumer price index. The bill also specifies that OCI's authority includes the authority to operate WIHSP under any waiver extension approvals.

Justice

Powers of the attorney general

The bill repeals changes made to the powers of the attorney general in 2017 Wisconsin Act 369 relating to the power to compromise or discontinue civil actions prosecuted by DOJ and the power to compromise and settle actions in cases where DOJ is defending the state. The bill reestablishes these settlement powers as they existed under the law before 2017 Wisconsin Act 369 was enacted.

The bill allows the attorney general to compromise or discontinue actions prosecuted by DOJ 1) when directed by the officer, department, board, or commission that directed the prosecution or 2) with the approval of the governor when the action is prosecuted by DOJ on the initiative of the attorney general or at the request of any individual. The bill eliminates the requirement for approval of a compromise or discontinuance from a legislative intervenor or JCF. It also eliminates the requirement for the attorney general to obtain approval of a compromise or discontinuance by the Joint Committee on Legislative Organization (JLCO) in certain circumstances before submitting a proposed plan to JCF.

Under the bill, when DOJ is defending the state, the attorney general may compromise and settle the action as the attorney general determines to be in the best interest of the state. The bill eliminates the requirement under current law that, in actions for injunctive relief or if there is a proposed consent decree, the attorney general must 1) obtain the approval of any legislative intervenor or 2) if there is no intervenor, submit a proposed plan to JCF and, in certain circumstances, obtain approval of JCF. The bill also eliminates the requirement for the attorney general to obtain approval from JCLO in certain circumstances before submitting a proposed plan of settlement or compromise to JCF.

Crime victim services grants

Current law provides for a number of surcharges that a court must impose on a person who is found to have committed crimes or violated ordinances. The bill creates a new crime victim services surcharge and requires a court to impose the surcharge when imposing a sentence, a period of probation, or a civil forfeiture on a person. The amount of the surcharge is the sum of 40 percent of any fine or forfeiture imposed or $40, whichever is greater, plus $50 for each conviction of a misdemeanor or felony.

The bill requires DOJ to use the funds collected from the surcharge to award grants to organizations that are eligible for federal funds to provide crime victim assistance. The grants from DOJ are intended to supplement any federal funds. In addition, the bill authorizes DOA to supplement the funds available for the grants if DOA determines that the amounts available are insufficient for crime victim services. Under the bill, if DOA determines the amounts available are insufficient, the amount that may be supplemented is capped at the difference between $44,500,000 and the sum of the federal funds received in that fiscal year for crime victim assistance plus the funds collected in that fiscal year from the crime victim services surcharge created in the bill.

Alternatives to prosecution and incarceration programs

Under current law, DOJ operates the alternatives to incarceration grant program and the drug courts grant program. Under these programs, DOJ provides grants to counties and tribes for providing alternatives to prosecution and incarceration for persons who abuse alcohol or other drugs and diverting substance-abusing persons from prison or jail into treatment.

Under the bill, December 31, 2026, is the last day these DOJ grant programs will be in effect. Beginning on January 1, 2027, DOA will operate a grant program for tribes to provide alternatives to prosecution and incarceration programs, and counties will be required to operate such programs to be eligible for certain circuit court payments from the director of state courts.

The bill also transfers 3.0 FTE GPR positions that administer the alternatives to incarceration grant program, and the incumbent employees holding those positions, from DOJ to the Wisconsin Supreme Court on January 1, 2027.

Eliminating the sunset on funding for the Office of School Safety

2023 Wisconsin Act 240 increased the number of positions for the Office of School Safety (OSS) in DOJ by 14.2 project positions for the period beginning on January 1, 2025, and ending on October 1, 2025, and allowed, for the same period, DOJ to fund the positions and other OSS duties using the fees that DOJ collects for issuing licenses to carry concealed weapons. The bill eliminates the sunset on using the fees so that DOJ may continue using the fees to fund positions and other OSS duties.

Law enforcement officer training requirements

The bill provides that the Law Enforcement Standards Board may not prevent noncitizens who are in receipt of valid employment authorization from the federal Department of Homeland Security from participating in a law enforcement preparatory training program.

Project employees of DOJ offices under ARPA

The bill provides that individuals who are in project positions that were funded by the American Rescue Plan Act of 2021 and who are employed by DOJ may be appointed to equivalent permanent positions at DOJ without going through the civil service hiring process as new hires.

Appropriation for restitution moneys

The bill makes a technical change to DOJ's restitution appropriation to provide that it also includes all moneys received by DOJ under any other unspecified court order or settlement agreement for the purpose of providing restitution to victims.

Project attorney reporting requirement

2017 Wisconsin Act 261 created two field prosecutor attorney project positions to assist DOJ's Division of Criminal Investigation and provided that those positions would terminate five years after the effective date of the act. The act also created a requirement that DOJ submit an annual report to JCF describing the activities and effectiveness of those field prosecutor attorneys. Those positions have expired.

The bill eliminates the reporting requirement relating to those expired field prosecutor attorney project positions.

Law enforcement officer training reimbursement

The bill makes a technical change relating to the appropriations from which reimbursements for law enforcement officer training are paid.

Relator appropriation

The bill creates a continuing appropriation to hold all moneys received by DOJ that is owed to a relator, to provide payments to relators. A relator is a type of party in a legal action in whose name an action is brought by a state.

Gifts and grants and disposition of settlement funds

The bill repeals certain changes made by 2017 Wisconsin Act 369 relating to gifts and grants and certain proceeds received by DOJ, specifically reversing provisions that changed a DOJ gifts and grants appropriation and a DOJ gifts, grants, and proceeds appropriation from continuing appropriations to annual appropriations.

The bill also repeals the requirement that the attorney general must deposit all settlement funds into the general fund. The bill restores procedures relating to discretionary settlement funds under which the attorney general could expend certain settlement funds not committed under the terms of a settlement after submitting a plan to JCF for passive review only if either 1) the cochairpersons of JCF do not schedule a meeting or 2) a meeting is scheduled and JCF approves a plan for expenditure.

Local Government

GENERAL LOCAL GOVERNMENT

Local landlord-tenant ordinances

Current law prohibits political subdivisions from enacting certain ordinances relating to landlords and tenants. Political subdivisions may not do any of the following:

1. Prohibit or limit landlords from obtaining or using certain information relating to a tenant or prospective tenant, including monthly household income, occupation, rental history, credit information, court records, and social security numbers.
2. Limit how far back in time a landlord may look at a prospective tenant's credit information, conviction record, or previous housing.
3. Prohibit or limit a landlord from entering into a rental agreement with a prospective tenant while the premises are occupied by a current tenant.
4. Prohibit or limit a landlord from showing a premises to a prospective tenant during a current tenant's tenancy.
5. Place requirements on a landlord with respect to security deposits or earnest money or inspections that are in addition to what is required under administrative rules.
6. Limit a tenant's responsibility for any damage to or neglect of the premises.
7. Require a landlord to provide to tenants or to the political subdivision any information that is not required to be provided under federal or state law.
8. Require a residential property to be inspected except under certain circumstances.
9. Impose an occupancy or transfer of tenancy fee on a rental unit.

Current law also prohibits political subdivisions from regulating rent abatement in a way that permits abatement for conditions other than those that materially affect the health or safety of the tenant or that substantially affect the use and occupancy of the premises. The bill eliminates all of these prohibitions.

Local moratorium on evictions

Current law prohibits political subdivisions from imposing a moratorium on landlords from pursuing eviction actions against a tenant. The bill eliminates that prohibition.

Rental property inspection requirements

The bill makes various changes to the requirements relating to inspections of rental properties. The bill eliminates existing limitations on inspection fees that political subdivisions may charge for rental property inspections. Under the bill, a landlord must provide notice to a tenant of an impending inspection in the same manner the landlord would provide notice under current law to enter for repairs or to show the property to prospective tenants. The bill also provides that rental property inspection fees charged by a political subdivision are not subject to deduction from the political subdivision's tax levy.

Local government civil service system and grievance procedure requirements

The bill modifies the requirements for any grievance system established by local governmental units, including adding a requirement for any civil service system or grievance procedure to include a just cause standard of review for employee terminations. Under current law, a local governmental unit that did not have a civil service system before June 29, 2011, must have established a grievance system. In order to comply with the requirement to have established a grievance system, a local governmental unit may establish either 1) a civil service system under any provision authorized by law, to the greatest extent practicable, if no specific provision for creation of a civil service system applies to the governmental unit or 2) a grievance procedure as set forth in the statutes. Current law requires that any civil service system established or grievance procedure created must contain a grievance procedure that addresses employee terminations, employee discipline, and workplace safety. The bill does not eliminate the requirement for these provisions but instead adds a requirement for a provision relating to a just cause standard of review for employee terminations, including a refusal to renew a teaching contract.

Current law also requires that if a local governmental unit creates a grievance procedure, the procedure must contain certain elements, including a written document specifying the process that a grievant and an employer must follow; a hearing before an impartial hearing officer; and an appeal process in which the highest level of appeal is the governing body of the local governmental unit. The bill provides that the hearing officer must be from the Wisconsin Employment Relations Commission and adds the following two additional required elements in the grievance procedure: 1) a provision indicating the grievant is entitled to representation throughout the grievance process and 2) a provision indicating that the employer must bear all fees and costs related to the grievance process, except the grievant's representational fees and costs.

Local employment regulations

The bill eliminates the preemptions of local governments from enacting or enforcing ordinances related to the following:

1. Regulations related to wage claims and collections.
2. Regulation of employee hours and overtime, including scheduling of employee work hours or shifts.
3. The employment benefits an employer may be required to provide to its employees.
4. An employer's right to solicit information regarding the salary history of prospective employees.
5. Regulations related to minimum wage.
6. Occupational licensing requirements that are more stringent than a state requirement.

Certain state and local employment regulations

The bill eliminates the following:

1. The prohibition of the state and local governments from requiring any person to waive the person's rights under state or federal labor laws as a condition of any approval by the state or local government.
2. A provision under which neither the state nor a local government may enact a statute or ordinance, adopt a policy or regulation, or impose a contract, zoning, permitting, or licensing requirement, or any other condition, that would require any person to accept any provision that is a subject of collective bargaining under state labor laws or the federal National Labor Relations Act.

Project labor agreements

Under current law, the state and local units of government are prohibited from engaging in certain practices in letting bids for state procurement or public works contracts. Among these prohibitions, the state and local governments may not do any of the following in specifications for bids for the contracts: 1) require that a bidder enter into an agreement with a labor organization; 2) consider, when awarding a contract, whether a bidder has or has not entered into an agreement with a labor organization; or 3) require that a bidder enter into an agreement that requires that the bidder or bidder's employees become or remain members of a labor organization or pay any dues or fees to a labor organization. The bill eliminates these limitations related to labor organizations.

Exception to local law enforcement officer citizenship requirement

Under current law, no person may be appointed as a deputy sheriff of any county or police officer of any city, village, or town unless that person is a citizen of the United States. The bill allows the sheriff of a county or the appointing authority of a local law enforcement agency to elect to authorize the appointment of noncitizens who are in receipt of valid employment authorization from the federal Department of Homeland Security as deputy sheriffs or police officers. The bill also prevents the Law Enforcement Standards Board from preventing such a noncitizen from participating in a law enforcement preparatory training program.

Register of deeds recording fees; land information program

The bill increases the general recording and filing fees charged by county registers of deeds, increases the amount of the fees that counties must submit to DOA for the land information program, and increases the minimum grant amount DOA may award to counties for education and training grants under the program.

Under current law, DOA directs and supervises the land information program and serves as a state clearinghouse for access to land information. Under the land information program, DOA provides technical assistance to state agencies and local governmental units with land information responsibilities, reviews and approves county plans for land records modernization, and provides aids to counties, derived from recording fee revenues collected by counties, for land records modernization projects.

Under current law, counties collect fees for recording or filing instruments that are

recorded or filed with a register of deeds. Currently, the general fee for recording or filing an instrument is $30. Currently, a county must submit $15 of each $30 recording fee to DOA for the land information program, but the county may retain $8 of the amount it would have been required to submit to DOA if the county meets certain requirements, including establishing a land information office and council and using the retained fees to develop, implement, and maintain a DOA-approved countywide plan for land records modernization on the Internet.

The bill increases from $30 to $45 the general recording and filing fee. The bill also increases from $15 to $30 the amount of each fee that a county must submit to DOA and increases from $8 to $15 the amount the county may retain if the current law requirements are met.

Under current law, DOA awards land information system base budget grants to counties to enable county land information offices to develop, maintain, and operate basic land information systems. Currently, the minimum amount of a grant is $100,000 less the amount of certain fees retained by the county in the preceding fiscal year. The bill increases that base amount to $140,000 less the retained fees.

Under current law, DOA may award a grant under the land information program to any county in an amount not less than $1,000 per year to be used for the training and education of county employees for the design, development, and implementation of a land information system. The bill increases from $1,000 to $5,0000 the minimum training and education grant amount.

Municipal records filings and filing requirements for certain annexations

The bill transfers the duty of filing certain municipal records from the secretary of state to the secretary of administration and transfers certain records held by the secretary of state to instead be held by DOA. 2015 Wisconsin Act 55 transferred some, but not all, municipal records filing duties from the secretary of state to DOA. The bill completes the transfer of these duties from the secretary of state to DOA for all municipal filing categories.

The bill also replaces the term "plat" with the term "scale map" in certain filing statutes to conform with existing statutory requirements for certain filings, including petitions for incorporation and for annexation. The bill reduces the number of copies that must be provided to DOA in certain circumstances from multiple copies to just one copy. The bill also requires that certain boundary agreements between municipalities be filed and recorded with the register of deeds if an enacting ordinance is not anticipated to be enacted within 30 days.

Local advisory referenda

Under current law, a county may not conduct a countywide advisory referendum unless it regards a political subdivision revenue sharing agreement or capital expenditures proposed to be funded by the county property tax levy. In addition, current law prohibits a municipality from conducting an advisory referendum unless it regards tax incremental financing, a local government telecommunications utility, or capital expenditures proposed to be funded by the municipality's property tax levy.

The bill eliminates these restrictions and specifically authorizes a county to conduct referenda for advisory purposes.

Provision and funding of emergency medical services by towns

The bill authorizes a town to contract for or maintain emergency medical services for the town. The bill also authorizes a town to do any of the following for the purpose of funding these emergency medical services:

1. Appropriate money.
2. Charge property owners a fee for the cost of emergency medical services provided to their property according to a written schedule established by the town board.
3. Levy taxes on the entire town.
4. Levy taxes on property served by a particular source of emergency medical services, to support the source of emergency medical services.

LEVY LIMITS

Levy limits under current law

Generally, under current law, local levy increase limits are applied to the property tax levies that are imposed by a political subdivision in December of each year. Current law prohibits any political subdivision from increasing its levy by a percentage that exceeds its valuation factor. "Valuation factor" is defined as the greater of either 0 percent or, in general, the percentage change in the political subdivision's equalized value due to new construction, less improvements removed.

Current law contains a number of exceptions to the local levy limits, such as amounts a county levies for a countywide emergency medical system, for a county children with disabilities education board, and for certain bridge and culvert construction and repair. In addition, a political subdivision may exceed the levy increase limit that is otherwise applicable if its governing body adopts a resolution to do so and if that resolution is approved by the electors in a referendum.

Levy limit reduction for service transfers

Under current law, if a political subdivision transfers to another governmental unit the responsibility to provide a service that it provided in the previous year, the levy increase limit otherwise applicable in the current year is decreased to reflect the cost that the political subdivision would have incurred to provide that service. The bill eliminates that provision.

Joint emergency services levy limit exception modification

Among the current law exceptions to local levy limits is an exception for the amount that a municipality levies to pay for charges assessed by a joint fire department or joint emergency medical services district organized by any combination of two or more municipalities. This exception applies only to the extent that the amount levied to pay for such charges would

cause the municipality to exceed the otherwise applicable levy limit and only if the charges assessed by the joint fire department or joint emergency medical services district increase in the current year by an amount not greater than the rate of inflation over the preceding year, plus 2 percent, and if the municipality's governing body adopts a resolution in favor of exceeding the otherwise applicable levy limit.

Under the bill, the exception is expanded to include joint fire services or joint emergency medical services provided by a combination of two or more municipalities through a joint district, joint ownership, joint purchase of services from a nonprofit corporation, or joint contracting with a public or private services provider. The exception is also expanded to cover all fees charged to a municipality by the joint fire services or joint emergency medical services.

Levy limit exclusion for cross-municipality transit routes

Under the bill, amounts levied by a political subdivision for costs related to new or enhanced transit services that cross adjacent county or municipal borders do not apply to the local levy limits if the political subdivisions between which the routes operate have entered into an agreement to provide for the services and if the agreement is approved in a referendum.

Levy limit exception for regional planning commission contributions

The bill creates a local levy increase limit exception for the amount a political subdivision levies to pay for the political subdivision's share of the budget of a regional planning commission (RPC). An RPC's budget is determined annually by the RPC. The RPC then charges all political subdivisions within its jurisdiction a proportional amount to fund the budget based on the equalized value of property in the political subdivision and the total amount of equalized value of property within the RPC's jurisdiction.

TAX INCREMENTAL FINANCING

Tax incremental financing under current law

Under current law, cities and villages may use tax incremental financing (TIF) to encourage development in the city or village. In general, under TIF, a city or village pays for improvements in a tax incremental district (TID) and then collects tax moneys attributable to all taxing jurisdictions on the increased property value in the TID for a certain period of time to pay for the improvements. Ideally, after the period of time, the city or village will have been repaid for its initial investment, and the property tax base in the TID will have permanently increased in value.

In general and in brief, a city or village makes use of TIF using the following procedure:

1. The city or village designates an area as a TID and creates a project plan laying out the expenditures that the city or village will make within the TID.
2. DOR establishes the "base value" of the TID. This value is the equalized value of all taxable property within the TID at the time of its creation.
3. Each year thereafter, the "value increment" of the property within the TID is determined by

subtracting the base value from the current value of property within the TID. The portion of taxes collected on any positive value increment is collected by the city or village for use solely for the project costs of the TID. The taxes collected by the city or village on positive value increments include taxes that would have been collected by other taxing jurisdictions, such as counties or school districts, were the TID not created.

4. Tax increments are collected until the city or village has recovered all of its project costs or until the TID reaches its statutory termination date.

Workforce housing initiatives

The bill authorizes workforce housing initiatives and makes changes that affect TIDs and state housing grants. The bill creates a definition for "workforce housing," changes the definition of a "mixed-use development" TID, requires a TID's project plan to contain alternative economic projections, and changes the method of imposing certain impact fees.

Under the bill, a political subdivision may put into effect a workforce housing initiative by taking one of several specified actions and posting on its website an explanation of the initiative. Workforce housing initiatives include the following: reducing permit processing times or impact fees for workforce housing; increasing zoning density for a workforce housing development; rehabilitating existing uninhabitable housing stock into habitable workforce housing; or implementing any other initiative to address workforce housing needs. Once an initiative takes effect, it remains in effect for five years. After June 30, 2026, if a political subdivision has in effect at least three initiatives at the same time, DOA must give priority to housing grant applications from, or related to a project in, the political subdivision.

The bill defines "workforce housing" to mean both of the following, subject to the five-year average median costs as determined by the U.S. Bureau of the Census:

1. Housing that costs a household no more than 30 percent of the household's gross median income.
2. Housing that is comprised of residential units for initial occupancy by individuals whose household median income is no more than 120 percent of the county's gross median income.

Under current law, a mixed-use development TID contains a combination of industrial, commercial, or residential uses, although newly platted residential areas may not exceed more than 35 percent of the real property within the TID. Under the bill, newly platted residential areas may not exceed either the 35 percent limit or 60 percent of the real property within the TID if the newly platted residential use that exceeds 35 percent is used solely for workforce housing.

The bill also requires a TID's project plan to include alternative projections of the TID's finances and feasibility under different economic situations, including a slower pace of development and lower rate of property value growth than expected in the TID.

Currently, a city or village may extend the life of a TID for up to one year for housing stock improvement if all of the following occurs:

1. The city or village pays off all of the TID's project costs.

2. The city or village adopts a resolution stating that it intends to extend the life of the TID, the number of months it intends to do so, and how it intends to improve housing stock.
3. The city or village notifies DOR.

Current law requires the city or village to use 75 percent of the tax increments received during the period specified in the resolution to benefit affordable housing in the city or village and 25 percent to improve the city's or village's housing stock.

Under the bill, a city or village may extend the life of a TID to improve its housing stock or to increase the number of affordable and workforce housing improvements, with at least 50 percent of the funds supporting units for families with incomes of up to 60 percent of the county's median income. Also under the bill, this extension may be for up to three years. However, for any extension of more than one year, the other taxing jurisdictions must approve of the extension.

Under current law, if a city, village, or town imposes an impact fee on a developer to pay for certain capital costs to accommodate land development, the city, village, or town may provide in the ordinance an exemption from, or a reduction in the amount of, impact fees on land development that provides low-cost housing. Under the bill, the impact fee exemption or reduction provisions also apply to workforce housing. Current law prevents the shifting of an exemption from or reduction in impact fees to any other development in the land development in which the low-cost housing is located. The bill applies this provision to workforce housing as well.

Reclassification of TID to mixed use TID

When a TID is created, the city or village must designate the TID as one of several sorts of TID: blighted area, rehabilitation or conservation, industrial, or mixed-use. The application of certain rules vary depending on the classification of the TID. For example, blighted area TIDs have a longer potential lifespan than industrial or mixed-use TIDs.

Under the bill, a city or village may change the classification of a TID to a mixed-use TID after the creation of the TID. The TID would retain the lifespan and tax collection features of the original classification but would gain the features of a mixed-use TID. The principal difference between mixed-use TIDs and other TIDs is the ability within certain limits to spend tax increments on newly platted residential development.

TIF 12 percent rule exception

Under current law, when creating a new TID or amending a TID, a city or village must make a finding that the equalized value of taxable property of the new or amended TID plus the value increment of all existing TIDs in the city or village does not exceed 12 percent of the total equalized value of taxable property in the city or village. Under the bill, in lieu of making the 12 percent finding, a city or village may certify to DOR that 1) TIDs with sufficient value increments will close within one year after certification so that the city or village will no longer exceed the 12 percent limit and 2) the city or village will not take any actions that would extend the life of any TID under item 1.

Marijuana Legalization and Regulation

Under the bill, a person who is at least 21 years old may legally possess marijuana. A person who is at least 18 may possess marijuana if the person has certain medical conditions. Under the bill, a person may produce, process, or sell marijuana if the person has a permit. The bill creates an excise tax for the privilege of producing, processing, distributing, or selling marijuana in this state. All of the revenue collected from the tax is deposited into the general fund. Under the bill, a person who may possess medical marijuana is not subject to sales or excise taxes on the purchase or use of the marijuana. The bill also regulates delta-8 THC and delta-10 THC as marijuana. The bill does not affect federal law, which generally prohibits persons from manufacturing, delivering, or possessing marijuana and applies to both intrastate and interstate violations.

Legalizing the possession of marijuana

Current law prohibits a person from manufacturing, distributing, or delivering marijuana; possessing marijuana with the intent to manufacture, distribute, or deliver it; possessing or attempting to possess marijuana; using drug paraphernalia; or possessing drug paraphernalia with the intent to produce, distribute, or use a controlled substance. The bill changes state law to allow a Wisconsin resident who is at least 21 to possess no more than two ounces of marijuana and to allow a nonresident of Wisconsin who is at least 21 to possess no more than one-quarter ounce of marijuana. The bill also allows a qualifying patient to possess marijuana for medical purposes. Under the bill, generally, a qualifying patient is an individual who has been diagnosed by a physician as having or undergoing a debilitating medical condition or treatment and who is at least 18 years old. The bill also eliminates the prohibition on possessing or using drug paraphernalia that relates to marijuana consumption.

Under the bill, a person who possesses more marijuana than the maximum amount the person is allowed is subject to a penalty, which varies depending on the amount of overage. A person who exceeds the amount by not more than one ounce is subject to a civil forfeiture not to exceed $1,000. A person who exceeds the maximum amount by more than one ounce is guilty of a misdemeanor and subject to a fine of not more than $1,000 or imprisonment not to exceed 90 days or both. The person is guilty of a Class I felony if the person also takes action to hide the amount of marijuana they have and has in place a security system to alert them to the presence of law enforcement or a method to intimidate, or a system that could injure or kill, a person approaching the area containing the marijuana.

Regulating the production, processing, and selling marijuana

Under the bill, no person may sell, distribute, or transfer marijuana unless the person has a permit from DOR. A person that violates this prohibition is guilty of a Class I felony if the intended recipient is an adult and is guilty of a Class H felony if the intended recipient is a minor and the person is at least three years older than the minor.

The bill requires a person to obtain separate permits from DOR to produce, process,

distribute, or sell marijuana, and requires marijuana producers and processors to obtain additional permits from DATCP. The requirements for obtaining these permits differ based on whether the permit is issued by DOR or DATCP but, in general, a person may not obtain such a permit if they are not a state resident, are under the age of 21, or have been convicted of certain crimes or committed certain offenses. In addition, a person may not operate under a DOR or DATCP permit within 500 feet of a school, playground, recreation facility, child care facility, public park, public transit facility, or library. A person that holds a permit from DOR must also comply with certain operational requirements.

Under the bill, a permit applicant with 20 or more employees may not receive a permit from DATCP or DOR unless the the applicant certifies that the applicant has entered into a labor peace agreement with a labor organization. The labor peace agreement must prohibit the labor organization and its members from engaging in any economic interference with persons doing business in this state, must prohibit the applicant from disrupting the efforts of the labor organization to communicate with and to organize and represent the applicant's employees, and must provide the labor organization access to areas in which the employees work to discuss employment rights and the terms and conditions of employment. Current law prohibits the state and any local unit of government from requiring a labor peace agreement as a condition for any regulatory approval. The permit requirements under the bill are not subject to that prohibition.

The bill also requires DATCP and DOR to use a competitive scoring system to determine which applicants are eligible to receive permits. Each department must issue permits to the highest scoring applicants that it determines will best protect the environment; provide stable, family-supporting jobs to local residents; ensure worker and consumer safety; operate secure facilities; and uphold the laws of the jurisdictions in which they operate. Each department may deny a permit to an applicant with a low score.

The bill prohibits a DOR permittee from selling, distributing, or transferring marijuana to a person who is under the age of 21 (a minor) and from allowing a minor to be on premises for which a permit is issued. If a permittee violates one of those prohibitions, the permittee may be subject to a civil forfeiture of not more than $500 and the permit may be suspended for up to 30 days.

Under the bill, a minor who does any of the following is subject to a forfeiture of not less than $250 nor more than $500: procures or attempts to procure marijuana from a permittee; falsely represents their age to receive marijuana from a permittee; knowingly possesses marijuana; or knowingly enters any premises for which a permit has been issued without being accompanied by their parent, guardian, or spouse who is at least 21 years of age or at least 18 years of age if a qualifying patient.

Under the bill, an individual may cultivate as many as six marijuana plants. Only a person that has a permit from DATCP may produce or process more marijuana plants. A person without a permit who possesses more than six but not more than 12 marijuana plants that have reached the flowering stage is subject to a civil forfeiture not to exceed twice the permitting fee, which is $250 under the bill. If the person possesses more than 12 plants that have

reached the flowering stage, the person is guilty of a misdemeanor and subject to a fine not to exceed $1,000 or imprisonment not to exceed 90 days or both. The person is guilty of a Class I felony if the person also takes action to hide the number of plants they have and the person also has in place a security system to alert him or her to the presence of law enforcement or a method to intimidate, or a system that could injure or kill, a person approaching the area containing the plants.

The bill requires DOR to create and maintain a medical marijuana registry program whereby a person who is a qualifying patient may obtain a registry identification card and purchase marijuana from a retail establishment without having to pay the sales or excise taxes imposed on that sale. A "qualifying patient" is a person who is at least 18 and has been diagnosed by a physician as having a debilitating medical condition such as cancer, glaucoma, AIDS, or another specified condition or is undergoing a debilitating medical treatment.

Previous convictions relating to marijuana

The bill creates a process to review convictions for acts that have been decriminalized under the bill. If the person is currently serving a sentence or on probation for such a conviction, the person may petition a court to dismiss the conviction and expunge the record. If the person has completed a sentence or period of probation for such a conviction, the person may petition a court to expunge the record or, if applicable, redesignate it to a lower crime. Any conviction that is expunged under the bill is not considered a conviction for any purpose under state or federal law.

Registration for THC testing labs

The bill requires DATCP to register entities as tetrahydrocannabinols (THC)-testing laboratories. The laboratories must test marijuana for contaminants; research findings on the use of medical marijuana; and provide training on safe and efficient cultivation, harvesting, packaging, labeling, and distribution of marijuana, security and inventory accountability, and research on medical marijuana.

Discrimination based on marijuana use

Under the fair employment law, no employer or other person may engage in any act of employment discrimination against any individual on the basis of the individual's use or nonuse of lawful products off the employer's premises during nonworking hours, subject to certain exceptions, one of which is if the use impairs the individual's ability to undertake adequately the job-related responsibilities of that individual's employment. The bill specifically defines marijuana as a lawful product for purposes of the fair employment law, such that no person may engage in any act of employment discrimination against an individual because of the individual's use of marijuana off the employer's premises during nonworking hours, subject to those exceptions.

Under current law, an individual may be disqualified from receiving unemployment insurance benefits if they are terminated because of misconduct or substantial fault. The bill specifically provides that an employee's use of marijuana off the employer's premises during

nonworking hours does not constitute misconduct or substantial fault unless termination for that use is permitted under one of the exceptions under the fair employment law.

Unless federal law requires otherwise, the bill prohibits a hospital, physician, organ procurement organization, or other person from determining the ultimate recipient of an anatomical gift on the sole basis of a positive test for the use of marijuana by a potential recipient.

Drug screening and testing

The bill exempts THC, including marijuana, from drug testing for certain public assistance programs. Currently, a participant in a community service job or transitional placement under the Wisconsin Works program (W2) or a recipient of the FoodShare program, also known as the food stamp program, who is convicted of possession, use, or distribution of a controlled substance must submit to a test for controlled substances as a condition of continued eligibility. DHS is currently required to request a waiver of federal Medicaid law to require drug screening and testing as a condition of eligibility for the childless adult demonstration project in the Medical Assistance program. Current law also requires DHS to promulgate rules to develop and implement a drug screening, testing, and treatment policy for able-bodied adults without dependents in the FoodShare employment and training program. The bill exempts THC from all of those drug-testing requirements and programs. In addition, because THC is not a controlled substance under state law under the bill, the requirement under current law that DCF promulgate rules to create a controlled substance abuse screening and testing requirement for applicants for the work experience program for noncustodial parents under W2 and the Transform Milwaukee Jobs and Transitional Jobs programs does not include THC.

Under current law, DWD must establish a program to test claimants who apply for unemployment insurance (UI) benefits for the presence of controlled substances, as defined under federal law. If a claimant tests positive for a controlled substance, the claimant may be denied UI benefits, subject to certain exceptions and limitations. The bill excludes THC for purposes of this testing requirement. As such, under the bill, an individual who tests positive for THC may not be denied UI benefits.

Tuition grant program for national guard members

The bill makes changes to DMA's tuition grant program relating to the grant amount awarded to national guard members for higher education as well as the name of the grants.

Under current law, DMA awards tuition grants to eligible national guard members enrolled in qualifying schools, which include public and private institutions of higher education. The amount of the tuition grant payment is equal to 100 percent of the actual tuition charged by the guard member's school or 100 percent of the maximum resident undergraduate tuition charged by the UW–Madison for a comparable number of credits, whichever amount is less.

The bill specifies that, in calculating the amount of tuition charged by a qualifying school, the amount includes tuition and segregated fees if the school is a UW System institution and includes program fees and incidental fees if the school is a technical college. The bill also renames grants awarded under the program as "educational grants" rather than "tuition grants." The bill further specifies that, subject to exceptions, if an eligible guard member receives an educational grant, no other award of financial aid to the guard member may be reduced because of the educational grant.

Incumbent local exchange carrier grants

Under current law, DMA operates a grant program to reimburse incumbent local exchange carriers operating as originating service providers for costs associated with Next Generation 911. Currently, no moneys may be encumbered from the appropriation that funds the grant program after June 30, 2027. The bill removes the June 30, 2027, end date for encumbering funds under the grant program.

Costs eligible for disaster assistance payment grants

Under current law, DMA may make payments from state disaster assistance appropriation accounts to eligible local governmental units for costs that are a direct result of certain disasters, including eligible costs of debris removal; certain emergency protective measures for the protection of life, public health, and property; and certain damage to roads and bridges. The bill directs that the costs eligible for such payments include certain categories of work designated by the Federal Emergency Management Agency's public assistance program, including the program's Category D, regarding water control facilities; Category E, regarding public buildings and contents; Category F, regarding public utilities; and Category G, regarding parks, recreation, and other facilities.

Under current law, DMA may also make payments from a state disaster assistance appropriation account to local governmental units for the damages and costs incurred as the result of a disaster if 1) the disaster is not eligible for other funding related to a presidentially declared "major disaster," or 2) DMA determines the disaster does not meet a certain per capita impact indicator. Additionally, the local governmental unit receiving the payment must pay for 30 percent of the amount of damages and costs resulting from the disaster. The bill requires DMA

to provide a $68,100 payment in fiscal year 2025–26 from the same state disaster assistance appropriation account to the Town of Westport, exempts the payment from the program's eligibility requirement, and exempts the town from the 30 percent payment requirement.

FISH, GAME, AND WILDLIFE

Hunting, fishing, and trapping fees

Under current law, DNR issues hunting, fishing, and trapping licenses, permits, and other approvals and charges a fee to issue most approvals. The bill increases hunting, fishing, and trapping approval fees. The following table includes a sample of these fee increases ("NR" indicates nonresident):

	Current fee	Increase	New fee
Hunting approvals			
Small game	$15.25	$20.00	$35.25
NR Small game	$87.25	$20.00	$107.25
Deer	$21.25	$20.00	$41.25
NR Deer	$197.25	$20.00	$217.25
Elk	$46.25	$20.00	$66.25
NR Elk	$248.25	$20.00	$268.25
Class A bear	$46.25	$40.00	$86.25
NR Class A bear	$248.25	$40.00	$288.25
Archer deer	$21.25	$20.00	$41.25
NR Archer deer	$197.25	$20.00	$217.25
Crossbow deer	$21.25	$20.00	$41.25
NR Crossbow deer	$197.25	$20.00	$217.25
Wild turkey	$12.25	$10.00	$22.25
NR Wild turkey	$62.25	$10.00	$72.25
Fishing approvals			
Annual fishing	$19.25	$10.00	$29.25
NR Annual Fishing	$54.25	$10.00	$64.25
One-day fishing	$7.25	$10.00	$17.25
NR One-day fishing	$14.25	$10.00	$24.25
Combination approvals			
Sports	$57.25	$20.00	$77.25
NR Sports	$292.25	$40.00	$332.25
Conservation patron	$160.25	$40.00	$200.25
NR Conservation patron	$615.25	$40.00	$655.25
Wolf harvesting	$48.25	$40.00	$88.25
NR Wolf harvesting	$250.25	$40.00	$290.25

	Current fee	Increase	New fee
Trapping and taxidermist approvals			
Trapping	$19.25	$20.00	$39.25
NR Trapping	$149.25	$20.00	$169.25
Taxidermist	$50.00	$20.00	$70.00
NR Taxidermist	$100.00	$20.00	$120.00
Commercial fishing and fish dealer approvals			
Commercial fishing outlying waters	$899.25	$20.00	$919.25
Rough fish harvest	$25.00	$10.00	$35.00
Shovelnose sturgeon permit	$50.00	$10.00	$60.00
Wholesale fish dealer	$100.00	$10.00	$110.00
Stamps, tags, and specialty approvals			
Turkey	$5.00	$7.75	$12.75
Pheasant	$9.75	$6.00	$15.75
Waterfowl	$11.75	$2.00	$13.75
Inland trout	$9.75	$6.00	$15.75
Great Lakes salmon/trout	$9.75	$7.00	$16.75
Wild rice and ginseng approvals			
Wild rice harvest	$7.50	$10.00	$17.50
Wild ginseng harvest	$15.00	$10.00	$25.00
NR Wild ginseng harvest	$30.00	$10.00	$40.00

Deer carcass disposal sites

The bill requires DNR to provide financial assistance to local governments, individuals, businesses, and nonprofit conservation organizations to purchase large metal containers for the disposal of deer carcasses.

Fish, wildlife, and parks program operations

The bill creates an appropriation, from moneys in the conservation fund that DNR receives from forestry activities, for the operation of fish, wildlife, and parks programs.

Endangered resources funding match

Under current law, DNR administers the endangered resources program, which includes improving habitats for endangered or threatened species, conducting the natural heritage inventory, conducting wildlife research and surveys, providing wildlife management services, and providing for wildlife damage control. Current law appropriates from the general fund to DNR an amount equal to the amount of gifts, grants, and bequests received for the program and any additional payments designated for the program by an individual filing an income tax return, not to exceed $500,000 in a fiscal year. The bill increases the limit to $950,000.

FORESTRY

Managed forest land fees

Under current law, DNR administers the managed forest land (MFL) program, under which the owner of a parcel of land designated as MFL makes an annual acreage share payment in lieu of property taxes. In exchange, the owner must comply with certain forestry practices and, subject to exceptions, must open the land to the public for recreational activities. Certain actions relating to a parcel designated as MFL must be recorded by the appropriate register of deeds and DNR must pay any required fee for the recording.

Under current law, MFL may be transferred from one owner to another with payment of a $100 fee, which is deposited in the conservation fund. Of that amount, $20 is credited to a DNR appropriation for the payment of register of deed fees. Land may also be withdrawn from the MFL program with payment of a $300 fee.

Under the bill, $100 transfer fees and $300 withdrawal fees are deposited in the conservation fund and credited to the DNR appropriation for the payment of fees to the registers of deeds.

Wildfire suppression reimbursement

Under current law, DNR administers the fire suppression aids program, which provides grants to counties, cities, villages, towns, and fire suppression organizations to assist with the cost of training and supplies for fire suppression. The bill appropriates to DNR, from the conservation fund, a sum sufficient to reimburse local fire departments under the program.

Forestry-industry-wide strategic plan

The bill requires DNR to develop a forestry-industry-wide strategic plan and road map and to submit a final report on this plan to the Council on Forestry no later than September 16, 2026.

Transfer from forestry account to transportation fund

The bill transfers $25,000,000 from the forestry account of the conservation fund to the transportation fund.

Transfer to forestry account

The bill modifies the amount of GPR to be transferred to the conservation fund for forestry purposes. Under current law, an amount equal to 0.1697 mills for each dollar of equalized property value in the state is transferred. The bill modifies the amount of the transfer to 0.1406 mills for each dollar of equalized property value in the state. Current law requires funds transferred in this manner to be used for acquiring, preserving, and developing the forests of the state and for various other purposes related to forestry.

NAVIGABLE WATERS

Great Lakes and Mississippi River erosion control revolving loan programs

The bill requires DNR to administer revolving loan programs to assist municipalities and

owners of homes located on the shore of Lake Michigan, Lake Superior, or the Mississippi River where the structural integrity of municipal buildings or homes is threatened by erosion of the shoreline. Under the bill, moneys for the programs are provided from the environmental fund, the segregated fund used to finance environmental management programs administered by DNR and pollution abatement programs administered by DNR and DATCP. The bill requires DNR to promulgate rules to administer the programs, including eligibility requirements and income limitations, and authorizes DNR to promulgate emergency rules for the period before permanent rules take effect.

Bonding for dam safety projects

Under current law, the state may contract up to $39,500,000 in public debt to provide financial assistance to counties, cities, villages, towns, and public inland lake protection and rehabilitation districts for dam safety projects. The bill increases the bonding authority for these projects by $15,000,000.

RECREATION

Outdoor skills training program

The bill changes which appropriation from the conservation fund pays for an outdoor skills training program. Under current law, the UW System must enter into an agreement with an established national organization that provides training to persons who are interested in learning about the outdoor skills needed by women to hunt, fish, camp, canoe, and undertake other outdoor recreational activities in order to provide that type of training to interested persons.

Free admission to state parks for fourth graders

Under current law, no person may operate a vehicle in any state park or in certain other recreational areas on state land unless the vehicle displays a vehicle admission receipt. The bill requires DNR to waive the fee for an annual vehicle admission receipt issued to the parent or guardian of a pupil receiving a fourth grade level of instruction. A parent or guardian of a qualifying pupil may apply to DNR for the waiver by submitting required certifications. A parent or guardian may receive the waiver only once in his or her lifetime and DNR may issue a waiver only once for a household.

State park admission and camping fee waivers for tribal members

The bill requires DNR to waive the fee for an annual vehicle admission receipt issued to a member of a federally recognized American Indian tribe or band located in this state. Under current law generally, no person may operate a vehicle in any state park or in certain other recreational areas on state land unless the vehicle displays a vehicle admission receipt.

The bill also requires DNR to waive the camping fee for a member of a federally recognized American Indian tribe or band located in this state. Under current law generally, no person may camp in a state campground unless the applicable camping fee is paid.

Interpretive programs in state forests

Current law provides that all moneys received from fees charged for admission to educational and interpretive programs in state parks are appropriated for the costs associated with those programs. The bill adds moneys received from fees charged for admission to those programs in state forests to this appropriation, to be used for the costs associated with those programs.

Kenosha Dunes restoration funding

The bill appropriates moneys from the general fund to DNR for erosion control projects in the Kenosha Dunes unit of the Chiwaukee Prairie state natural area in Kenosha County.

Credit card fee recovery

The bill provides that DNR may collect a credit card handling fee to cover credit card transaction costs incurred in collecting fees for vehicle admission receipt and camping fees that are paid for by using a credit card. The bill requires DNR to promulgate rules establishing the amount of the fee, which may not be more than the amount necessary to cover the costs of using a credit card for fee payment.

GENERAL NATURAL RESOURCES

Warren Knowles-Gaylord Nelson Stewardship 2000 Program

The bill reauthorizes the Warren Knowles-Gaylord Nelson Stewardship 2000 Program (stewardship program) until 2036 and makes various changes to the program.

Current law authorizes the state to incur public debt for certain conservation activities under the stewardship program, which is administered by DNR. The state may incur this debt to acquire land for the state for conservation purposes and for property development activities and may award grants or state aid to certain local governmental units and nonprofit conservation organizations (NCOs) to acquire land for these purposes. Current law establishes the amounts that DNR may obligate in each fiscal year through fiscal year 2025–26 for expenditure under each of five subprograms of the stewardship program.

The bill increases the total amount that may be obligated for the stewardship program from $33,250,000 each fiscal year to $83,000,000 each fiscal year beginning with fiscal year 2026–27 and ending with fiscal year 2035–36.

Moneys obligated under the stewardship program are appropriated from the capital improvement fund (CIF) and stewardship bond proceeds are deposited into CIF. Current law provides that, in obligating moneys under the subprogram for land acquisition, DNR must set aside certain amounts to be obligated only for DNR to acquire land and to provide grants to counties for land acquisition (county forest grants). Specifically, the set-aside for DNR land acquisition each fiscal year is $1,000,000 plus the amount transferred to CIF under an appropriation that transfers from moneys received for forestry activities (the forestry account) to CIF $5,000,000 in each fiscal year. The set-aside for county forest grants is equal to the amount transferred to CIF under an appropriation that transfers from the forestry account to CIF $3,000,000 in each fiscal year. The bill ends these annual transfers from the

forestry account to CIF beginning in fiscal year 2026–27 and replaces the corresponding set-aside requirements under the land acquisition subprogram with appropriations that directly fund those purposes from the conservation fund, not the stewardship program. Specifically, the bill appropriates $6,000,000 each fiscal year from the conservation fund for DNR land acquisitions and $3,000,000 each fiscal year from the forestry account for county forest grants. The $6,000,000 that the bill appropriates directly each fiscal year for DNR land acquisitions is $1,000,000 more than the amount currently transferred to CIF and set aside for this purpose, and in addition the bill continues to provide a $1,000,000 set-aside for this purpose under the land acquisition subprogram of the stewardship program. The bill provides that any amount in CIF remaining from the amounts transferred from the forestry account in fiscal years 2022–23, 2023–24, 2024–25, and 2025–26 is transferred back to the forestry account in fiscal year 2026–27.

The bill eliminates a current law provision that states that, of the amount set aside under the land acquisition subprogram for DNR to acquire land, DNR may not use more than one-third to acquire land in fee simple. In addition, the bill eliminates a provision requiring DNR to use at least two appraisals to determine the current fair market value of land that is the subject of a stewardship funding for an NCO or governmental unit if DNR estimates the fair market value of the land to exceed $350,000. The bill increases from $7,000,000 to $14,000,000 the amount under the land acquisition subprogram that must be set aside for grants to nonprofit conservation organizations each fiscal year.

The bill renames the property development and local assistance subprogram to be the "state property development and local parks and recreation subprogram," and increases from $14,250,000 to $51,500,000 the amount in each fiscal year that may be obligated under the subprogram. Of that amount, the bill increases from $5,000,000 to $15,450,000 the amount that DNR must obligate for property development each fiscal year and increases from $9,250,000 to $36,050,000 the amount that DNR must obligate for local assistance each fiscal year.

The bill increases from $500,000 to $2,500,000 the amount that DNR is required to set aside each fiscal year, from the amounts obligated for property development, for grants to friends groups and NCOs for property development activities on DNR properties. The bill also increases from $20,000 to $50,000 the maximum amount that DNR may encumber per DNR property for these grants in each fiscal year.

The bill creates a motorized recreation grant program funded from stewardship moneys, under which DNR may award a grant to a county, city, village, town, or recreational vehicle club either to acquire land for the purpose of establishing an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail (treated as obligated from the land acquisition subprogram) or to construct a trail crossing for an all-terrain vehicle trail, off-highway motorcycle trail, or snowmobile trail as part of an interchange project (treated as obligated from the state property development and local parks and recreation subprogram). The bill requires DNR to allocate $5,000,000 in each fiscal year for these grants.

The bill renames the recreational boating aids subprogram to be the "local recreation boat facilities subprogram" and increases from $3,000,000 to $9,000,000 the amount in each fiscal

year that DNR may obligate under the subprogram. The bill eliminates DNR's authority under current law to use funds, whether stewardship or other funds, for recreational boating project feasibility studies. The bill changes one of the factors that DNR must consider in establishing priorities for projects from "projects underway" to "projects in a state of readiness."

The bill creates two new programs and funds them with appropriations from the general fund. Specifically, the bill creates a grant program for nonprofit conservation organizations to support wildlife and habitat management, and a tribal co-management program under which DNR must coordinate with the federally recognized American Indian tribes or bands domiciled in this state in the management of education infrastructure, land management activities, and other activities on DNR land.

Nonprofit conservation organization grants

Under current law, DNR is authorized to provide grants to nonprofit conservation organizations for a variety of conservation purposes, including acquisition of property, encouraging land management activities that enhance the state's natural resources, and providing technical assistance.

The bill creates an appropriation to DNR from the general fund for the purpose of providing grants to nonprofit conservation organizations and requires DNR to award grants in the 2025–26 fiscal year to the following organizations: 1) Gathering Waters, 2) the Natural Resources Foundation of Wisconsin, 3) River Alliance of Wisconsin, and 4) Wisconsin Lakes.

Building demolition

The bill creates a continuing appropriation from the general fund to DNR for the demolition of buildings on DNR-owned property.

Wild rice stewardship

The bill appropriates to DNR from the general fund moneys for wild rice stewardship efforts within the waters of areas where American Indian tribes or bands hold treaty-based rights to harvest wild rice. The bill provides that not less than $50,000 of the amounts appropriated for each fiscal year must be allocated for public education and outreach pertaining to wild rice harvesting.

Off-highway motorcycle sales tax collection

Under current law, 1 percent of sales and use taxes on all-terrain vehicles, utility terrain vehicles, boats, and snowmobiles are deposited in the segregated conservation fund. The bill provides that 1 percent of sales and use taxes on off-highway motorcycles are deposited in the conservation fund and credited to the DNR appropriation for off-highway motorcycle administration.

Funding from Indian gaming receipts

Current law and Indian gaming compacts require DOA to transfer portions of Indian gaming receipts to certain DNR appropriations annually. At the end of each fiscal year, unobligated funds from programs that receive tribal gaming revenues revert to the appropriation account to which Indian gaming receipts are credited.

The bill eliminates the requirement to transfer these amounts to an appropriation that funds snowmobile law enforcement operations and safety training and fatality reporting and eliminates that appropriation. The bill also creates a new appropriation to DNR for providing grants to federally recognized American Indian tribes or bands for maintenance and repair of fish hatcheries operated by the tribe or band.

Under current law, DNR makes a payment to the Lac du Flambeau band of Lake Superior Chippewa based on the amount of fees collected by DNR for certain hunting and fishing approvals and the number of certain approvals issued within the the Lac du Flambeau reservation. DNR makes this payment from an appropriation that receives tribal gaming revenues. The bill provides that this appropriation is subject to the same reversion requirement as other gaming receipts transfers to DNR.

Public Utilities

Funding for broadband expansion grant program

The bill appropriates GPR funding for the broadband expansion grant program administered by PSC.

Focus on Energy funding

The bill makes changes to the funding of statewide energy efficiency and renewable resources programs, known as Focus on Energy, that current law requires investor-owned electric and natural gas utilities to fund. Under the bill, PSC must require those utilities to spend 2.4 percent of their annual operating revenues derived from retail sales to fund Focus on Energy and related programs. Under current law, the amount those utilities must spend is 1.2 percent of their annual operating revenues from retail sales.

Focus on Energy residential customer energy storage

The bill includes residential energy storage system programs and programs for reducing energy demand in the Focus on Energy program.

Energy innovation grant program

The bill appropriates GPR for the energy innovation grant program (EIGP), which is administered by PSC's Office of Energy Innovation and awards grants for projects related to energy efficiency and innovation. Currently, the EIGP is funded with federal money from the 2009 American Recovery and Reinvestment Act.

Residential and commercial energy improvements

The bill allows PSC to authorize a public utility to finance energy improvements at a specific dwelling for a residential or commercial customer. Under the bill, a public utility may recover the costs of such an energy improvement through a surcharge periodically placed on the customer's account. The bill requires PSC to promulgate rules establishing requirements for this financing, which must include that the surcharge is assigned to a location, not to an individual customer; that energy improvements are eligible for financing only if they are estimated to save an amount that exceeds the surcharge; and that the financing offered may not increase a customer's risk or debt.

Deadline for a certificate of public convenience and necessity

Current law generally prohibits a person from commencing construction of certain large electric generating facilities or high-voltage transmission lines without obtaining a certificate of public convenience and necessity (CPCN) from PSC. After a person files a complete application for a CPCN, PSC must take final action on the application within 180 days, or else PSC is considered to have issued a CPCN to the applicant. However, current law also allows the PSC chairperson to extend that deadline for no more than an additional 180 days. If PSC fails to take final action within the extended deadline, PSC is considered to have issued

the CPCN. The bill authorizes the PSC chairperson to make two such 180-day extensions instead of just one.

Brownfield renewable energy generation grants

Under the bill, PSC makes grants to developers and electric providers for redeveloping brownfields for renewable energy generation. The grants may be used only for remediating brownfields, developing renewable energy infrastructure on brownfields, and technical support.

Nuclear energy feasibility study

The bill requires PSC to conduct a nuclear power plant feasibility study and creates an appropriation to fund the study.

Electric utility integrated resource plans

The bill requires investor-owned and municipal electric utilities to file integrated resource plans with PSC. An integrated resource plan must describe the resources an electric utility could use to meet the service needs of its customers over the next 5-year, 10-year, and 15-year periods and must contain certain other information, including forecasts of electricity demand under various reasonable scenarios and plans and projected costs for meeting that electricity demand. PSC must establish requirements for the contents and filing of the plans, and PSC must approve, reject, or modify an electric utility's integrated resource plan consistent with the public interest. The bill also requires PSC to review the integrated resource plans filed by electric utilities to inform its biennial strategic energy assessment. Under current law, the strategic energy assessment evaluates the adequacy and reliability of the state's current and future energy supply.

Securitization of retiring power plants

Under current law, an energy utility is allowed to apply to PSC for an order allowing the utility to finance the costs of the following activities by issuing bonds: 1) the construction, installation, or otherwise putting into place of environmental control equipment in connection with a plant that, before March 30, 2004, has been used to provide service to customers and 2) the retiring of any existing plant, facility, or other property to reduce, control, or eliminate environmental pollution in accordance with federal or state law. Current law defines these activities as "environmental control activities." If approved by PSC, the bonds, which are referred to as "environmental trust bonds," are secured by revenues arising from charges paid by an energy utility's customers for the utility to recover the cost of the activities, as well as the cost of financing the bonds.

The bill adds the retiring of any existing electric generating facility fueled by nonrenewable combustible energy resources as an environmental control activity, the costs of which may be financed by an environmental trust bond.

Remove size limit on grants for lead service line replacement

The bill allows water public utilities to make grants that cover the full cost of replacing lead-containing customer-side water service lines. Under current law, water public utilities

may, after applying to and receiving approval from PSC, make grants and loans to property owners to assist replacement of customer-side water service lines containing lead. Current law prohibits PSC from approving a water public utility's application to provide these grants unless grants are limited to no more than one-half of the total cost of replacing lead-containing customer-side water service lines.

Real Estate

Real estate condition reports

Under current law, with certain exceptions, an owner selling residential real property or vacant land must give a prospective buyer a form, known as a real estate condition report for residential real property and known as the vacant land disclosure report for vacant land (real estate condition report), on which the owner discloses certain conditions of, and other information about, the real property of which the owner is aware. Currently, as part of the real estate condition report, a seller must disclose whether the applicable real estate is located in a floodplain. The bill requires the real estate condition report to include a link to a DNR website for more information about flood insurance. Current law also requires a seller of residential real estate to indicate whether any insurance claims related to damage to the premises have been filed in the past five years. The bill adds the same provision to the vacant land disclosure report. Additionally, the bill adds to both real estate condition reports language that specifies that the disclosure related to insurance claims includes insurance claims for damage caused by a flood. Lastly, the bill adds to the real estate condition report a disclosure related to claims for financial support, other than insurance claims, for damage to the property caused by a flood. Under current law and the bill, the real estate condition report includes a provision under which the prospective buyer acknowledges that that technical knowledge such as that acquired by professional inspectors may be required to detect certain defects, including "floodplain status."

Landlord notification requirements

The bill provides that, if a landlord has actual knowledge that a rental property is located in a floodplain, the landlord must disclose that fact to a prospective tenant before entering into a lease or accepting any earnest money or security deposit from the prospective tenant.

Benefits for domestic partners

The bill provides that domestic partners of public employees be treated similarly to spouses of public employees for purposes of benefits received through ETF. These benefits include group health insurance coverage, beneficiary rights under the Wisconsin Retirement System (WRS), automatic beneficiary rights under the deferred compensation plan, and duty disability survivorship benefits.

WRS annuitants returning to work

Under current law, if a WRS annuitant, or a disability annuitant who has attained his or her normal retirement date, is appointed to a position with a WRS-participating employer or provides employee services to a WRS-participating employer in which he or she is expected to work at least two-thirds of what is considered full-time employment by ETF, the annuity must be suspended and no annuity payment is payable until after the participant again terminates covered employment.

The bill removes the requirement that an annuitant who returns to work for a participating employer have his or her annuity suspended and become a participating employee and instead allows an annuitant who returns to work to either 1) elect to suspend his or her annuity and become a participating employee or 2) elect to continue receiving his or her annuity and not become a participating employee.

Under current law, a WRS participant who has applied to receive a retirement annuity must wait at least 75 days between terminating covered employment with a WRS employer and returning to covered employment again as a participating employee. The bill reduces that period to 30 days.

Waiting period for state employees

Under current law, most state employees, other than limited-term employees, become covered under the state group health insurance plan on the first day of the first month after becoming employed with the state by filing an election within 30 days of being hired. However, most state employees are ineligible for an employer contribution toward the premiums for the first three months of employment. The bill changes the date to the first day of the second month for most state employees, other than limited-term employees, hired after the effective date of the bill.

Internal auditor

The bill creates the Office of Internal Audit attached to ETF. Under the bill, the office plans and conducts audits of activities and programs administered by ETF, among other responsibilities, while following policies, principles, and directives established by the Employee Trust Funds Board (ETFB).

The bill requires ETFB to appoint an internal auditor and internal audit staff within the

classified service who report directly to ETFB. Currently, the internal auditor for ETF reports to the secretary of ETF, and internal audit staff report to the internal auditor.

Automated operating system progress report

The bill requires the secretary of ETF to submit with ETF's biennial budget request a report that includes details of ETF's expenditures to implement an automated operating system and a progress report and timelines of ETF's anticipated progress on modernizing its business processes and integrating its information technology systems.

Safety and Professional Services

ADVANCED PRACTICE REGISTERED NURSES

Licensure of advanced practice registered nurses

Under current law, a person who wishes to practice professional nursing must be licensed by the Board of Nursing as a registered nurse (RN). The bill creates an additional system of licensure for advanced practice registered nurses (APRNs), to be administered by the board. Under the bill, in order to apply for an APRN license, a person must 1) hold, or concurrently apply for, an RN license; 2) have completed an accredited graduate-level or postgraduate-level education program preparing the person to practice as an APRN in one of four recognized roles and hold a current national certification approved by the board; 3) possess malpractice liability insurance as provided in the bill; 4) pay a fee determined by DSPS; and 5) satisfy certain other criteria specified in the bill. The bill also allows a person who has not completed an accredited education program described above to receive an APRN license if the person 1) on January 1, 2026, is both licensed as an RN in Wisconsin and practicing in one of the four recognized roles and 2) satisfies additional practice or education criteria established by the board. The bill also, however, automatically grants licenses to certain RNs, as further described below. The four recognized roles, as defined in the bill, are 1) certified nurse-midwife; 2) certified registered nurse anesthetist; 3) clinical nurse specialist; and 4) nurse practitioner. The bill requires the board, upon granting a person an APRN license, to also grant the person one or more specialty designations corresponding to the recognized role or roles for which the person qualifies.

Under the bill, all APRNs, except APRNs with a certified nurse-midwife specialty designation, must practice in collaboration with a physician or dentist. However, under the bill, an APRN may practice without being supervised by a physician or dentist if the board verifies that the APRN has completed 3,840 hours of professional nursing in a clinical setting and has completed 3,840 clinical hours of advanced practice registered nursing practice in his or her recognized role while working with a physician or dentist during those 3,840 hours of practice. APRNs may count additional hours practiced as an APRN in collaboration with a physician or dentist towards the 3,840 required hours of professional nursing. APRNs with a certified nurse-midwife specialty designation are instead required, if they offer to deliver babies outside of a hospital setting, to file and keep current with the board a proactive plan for involving a hospital or a physician who has admitting privileges at a hospital in the treatment of patients with higher acuity or emergency care needs, as further described below. Regardless of whether an APRN has qualified to practice independently, the bill provides that an APRN may provide chronic pain management services only while working in a collaborative relationship with a physician who, through education, training, and experience, specializes in pain management. Alternatively, if an APRN has qualified to practice independently and currently has privileges in a hospital, the APRN may provide chronic pain management services without a collaborative relationship with a physician.

The holder of an APRN license may append the title "A.P.R.N." to his or her name, as well as a title corresponding to whichever specialty designations that the person possesses. The bill prohibits any person from using the title "A.P.R.N.," and from otherwise indicating that he or she is an APRN, unless the person is licensed by the board as an APRN. The bill also prohibits the use of titles and abbreviations corresponding to a recognized role unless the person has a specialty designation for that role.

The bill allows an APRN to delegate a task or order to another clinically trained health care worker if the task or order is within the scope of the APRN's practice, the APRN is competent to perform the task or issue the order, and the APRN has reasonable evidence that the health care worker is minimally competent to perform the task or issue the order under the circumstances. The bill requires an APRN to adhere to professional standards when managing situations that are beyond the APRN's expertise.

Under the bill, when an APRN renews his or her APRN license, the board must grant the person the renewal of both the person's RN license and the person's APRN license. The bill requires all APRNs to complete continuing education requirements each biennium in clinical pharmacology or therapeutics relevant to the APRN's area of practice and to satisfy certain other requirements when renewing a license.

Practice of nurse-midwifery

The bill eliminates licensure and practice requirements specific to nurse-midwives and the practice of nurse-midwifery, including specific requirements to practice with an obstetrician. Under the bill, "certified nurse-midwife" is one of the four recognized roles for APRNs, and a person who is licensed as a nurse-midwife under current law is automatically granted an APRN license with a certified nurse-midwife specialty designation. The bill otherwise allows nurse-midwives to be licensed as APRNs if they satisfy the licensure requirements, except that the bill also requires that a person applying for a certified nurse-midwife specialty designation be certified by the American Midwifery Certification Board. The bill also requires an APRN with a specialty designation as a certified nurse-midwife to file with the Board of Nursing, and obtain the board's approval of, a plan for ensuring appropriate care or care transitions in treating certain patients if the APRN offers to deliver babies outside of a hospital setting.

Prescribing authority

Under current law, a person licensed as an RN may apply to the Board of Nursing for a certificate to issue prescription orders if the person meets certain requirements established by the board. An RN holding a certificate is subject to various practice requirements and limitations established by the board and must possess malpractice liability insurance in an amount determined by the board.

The bill eliminates certificates to issue prescription orders and generally authorizes APRNs to issue prescription orders. A person who is certified to issue prescription orders under current law is automatically granted an APRN license with his or her appropriate specialty designation. RNs who are practicing in a recognized role on January 1, 2026, but

who do not hold a certificate to issue prescription orders on that date and who are granted an APRN license under the bill may not issue prescription orders. As under current law, an APRN issuing prescription orders is subject to various practice requirements and limitations established by the board.

The bill eliminates a provision concerning the ability of advanced practice nurses who are certified to issue prescription orders and who are required to work in collaboration with or under the supervision of a physician to obtain and practice under a federal waiver to dispense narcotic drugs to individuals for addiction treatment.

Malpractice liability insurance

The bill requires all APRNs to maintain malpractice liability insurance in coverage amounts specified under current law for physicians and nurse anesthetists except for an APRN whose employer has in effect malpractice liability insurance that provides at least the same amount of coverage for the APRN. Additionally, the bill requires APRNs who have qualified to practice independently and who practice outside a collaborative or employment relationship to participate in the injured patients and families compensation fund. The injured patients and families compensation fund provides excess medical malpractice coverage for health care providers who participate in the fund and meet all other participation requirements, which includes maintaining malpractice liability insurance in coverage amounts specified under current law.

Other changes

The bill directs DHS to require a hospital that provides emergency services to have sufficient qualified personnel available at all times to manage the number and severity of emergency department cases anticipated by the location. At a minimum, the bill directs DHS to require a hospital that provides emergency services to have on-site at least one physician who, through education, training, and experience, specializes in emergency medicine.

The bill makes numerous other changes throughout the statutes relating to APRNs, including various terminology changes.

BUILDINGS AND SAFETY

Private on-site wastewater treatment system grants

The bill extends the grant program aiding certain persons and businesses served by failing private on-site wastewater treatment systems (POWTS), which are commonly known as septic tanks. Under current law, the program is repealed effective June 2025. In addition, under the bill, a failing POWTS installed at least 33 years before the submission of a grant application is eligible to receive a grant. Current law authorizes grants only for failing POWTS that were installed before July 1, 1978.

Offsetting costs of trade exams administered by third parties

The bill creates an appropriation for DSPS to reduce the cost of examinations required to obtain an occupational license in the building trades that are administered by a third party.

Combining operations and administrative services appropriations

The bill combines two program revenue appropriations for operations and administrative services related to DSPS's regulation of industry, buildings, and safety into a single appropriation.

PROFESSIONAL LICENSURE

DSPS renewal dates; continuing education; nursing workforce survey

Under current law, a two-year renewal period applies to many health and business credentials administered by DSPS or a credentialing board. The renewal date for each two-year period is specified by statute. In addition, the laws governing some professions specify continuing education requirements, either by statute or by rule, as part of credentialing renewal.

The bill eliminates statutory renewal dates for these credentials and instead allows DSPS, in consultation with the credentialing boards, to establish renewal dates. The bill makes various changes to continuing education requirements for various professions to account for the flexible renewal periods allowed in the bill, including allowing DSPS and the credentialing boards to adjust continuing education requirements and to establish interim continuing education or other reporting requirements as needed to align with changes to renewal cycles.

Nursing refresher course tuition reimbursement program

The bill requires DSPS to establish and implement a program to reimburse individuals for the cost of completing a nursing refresher course offered at a technical college. The reimbursement is available to individuals who are licensed as a registered nurse or licensed practical nurse, are under 60 years of age, and have not actively practiced nursing in the prior five-year period. The bill requires DSPS to allocate at least $150,000 in each fiscal year for reimbursements under the program.

Professional licenses for certain noncitizens

Currently, federal law prohibits all but certain noncitizens from receiving any "state or local public benefit," which is defined to include any "professional license, or commercial license provided by an agency of a state or local government." However, federal law allows states to explicitly allow eligibility for certain public benefits. The bill allows certain individuals who are not U.S. citizens to receive any professional license issued in this state if they meet all other requirements or qualifications for the professional license. For purposes of the bill, "professional license" means a license, registration, certification, or other approval to perform specific work tasks, whether issued by the state or a local governmental entity.

Statewide clinician wellness program

The bill allows DSPS to provide a statewide clinician wellness program to provide support to health care workers in this state in maintaining their physical and mental health and ensuring long-term vitality and effectiveness for their patients and their profession.

Reviews of criminal records

The bill requires DSPS, when conducting an investigation of the arrest or conviction record

of a credential applicant, to obtain and review information to determine the circumstances of each case or offense, except that the bill allows DSPS, in its discretion, to complete its investigation of an arrest or conviction record without reviewing the circumstances of certain types of offenses specified in the bill. These offenses include certain first offense operating while intoxicated and related violations; certain underage alcohol violations; and minor, nonviolent ordinance violations, as determined by DSPS.

Rules; license portability

The bill provides that DSPS or a credentialing board in DSPS may promulgate rules to achieve enhanced license portability to help facilitate streamlined pathways to licensure for internationally trained professionals and increased reciprocity.

Combining general operations appropriations

The bill combines five program revenue appropriations related to the licensing, rule-making, and regulatory functions of DSPS into a single appropriation.

County and municipal property tax freeze incentive payments

The bill provides property tax freeze incentive payments to counties and municipalities that do not increase their property tax levies. Under the bill, if a county's or municipality's property tax levy is less than or equal to its property tax levy in the immediately preceding year, it will receive a payment equal to the sum of the following amounts: 1) its property tax levy multiplied by 0.03, and 2) if it received a property tax freeze incentive payment in the immediately preceding year, the amount of that payment multiplied by 1.03. For purposes of eligibility for the payments, expenditures made related to annexation and service consolidation and unreimbursed emergency expenditures do not count as part of a county's or municipality's property tax levy.

Payments to counties and municipalities for nontaxable tribal land

The bill provides payments to counties and municipalities to compensate for not being able to impose local general property taxes on real property exempt from taxation under the 1854 Treaty of La Pointe.

Automatically increasing the municipal services payments account

The bill increases the amounts transferred to the local government fund for payments for municipal services. Under the bill, each fiscal year those amounts increase by the percentage change in the estimated amount of revenues received from the state sales and use tax for the previous fiscal year from the immediately preceding fiscal year. Current law provides state aid payments to municipalities that provide municipal services to state facilities.

Energy and liquefied natural gas storage facilities

The bill provides utility aid payments to counties and municipalities where energy storage facilities are located. Under the bill, DOA distributes to each city and village in which an energy storage facility is located two-thirds of the amount calculated by multiplying the facility's megawatt capacity by $2,000, and the county in which such a facility is located is distributed one-third of the amount calculated by multiplying the facility's megawatt capacity by $2,000. DOA distributes to each town in which an energy storage facility is located one-third of the amount calculated by multiplying the facility's megawatt capacity by $2,000, and the county in which such a facility is located is distributed two-thirds of the amount calculated by multiplying the facility's megawatt capacity by $2,000.

The bill defines an "energy storage facility" as property that receives electrical energy, stores the energy in a different form, and converts that other form of energy back to electrical energy for sale or to use to provide reliability or economic benefits to the electrical grid. The bill also defines an "energy storage facility" as property that is owned by a light, heat, and power company, electric cooperative, or municipal electric company and includes hydroelectric pumped storage, compressed air energy storage, regenerative fuel cells, batteries, and similar technologies.

The bill also provides utility aid payments to counties and municipalities where liquefied natural gas storage facilities (LNG storage facilities) are located. The payment received by a city or village where an LNG storage facility is located is determined by multiplying the net book value of the LNG storage facility by six mills and by three mills in the case of a town. The payment received by a county where an LNG storage facility is located is determined by multiplying the net book value of the LNG storage facility by three mills if the facility is located in a city or village and by six mills if the facility is located in a town.

Aid to taxing jurisdictions for pipelines assessed by the state

Beginning in 2027, the bill requires the state to pay each taxing jurisdiction an amount equal to the property taxes levied on the pipeline property of a pipeline company for the property tax assessments as of January 1, 2024. Generally under current law, the property of a pipeline company is subject to the public utilities tax, and property that is subject to the public utilities tax is exempt from local property taxation.

Aid to Green Bay for NFL draft public safety costs

The bill provides the city of Green Bay with an additional $1,000,000 in county and municipal aid for reimbursement of public safety costs associated with the NFL draft in April 2025.

Expenditure restraint incentive program

Under current law, generally, a municipality is eligible to receive an expenditure restraint incentive payment if its property tax levy is greater than five mills and if the annual increase in its municipal budget is less than the sum of factors based on inflation and the increased value of property in the municipality as a result of new construction. Under the bill, the inflation factor used to determine eligibility is equal to the percentage change in the consumer price index or 3 percent, whichever is greater. The bill also excludes the following from being considered in determining eligibility for an expenditure restraint incentive program payment: 1) the amount by which a municipality's base and supplemental county and municipal aid received in the applicable year exceeds the amount of base and supplemental county and municipal aid received by the municipality in 2024; 2) all grants received from the federal government; 3) revenues from a municipal vehicle registration fee that is approved by a majority of electors voting at a referendum; 4) the amount by which a municipality's payments received for municipal services provided to facilities owned by the state exceeds the amount of those payments received in 2024; and 5) the $1,000,000 additional county and municipal aid payment to the city of Green Bay provided by the bill to reimburse public safety costs associated with the NFL draft in April 2025.

Local government fund transfer to offset certain sales tax exemptions

The bill increases the amount of the transfer from the general fund to the local government fund in fiscal year 2026–27 to compensate for the loss of sales and use tax revenues from the bill's sales tax exemptions for over-the-counter prescription drugs and electricity and natural gas sold from May to October. Under current law, the annual increase in the amount of the county and municipal aid payments and the supplemental county and municipal aid

payments is determined by the percentage change in the revenues received from the sales and use tax.

Timing of transfers to the local government fund

The bill increases the annual July transfer from the general fund to the local government fund to cover the full amount of expenditure restraint incentive program payments, computer aid payments, and video service provider fee aid payments that are paid to taxing jurisdictions from the local government fund by the 4th Monday in July.

Moving the date of computer aid payments

Beginning in 2026, the bill requires DOA to make computer aid payments to taxing jurisdictions by the first Monday in May. Under current law, computers and certain computer-related equipment are exempt from local personal property taxes, and DOA makes computer aid payments to taxing jurisdictions to compensate them for the corresponding loss of property tax revenue. Current law requires DOA to make computer aid payments by the fourth Monday in July.

GENERAL STATE GOVERNMENT

Grants for local projects

Current law requires the Building Commission to establish and operate a grant program to assist nonstate organizations to carry out construction projects having a statewide public purpose. Before approving each grant, the Building Commission must determine that the organization carrying out the project has secured additional funding for the project from nonstate revenue sources in an amount that is equal to at least 50 percent of the total cost of the project.

The bill transfers the grant program to DOA. However, the Building Commission retains its role in approving each grant, making the statewide public purpose determination, and making the determination concerning the amount of nonstate funds the prospective grantee has raised for a project.

The bill further authorizes additional grants under the program to cities, villages, towns, counties, and tribal governments for construction projects having a statewide public purpose if the grant is approved by the Building Commission. Under the bill, these grants are funded from the interest earnings of the local government segregated fund.

Finally, the bill specifically authorizes the following grants under the program, which are subject to Building Commission approval and the other requirements and limitations under the program:

1. A grant of up to $4,000,000 to assist the New Community Shelter, Inc., in the construction of a permanent supportive housing facility in Brown County.
2. A grant of up to $6,000,000 to assist the YMCA of Metropolitan Milwaukee, Inc., and Community Smiles Dental in carrying out renovation of the historic Wisconsin Avenue School in the city of Milwaukee for use as a health and wellness center.
3. A grant of up to $15,000,000 to assist the Second Harvest Foodbank of Southern Wisconsin, Inc., in constructing a new facility to expand food processing, storage, and distribution.
4. A grant of up to $860,000 to assist the Colfax Railroad Museum, Inc., in constructing and renovating museum facilities in the village of Colfax to protect and display historical railroad artifacts.
5. A grant of up to $3,000,000 to assist the city of Green Bay in the construction and development of a public market.
6. A grant of up to $4,250,000 to assist the city of Glendale in the construction of a new library that will serve the communities of Bayside, Fox Point, Glendale, and River Hills, as well as all of Milwaukee County through the Milwaukee County Federated Library System.
7. A grant of up to $2,000,000 to a nonstate organization or a city, village, town, or county for the purchase, construction, or renovation of a child care center in the southwest region of the state.

8. A grant of up to $2,500,000 to assist Wellpoint Care Network, Inc., in renovating an existing facility in the city of Milwaukee to establish a child care center.

Project labor agreements

Under current law, the state and local units of government are prohibited from engaging in certain practices in letting bids for state procurement or public works contracts. Among these prohibitions, the state and local governments may not do any of the following in specifications for bids for the contracts: 1) require that a bidder enter into an agreement with a labor organization; 2) consider, when awarding a contract, whether a bidder has or has not entered into an agreement with a labor organization; or 3) require that a bidder enter into an agreement that requires that the bidder or bidder's employees become or remain members of a labor organization or pay any dues or fees to a labor organization. The bill eliminates these limitations related to labor organizations.

Vacancies in certain appointive offices

Under current law, vacancies in public office may occur in a number of ways, including when the incumbent resigns, dies, or is removed from office, or, in the case of elected office, when the incumbent's term expires. However, as the Wisconsin Supreme Court held in *State ex rel. Kaul v. Prehn*, 2022 WI 50, expiration of an incumbent's term of office does not create a vacancy if the office is filled by appointment for a fixed term. Absent a vacancy or removal for cause, these incumbents may remain in office until their successors are appointed and qualified.

Under the bill, a vacancy in public office is created if the office is filled by appointment of the governor by and with the advice and consent of the senate for a fixed term and the incumbent's term expires or the governor submits his or her nomination for the office to the senate, whichever is later.

Office of Violence Prevention

The bill creates the Office of Violence Prevention in DOA, establishes certain duties with respect to the office, and directs the office to award grants for community violence intervention. The bill provides that the office must coordinate and expand violence prevention activities and work to reduce the incidences of interpersonal violence. To achieve these goals, the office must do all of the following:

1. Establish a violence prevention focus across state government.
2. Collaborate with other state agencies that are interested or active in the reduction of interpersonal violence.
3. Support the development and implementation of comprehensive, community-based violence prevention initiatives within local units of government across the state, including collaborating with law enforcement agencies.
4. Develop sources of funding beyond state revenues to maintain the office and expand its activities.

5. Create a directory of existing violence prevention services and activities in each county.
6. Support and provide technical assistance to local organizations that provide violence prevention services, including in seeking out and applying for grant funding in support of their initiatives.
7. Develop public education campaigns to promote safer communities.

The bill directs the office to establish and implement a program to award grants to support effective violence reduction initiatives in communities across the state. Up to $3,000,000 of the grants must be awarded to federally recognized American Indian tribes or bands in this state or organizations affiliated with tribes relating to missing and murdered indigenous women. The bill also requires that up to $500,000 be awarded for grants related to suicide prevention for the following activities: 1) to train staff at a firearm retailer or firearm range on how to recognize a person who may be considering suicide; 2) to provide suicide prevention materials for distribution at a firearm retailer or firearm range; and 3) to provide voluntary, temporary firearm storage.

Task force on Missing and Murdered African American Women and Girls

The bill creates the Task Force on Missing and Murdered African American Women and Girls. The task force must examine various factors that contribute to violence against African American women and girls and submit to the governor two annual reports by December 31, 2026, on actions that can be taken to eliminate violence against African American women and girls.

Director of Native American affairs

The bill requires the secretary of administration to appoint a director of Native American affairs in the unclassified service to manage relations between the state and American Indian tribes or bands in the state.

Grants to each American Indian tribe or band in Wisconsin

The bill requires DOA to award grants of equal amounts to each American Indian tribe or band in the state for the following purposes:

1. To programs to meet the needs of members of the tribe or band.
2. To promote tribal language and cultural revitalization.

Under the bill, no grant moneys awarded under the above grant programs may be used to pay gaming-related expenses.

Other tribal grants

The bill requires DOA to do all of the following:

1. Award grants to the Menominee Indian Tribe of Wisconsin to support the Menominee Indian Tribe's transit services, in an amount not to exceed $266,600 annually.
2. Award grants to the Oneida Nation of Wisconsin to conduct an intergovernmental training program, available to all tribal governments in Wisconsin, to improve consultations

and communication between the tribes and the state. The grants may not total more than $60,000 annually.

3. Award grants to the Wisconsin Indigenous Housing and Economic Development Corporation to support tribal economic development and housing programs in Wisconsin. The grants may not total more than $3,890,000 in the 2025-26 fiscal year and $2,540,000 annually thereafter.
4. Award grants to American Indian tribes or bands in this state to support strategic planning concerning cybersecurity, in an amount up to $250,000 annually.
5. Award grants to American Indian tribes or bands in this state to support home repairs that reduce energy burdens and improve health outcomes, in an amount up to $1,000,000 annually.

Community climate engagement grant program

The bill requires DOA to establish and administer a community climate engagement grant program. Under the program, DOA is required to award grants to local nongovernmental organizations in Wisconsin for the purpose of promoting local climate and clean energy community engagement. Additionally, under the program, DOA is itself required to conduct and support outreach across Wisconsin concerning climate change, climate resilience, and the reduction of greenhouse gas emissions.

Community climate action grants

The bill requires DOA to create a grant program to assist local governmental units and governing bodies of federally recognized American Indian tribes and bands in this state with the development of climate risk assessment and action plans or to implement emission reduction and action projects. Under the bill, DOA is required to assist local governments and tribal governments with the development of climate risk assessment and action plans.

Grants to provide civil legal services

The bill requires DOA to award grants to the Wisconsin Trust Account Foundation, Inc., for the purpose of providing civil legal services.

Translation services

The bill provides that DOA may provide assistance to state agencies for costs related to translation services that are provided to a state agency through a state contract. The bill also appropriates GPR for the purpose.

Artificial intelligence tools and infrastructure support

The bill requires DOA to develop and maintain artificial intelligence tools and infrastructure for the benefit of state agencies, including the legislature and the courts.

Cybersecurity

Under current law, DOA is required to ensure that an adequate level of information technology services is made available to state agencies. The bill requires that DOA additionally conduct

cybersecurity emergency incident response for state agencies. The bill funds those activities with up to $10,000,000 each fiscal year in moneys from the general fund that are allocated to sum sufficient appropriations of state agencies. A sum sufficient appropriation is expendable in the amounts necessary to accomplish the purpose specified in the appropriation.

The bill also creates an annual appropriation of GPR for DOA's cybersecurity activities generally.

Cybersecurity insurance

The bill requires DOA to undertake planning and preparation to have a cybersecurity insurance program for executive branch agencies by the 2027–29 fiscal biennium.

Closed meetings to consider information technology security issues

Under current law, a governmental body is generally required to meet in open session. Open session is a meeting that is held in a place reasonably accessible to members of the public and open to all citizens at all times.

The bill allows a governmental body to go into closed session for the purpose of considering information technology security issues affecting information technology systems over which the governmental body has jurisdiction or exercises responsibility.

Funding for the Division of Alcohol Beverages

The bill creates a program-revenue appropriation to fund the Division of Alcohol Beverages (DAB) in DOR.

Under current law, the DAB administers and enforces the state's alcohol beverage laws, including issuing alcohol beverage permits. The DAB is currently funded from multiple DOR appropriations, including an appropriation that receives proceeds from an administrative fee of 11 cents per gallon on taxed distilled spirits.

The bill creates, for DAB, a single PR appropriation consisting of DAB permit fees and associated administrative fees and liquor tax administrative fees.

Public records location fee

Current law allows an authority to impose a fee on any person requesting a public record to cover the cost of locating that record, if the cost is $50 or more. The location fee may not exceed the actual, necessary, and direct cost of locating the record. Current law defines an "authority" to include any elective official or state or local government agency that has custody of a public record.

Under the bill, the cost of locating a public record must be $100 or more before an authority may impose a fee to cover the actual, necessary, and direct cost of locating the record.

Lobbying fees

Under current law, fees paid to the Ethics Commission for lobbying activities are appropriated to the commission for the administration of the lobbying laws. The bill eliminates that appropriation and requires that all fees paid to the commission for lobbying activities be deposited in the general fund.

First class city school district audit response funding

The bill directs DOA to provide payments to a first class city school district (currently only Milwaukee Public Schools) to implement recommendations from audits of the school district initiated by the governor. The payments may be used for items addressed in the audits, financial reporting software, and data compatibility with state and local finance systems. Additionally, the payments may be made only if, at the time of payment, the secretary of administration is satisfied that the school district is already making substantial progress on implementation of the audit recommendations.

TEACH program; GPR funding

Under current law, DOA administers the Technology for Educational Achievement (TEACH) program. The TEACH program offers telecommunications access to school districts, private schools, cooperative educational service agencies, technical college districts, independent charter school authorizers, juvenile correctional facilities, private and tribal colleges, and public library boards at discounted rates. Currently, the TEACH program is funded from the universal service fund. The bill provides additional GPR for the TEACH program.

TEACH; broadband speed threshold

As part of TEACH, current law requires DOA to establish an educational telecommunications access program to provide educational agencies with access to data lines. Under current law, DOA must require an educational agency to pay not more than $250 per month for each data line provided under the program. However, the maximum amount DOA may charge an educational agency for a data line is not more than $100 per month if the data line relies on a transport medium that operates at a speed of 1.544 megabits per second. The bill increases the threshold speed for the $100 per month maximum payment to 100 megabits per second.

State AmeriCorps scholarship program

Under current law, an individual who completes a term of service in the AmeriCorps program may receive a Segal AmeriCorps education award to pay for post-secondary educational expenses. The bill creates a program that provides a matching scholarship to individuals who are residents of Wisconsin or who complete their AmeriCorps service in Wisconsin. Under the bill, the matching amounts are subject to availability of monies. The scholarship money awarded under the program may only be used to pay tuition and fees at a technical college, college, or university in Wisconsin.

National and community service board appropriation

Current law appropriates moneys received from the federal Corporation for National and Community Service (CNCS) to administer the national and community service program and to provide grants for the national and community service program. The bill changes the appropriation for administration from one that is limited to the amounts in the schedule to one that appropriates all moneys received that are designated for administration by the CNCS.

The bill also clarifies that the appropriation for grants appropriates all moneys received that are designated for grants by the CNCS.

BCPL payments in lieu of taxes appropriation

Under current law, land that the BCPL owns is not subject to property taxes. For certain lands purchased on or after July 14, 2015, though, BCPL makes annual payments to municipalities in lieu of the property tax that would have been owed on these lands were they not tax exempt. Currently, the source of these payments is a sum certain appropriation. The bill changes that appropriation to a sum sufficient appropriation.

Security services at multitenant state buildings and facilities

The bill eliminates the separate appropriation for security services at multitenant state buildings and facilities and moves the related purposes of the appropriation to a different appropriation.

STATE FINANCE

Refunding certain general obligation debt

The bill increases from $11,235,000,000 to $12,835,000,000 the amount of state public debt that may be contracted to refund any unpaid indebtedness used to finance tax-supported or self-amortizing facilities. The unpaid indebtedness includes unpaid premium and interest amounts. Under current law, the Building Commission may not incur public debt for refunding purposes unless the true interest costs to the state can be reduced.

STATE EMPLOYMENT

Paid family and medical leave

The bill requires the administrator of the Division of Personnel Management in DOA to develop a program for paid family and medical leave of 8 weeks annually for most state employees. The bill requires the administrator to submit the plan for approval as a change to the state compensation plan to the Joint Committee on Employment Relations (JCOER). If JCOER approves the plan, the plan becomes effective January 1, 2027.

The bill also requires the Board of Regents of the UW System to develop a plan for a program for paid family and medical leave of 8 weeks annually for employees of the system and requires the board to submit the plan to the administrator of the Division of Personnel Management in DOA with its compensation plan changes for the 2025-27 biennium. If JCOER approves the plan, the program becomes effective January 1, 2027.

Paid sick leave for limited term employees

Under current law, permanent and project state employees receive the following paid leave: vacation; personal holidays; sick leave; and legal holidays. The bill requires the state to provide paid sick leave to limited term employees of the state at the same rate as to permanent and project state employees.

The bill also requires the Board of Regents of the UW System to develop a plan for a program for paid sick leave for temporary employees of the system and requires the board to submit the plan to the administrator of the Division of Personnel Management in DOA with its compensation plan changes for the 2025–27 fiscal biennium.

Green Bay Correctional Institution

The bill allows the director of the Bureau of Merit Recruitment and Selection in the Division of Personnel Management in DOA to waive competitive hiring procedures for an employee in the classified service at the Green Bay Correctional Institution (GBCI) during the period the facility is decommissioned if the individual is qualified to perform the duties of the position and the position the individual will be filling is assigned to a class at a pay range that is the same as individual's position at GBCI, or a lower pay range.

Vacation hours for state employees

The bill provides additional annual leave hours to state employees during their third, fourth, and fifth years of service.

Under current law, state employees who are in nonexempt status under the federal Fair Labor Standards Act earn annual leave at the rate of 104 hours per year of continuous service during the first five years of service and, on an employee's fifth anniversary of continuous service, the rate increase to 144 hours of annual leave per year of continuous service. Under the bill, beginning on the employee's second anniversary, a state employee in nonexempt status begins earning vacation hours at the rate of 120 hours per year of service.

Under current law, state employees who are in exempt status under the federal Fair Labor Standards Act earn annual vacation at the rate of 120 hours per year of continuous service during the first five years of service and, on the fifth anniversary of continuous service, the rate increase to 160 hours of annual leave per year of continuous service. Under the bill, beginning on the employee's second anniversary, a state employee in exempt status begins earning vacation hours at the rate of 136 hours per year of service.

Removal of salary caps for WHEFA employees

Current law allows WHEFA to employ an executive director and limits the compensation of the executive director to the maximum of the salary range established for positions assigned to executive salary group 6. Current law also limits the compensation of each other employee of WHEFA to the maximum of the salary range established for positions assigned to executive salary group 3. The bill removes these limits on compensation of the executive director and employees of WHEFA.

Apprenticeship programs

Under current law, state agencies may provide on-the-job and off-the-job training to employees without loss of pay to employees. This includes research projects, courses of study, institutes, short courses related to the performance of the employee's job duties, and paying for tuition and related fees. The bill allows a state agency to provide an apprenticeship program.

Under such a program, an apprentice is a probationary employee for the duration of the apprenticeship and attains permanent status upon completion of the apprenticeship but may be separated at any time during the apprenticeship without right of appeal. Under the bill, the compensation plan for state employees may allow for rates of pay for apprentices that reflect the appropriate beginning pay for apprentices as well as pay increases for the attainment of additional qualifications during the apprenticeship. Finally, the bill provides that apprentices may take paid holidays in the same manner as other probationary employees.

Juneteenth state holiday

The bill designates June 19, the day on which Juneteenth is celebrated, as a state holiday on which state offices are closed. Under current law, the offices of the agencies of state government are generally closed on Saturdays, Sundays, and a total of nine state holidays. The bill also requires the administrator of the Division of Personnel Management in DOA to include June 19 and November 11, which is the day on which Veterans Day is traditionally celebrated, as paid holidays for UW System employees in the proposal it submits to the Joint Committee on Employee Relations for compensation plan changes for the 2025–27 fiscal biennium.

Veterans Day state holiday

The bill designates November 11, the day on which Veterans Day is traditionally celebrated, as a state holiday on which state offices are closed. Under current law, the offices of the agencies of state government are generally closed on Saturdays, Sundays, and a total of nine state holidays. Additionally, under current law, state employees receive annually a total of 4.5 paid personal holidays, one of which is provided specifically in recognition of Veterans Day. Under the bill, state employees continue to receive 4.5 paid personal holidays. However, the bill removes the specification that one of the paid personal holidays is provided in recognition of Veterans Day.

In total, the bill increases the number of regular paid holidays state employees receive annually from nine days to 11 days.

Supplemental appropriations for salary and fringe benefit costs incurred in enterprise assessments and billings

Under current law, if employees of an agency receive a salary increase under a compensation plan approved by JCOER or under a contract approved by the legislature, a state agency can request a program supplement to the agency's budget from JCF in order to pay for the salary increase and related costs.

Some state agencies pay for services provided by DOA employees rather than having their own employees perform those services, and DOA assesses or bills the agencies for the services provided by DOA employees. The bill creates four new appropriations from which an agency may request a program supplement when DOA assesses or bills the agency for increased costs for those services due to a salary increase under a compensation plan approved by JCOER or under a contract approved by the legislature.

Project employees of district attorney offices under ARPA

The bill provides that individuals who are in project positions that were funded by the federal American Rescue Plan Act of 2021 in offices of district attorneys may be appointed to equivalent permanent positions in those offices without going through the civil service hiring process as new hires.

Project employees of the Public Defender Board under ARPA

The bill provides that individuals who are in project positions that were funded by the federal American Rescue Plan Act of 2021 and who are employed by the Public Defender Board may be appointed to equivalent permanent positions in those offices without going through the civil service hiring process as new hires.

Position transfers and funding changes

Under the bill, all of the following occur: on January 1, 2027, the funding source for 24.0 FTE FED positions in DOA changes from a single DOA appropriation to two DOA program revenue appropriations and one DOA GPR appropriation; and 17.5 FTE FED positions and incumbent employees transfer from DOA to the Wisconsin Employment Relations Commission, and the position funding changes to a single WERC GPR appropriation.

SECRETARY OF STATE

Deputy secretary of state

The bill creates the position of deputy secretary of state. The secretary of state may delegate any duty or power to the deputy secretary of state, except duties and powers the secretary of state performs as a member of the BCPL.

Appropriations to the secretary of state

Under current law, DFI's general program operations are funded from an annual program revenue appropriation. From this appropriation, $150,000 is transferred annually to an appropriation to the secretary of state for general program operations. The bill increases the amount of the transfer to $502,900 in the 2025–26 fiscal year and $555,400 annually thereafter.

The bill also creates a continuing appropriation to the secretary of state of all moneys received from the federal government to be expended for the purposes for which received and creates a continuing program revenue appropriation to the secretary of state of all moneys received by the secretary of state from gifts, grants, bequests, and devises to be expended for the purposes for which made and received. The bill makes certain other changes to appropriations to the secretary of state, including an increase in the lapse of certain moneys appropriated to the secretary of state to the general fund at the end of each fiscal year.

Office of the Secretary of State

The bill provides that the Office of the Secretary of State is the exclusive office that may affix the great seal of the state of Wisconsin to a document and authenticate the document. The bill also provides that the Office of the Secretary of State must provide apostille services.

LEGISLATURE

Popular initiative and referendum

The bill requires the legislature to introduce and vote on a joint resolution providing for a constitutional amendment that creates a petition process by which the people may propose and approve laws and constitutional amendments at an election and that creates a referendum process by which the people may reject an act of the legislature. A proposed constitutional amendment requires adoption by two successive legislatures, and ratification by the people, before it can become effective.

Specifically, the proposed constitutional amendment provides that the people may file a petition with the agency that administers state elections (currently the Elections Commission) for a referendum to reject any act of the legislature, a section of any act, or an item of appropriation in any act.

A petition for referendum must be signed by qualified electors equaling at least 4 percent of the vote cast for the office of governor at the last preceding gubernatorial election. A qualified elector is a U.S. citizen age 18 or older who has resided in an election district or ward in Wisconsin for at least 28 days.

After validating a petition's signatures, the agency that administers state elections is required to order a referendum at the next general election occurring at least 120 days after the petition was filed with the agency. No act or part of an act rejected in a referendum may be reenacted during the legislative session in which it was rejected.

The proposed constitutional amendment further provides that the people may propose, by petition filed with the agency that administers state elections, laws and constitutional amendments for a vote at an election. The petition must satisfy all of the following conditions:

1. For a petition for an initiative law, be signed by qualified electors equaling at least 6 percent of the vote cast for the office of governor at the last preceding gubernatorial election.
2. For a petition for an initiative constitutional amendment, be signed by qualified electors equaling at least 8 percent of the vote cast for the office of governor at the last preceding gubernatorial election.
3. Include the full text of the proposed law or constitutional amendment prepared in proper form. Upon request by any qualified elector, the agency that administers state elections is required to have the proposed law or constitutional amendment drafted in proper form and made available to the public. The proposed law or amendment must embrace no more than one subject, and that subject must be expressed in the title.
4. Be filed with the agency that administers state elections not less than 120 days before the election at which the proposed law or constitutional amendment is to be voted upon.

Similar to the process for a referendum, after verifying an initiative petition's signatures, the agency that administers state elections is required to order the submission of the initiative law or constitutional amendment to the qualified electors of the state for their approval or rejection at the next succeeding general election occurring at least 120 days after the petition was filed with the agency.

If approved by a majority of the qualified electors voting at the election, an initiative law or constitutional amendment goes into effect on the 30th day after the date the agency that administers state elections certifies the election results, unless a different effective date is specified in the initiative. The legislature may not repeal or amend an initiative law for the two years immediately succeeding its publication and may not repeal or amend an initiative law except by a vote of two-thirds of all members elected to each house. If an initiative law or constitutional amendment is rejected at the election, substantially the same initiative law or amendment, as determined by the agency that administers state elections, may not be considered again by voters under the initiative process for at least five years.

Legislative intervention in certain court proceedings

Current law provides that the legislature may intervene as a matter of right in an action in state or federal court when a party to the action does any of the following:

1. Challenges the constitutionality of a statute.
2. Challenges a statute as violating or being preempted by federal law.
3. Otherwise challenges the construction or validity of a statute.

Current law further provides that the legislature must be served with a copy of the proceedings in all such actions, regardless of whether the legislature intervenes in the action.

The bill eliminates all of these provisions.

Retention of legal counsel by the legislature

Current law allows representatives to the assembly and senators, as well as legislative employees, to receive legal representation from DOJ in most legal proceedings. However, current law also provides all of the following:

1. With respect to the assembly, that the speaker of the assembly may authorize a representative to the assembly or assembly employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the representative's or employee's legislative duties, and the speaker may obtain outside legal counsel in any action in which the assembly is a party or in which the interests of the assembly are affected, as determined by the speaker.
2. With respect to the senate, that the senate majority leader may authorize a senator or senate employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the senator's or employee's legislative duties, and the majority leader may obtain outside legal counsel in any action in which the senate is a party or in which the interests of the senate are affected, as determined by the majority leader.
3. That the cochairpersons of the Joint Committee on Legislative Organization (JCLO) may authorize a legislative service agency employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the employee's legislative duties, and the cochairpersons may obtain outside

legal counsel in any action in which the legislature is a party or in which the interests of the legislature are affected, as determined by the cochairpersons.

The bill eliminates these provisions. Under the bill, representatives to the assembly and senators, as well as legislative employees, may continue to receive legal representation from DOJ in most legal proceedings.

Advice and consent of the senate

Under current law, any individual nominated by the governor or another state officer or agency subject to the advice and consent of the senate, whose confirmation for the office or position is rejected by the senate, may not do any of the following during the legislative session biennium in which his or her nomination is rejected:

1. Hold the office or position for which he or she was rejected.
2. Be nominated again for that office or position.
3. Perform any duties of that office or position.

The bill eliminates those restrictions.

Records and correspondence of legislators

Under current law, the Public Records Board prescribes policies and standards for the retention and disposition of public records made or received by a state officer or agency. However, for purposes of public records retention, the definition of "public records" does not include the records and correspondence of any legislator. The bill eliminates that exception for a legislator's records and correspondence.

Passive review by JCF; objections to be public

Current law requires that JCF review certain proposed actions before an agency may execute the action. The review required often takes the form of a passive review. In a passive review, the agency must submit the proposed action to JCF and if the cochairpersons of JCF do not notify the agency within a certain period, often 14 days, that a member of JCF has objected to the action, the agency may execute the proposed action. If, however, a member objects, the agency is limited to the action as approved or modified by JCF. The bill specifies that the name of any JCF member who objects to the proposed action, as well as the reason the member objects, must be recorded and made publicly available.

Capitol security

Under current law, DOA is required to submit any proposed changes to security at the capitol, including the posting of a firearm restriction, to JCLO for approval under passive review. The bill eliminates that requirement.

Taxation

INCOME TAXATION

Tax exemption for tips

The bill creates an income tax exemption for cash tips received by an employee from the customers of the employee's employer.

Earned income tax credit

The bill increases the amount that an individual with fewer than three qualifying children may claim as the Wisconsin earned income tax credit (EITC). Under current law, the Wisconsin EITC is equal to a percentage of the federal EITC. The percentage is 4 percent of the federal EITC if the individual has one qualifying child, 11 percent if the individual has two qualifying children, and 34 percent if the individual has three or more qualifying children. The credit is refundable, which means that if the credit exceeds the individual's tax liability, he or she will receive the excess as a refund check.

Under the bill, the percentage of the federal EITC that an eligible individual may claim for Wisconsin purposes is 16 percent if the individual has one qualifying child, 25 percent if the individual has two qualifying children, and 34 percent if the individual has three or more qualifying children.

Homestead tax credit expansion

Under current law, the homestead tax credit is a refundable income tax credit that may be claimed by homeowners and renters. The credit is based on the claimant's household income and the amount of property taxes or rent constituting property taxes on his or her Wisconsin homestead. Because the credit is refundable, if the credit exceeds the claimant's income tax liability, he or she receives the excess as a refund check. Under current law, there are three key dollar amounts used when calculating the credit:

1. If household income is $8,060 or less, the credit is 80 percent of the property taxes or rent constituting property taxes. If household income exceeds $8,060, the property taxes or rent constituting property taxes are reduced by 8.785 percent of the household income exceeding $8,060, and the credit is 80 percent of the reduced property taxes or rent constituting property taxes.
2. The credit may not be claimed if household income exceeds $24,680.
3. The maximum property taxes or rent constituting property taxes used to calculate the credit is $1,460.

Beginning with claims filed for the 2025 tax year, the bill increases the income phase-out threshold from $8,060 to $19,000, reduces the percentage used for household income above the income phase-out threshold to 7.891 percent, and increases the maximum income amount from $24,680 to $37,500. The bill also indexes the $19,000, $37,500, and $1,460 amounts for inflation during future tax years.

Changing the name of the homestead credit

The bill also renames the homestead income tax credit to the property tax and rent rebate.

Veterans and surviving spouses property tax credit eligibility expansion

The bill reduces the eligibility threshold for an eligible veteran, the spouse of an eligible veteran, and the unremarried surviving spouse of an eligible veteran to claim the veterans and surviving spouses property tax credit under the individual income tax system. Under the bill, a claimant may claim the credit if the service-connected disability rating of the veteran for whom the claimant is claiming the credit is at least 70 percent. Currently, that rating must be 100 percent.

Under the bill, the maximum credit that a claimant may claim is multiplied by the percentage of the service-connected disability rating. The bill does not affect a claimant who claims the credit based on the individual unemployability rating. Under current law, a claimant may also claim the credit if the disability rating based on individual unemployability of the veteran for whom the claimant is claiming the credit is 100 percent.

Rent qualifying for the veterans and surviving spouses property tax credit

Current law does not expressly address the treatment of renters for purposes of claiming the veterans and surviving spouses property tax credit. DOR allows an eligible veteran or surviving spouse who is a renter to claim the credit if he or she is required to pay the property taxes under a written agreement with the landlord and pays the property taxes directly to the municipality.

Under the bill, an eligible veteran or surviving spouse who is a renter may claim the veterans and surviving spouses property tax credit in an amount equal to his or her rent constituting property taxes. The bill defines "rent constituting property taxes" to mean 20 percent of the rent paid during the year for the use of a principal dwelling if heat is included in the rent and 25 percent of the rent if heat is not included.

Adding a fifth income tax bracket

The bill adds a fifth income tax bracket having a rate of 9.80 percent for individuals and married joint filers with taxable income exceeding $1,000,000 and for married separate filers with taxable income exceeding $500,000. Under current law, there are four income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons. The brackets are indexed for inflation.

Under the bill, which first applies to taxable year 2025, there are five income tax brackets for single individuals, certain fiduciaries, heads of households, and married persons. The brackets are indexed for inflation. The rate of taxation under the bill for the five brackets for single individuals, certain fiduciaries, and heads of households, before indexing, is as follows:

1. For taxable income not exceeding $7,500, 3.5 percent.
2. For taxable income exceeding $7,500, but not $15,000, 4.40 percent.
3. For taxable income exceeding $15,000, but not $225,000, 5.3 percent.

4. For taxable income exceeding $225,000, but not $1,000,000, 7.65 percent.
5. For taxable income exceeding $1,000,000, 9.80 percent.

The rates that apply to married joint filers under the bill are the same as the rates that apply to single individuals, fiduciaries, and heads of households, but the income limitations are higher. The lowest bracket applies to taxable income not exceeding $10,000; the second bracket applies to taxable income exceeding $10,000, but not $20,000; the third bracket applies to taxable income exceeding $20,000, but not $300,000; the fourth bracket applies to taxable income exceeding $300,000, but not $1,000,000; and the fifth bracket applies to taxable income exceeding $1,000,000.

Increasing the personal exemption

The bill increases from $700 to $1,200 the income tax personal exemption for taxpayers, their spouses, and their dependents.

Manufacturing and agriculture credit limitation

Currently, a person may claim a tax credit on the basis of the person's income from manufacturing or agriculture. A taxpayer may claim a credit equal to 7.5 percent of the income derived either from the sale of tangible personal property manufactured in whole or in part on property in this state that is assessed as manufacturing property or from the sale of tangible personal property produced, grown, or extracted in whole or in part from property in this state assessed as agricultural property. If the amount of the credit exceeds the taxpayer's income tax liability, the taxpayer does not receive a refund, but may apply the balance to the taxpayer's tax liability in subsequent taxable years.

The bill limits to $300,000 the amount of income from manufacturing that a person may use as the basis for claiming the credit. The bill does not affect the amount of income from agriculture that may be used as a basis for claiming the credit.

Film production tax credit

The bill creates income and franchise tax credits for film production companies, and the Department of Tourism implements the tax credit. Under the bill, a film production company may claim a credit that is equal to 25 percent of the salary or wages paid to the company's employees in the taxable year for services rendered in this state to produce a film, video, broadcast advertisement, or television production, as approved by the Department of Tourism, and paid to employees who were residents of this state at the time that they were paid. The total amount of the credits that may be claimed by a taxpayer may not exceed an amount that is equal to the first $250,000 of salary and wages paid to each of the taxpayer's employees in the taxable year, not including the salary or wages paid to the taxpayer's two highest-paid employees in the taxable year, for a production with budgeted expenditures of $1,000,000 or more. If the total amount of the credits claimed by a taxpayer exceeds the taxpayer's tax liability, the state will not issue a refund, but the taxpayer may carry forward any remaining credit to subsequent taxable years.

Under the bill, a film production company may claim an income and franchise tax credit

in an amount that is equal to 25 percent of the production expenditures paid by the company in the taxable year to produce a film, video, broadcast advertisement, or television production. If the total amount of the credits claimed by the company exceeds the company's tax liability, the state will issue a refund.

The bill also allows a film production company to claim an income and franchise tax credit, for the first three taxable years that the company is doing business in this state, in an amount that is equal to 25 percent of the amount that the claimant paid in the taxable year to purchase depreciable tangible personal property or to acquire, construct, rehabilitate, remodel, or repair real property.

Under the bill, a film production company may claim an income and franchise tax credit that is equal to the amount of sales and use taxes that the claimant paid for tangible personal property and taxable services that are used to produce a film, video, broadcast advertisement, or television production in this state.

The bill provides that the Department of Tourism may not allocate more than $10,000,000 in film production and investments tax credits in each fiscal year. The bill also requires the Department of Tourism to annually submit a report to the legislature that specifies the number of persons who submitted credit applications in the previous year and the amount of the credits allocated to each such applicant and to make recommendations on improving the efficiency of the program. Finally, the bill requires the Legislative Audit Bureau to biennially prepare a performance evaluation audit of the program implemented by the Department of Tourism.

Eligibility of nuclear power research for the research credit

Under the bill, beginning in the 2025 tax year, qualified research expenses incurred for research related to nuclear power are eligible for the research income tax credit. Under current law, the research credit is an income and franchise tax credit equal to a specified percentage of the person's qualified research expenses that exceed 50 percent of the average qualified research expenses for the three taxable years immediately preceding the taxable year for which the person claims the credit. Current law allows a person to receive a refund in an amount not exceeding 25 percent of their allowable claim for the research credit.

Changes to state supplement to federal historic rehabilitation credit

The bill makes the following changes to the state supplement to the federal historic rehabilitation credit: 1) eliminates the requirement for claiming the credit of incurring at least $50,000 in qualified rehabilitation expenditures; 2) eliminates the requirement that the state credit be claimed at the same time as the claimant claims the federal historic rehabilitation credit; and 3) allows partnerships, limited liability companies, and tax-option corporations to claim the credit and prohibits partners of a partnership, members of a limited liability company, and shareholders of a tax-option corporation from claiming the credit. Current law authorizes WEDC to certify a person to receive a tax credit equal to 20 percent of the qualified rehabilitation expenses, as defined under federal law, for certified historic structures on property located in this state and for the rehabilitation expenses for qualified rehabilitated buildings, as defined under federal law, that are not certified historic structures.

Flood insurance premiums

The bill creates a nonrefundable individual income tax credit for flood insurance premiums. The credit is equal to 10 percent of the amount of the premiums that an individual paid in the taxable year for flood insurance, but the amount of the claim may not exceed $60 in any taxable year. Because the credit is nonrefundable, it may be claimed only up to the amount of the individual's tax liability.

Private school tuition deduction

Under current law, an individual, when computing income for income tax purposes, may deduct the tuition paid during the year to send his or her dependent child to private school. The maximum deduction is $4,000 for an elementary school pupil and $10,000 for a secondary school pupil.

Under the bill, only individuals whose Wisconsin adjusted gross income is below a threshold amount may claim the deduction for private school tuition. The threshold amount is $100,000 for single individuals and heads of household, $150,000 for married couples filing jointly, and $75,000 for married individuals filing separately.

Increasing disability income subtraction and expanding eligibility

The bill increases and expands the individual state income tax subtraction, or deduction, for disability payments received by a person under the age of 65 who is retired and who is permanently and totally disabled. Under the bill, beginning in tax year 2025, up to $5,500 of disability payments may be subtracted annually from an individual's taxable income. In addition, the bill expands eligibility for claiming the subtraction to individuals having a federal adjusted gross income under $30,000 or under $60,000 if married.

Under current law, up to $5,000 of disability payments may be subtracted, and to be eligible, a person must have federal adjusted gross income under $20,200 or under $25,400 if married and both spouses are disabled.

Subtraction for labor organization dues

Beginning in 2027, the bill provides an individual income tax subtraction for the amount of membership dues and expenses paid by a person to a labor organization.

Increasing the adoption deduction

The bill increases to $15,000 the maximum deduction allowed for adoption expenses for purposes of the state income tax. Under current law, a full-year resident who is an adoptive parent may deduct from taxable income up to $5,000 of the adoption fees, court costs, or legal fees relating to the adoption of a child paid during the tax year during which the final order of adoption has been entered and paid during the prior two tax years.

Tax credit for installing universal changing stations

The bill creates an income and franchise tax credit for small businesses that install universal changing stations. Under the bill, a "universal changing station" is a floor-mounted or wall-mounted, powered, and height-adjustable adult changing table with a safety rail that can be

used for personal hygiene by an individual with a disability of either sex and the individual's care provider.

The credit applies for taxable years beginning after December 31, 2024. Under the bill, a small business is any entity that, during the preceding taxable year, either had gross receipts of no more than $1,000,000 or employed no more than 30 full-time employees. The credit is equal to 50 percent of the amount the small business paid to install the universal changing station, up to a maximum credit of $5,125. The credit may be claimed only if the universal changing station meets certain requirements relating to size, maneuverability space, weight load, and adjustability.

Dividends received deduction limitation

Current law allows corporations to deduct, for income and franchise tax purposes, the dividends received from related corporations. The dividends must be paid on common stock, and the corporation receiving the dividends must own at least 70 percent of the total combined voting stock of the other corporation. Current law also allows businesses to carry forward net business losses to future taxable years in order to offset income in those years. Under the bill, a business may not take the dividends received deduction into account when determining if it has a net business loss that can be carried forward.

Internal Revenue Code references

The bill adopts, for state income and franchise tax purposes, certain changes made to the Internal Revenue Code by the federal Tax Cuts and Jobs Act, enacted in December 2017. The bill adopts provisions of the act related to the limitation on losses for taxpayers other than corporations; certain special rules for the taxable year of inclusion; the limitation on business-related deduction for interest; the limitation on the deduction by employers of expenses for fringe benefits; the limitation on the deduction for Federal Deposit Insurance Corporation premiums; and the limitation on excessive employee remuneration.

PROPERTY TAXATION

Increasing the school levy property tax credit

The bill increases the appropriation for the school levy property tax credit so that the total amount distributed to claim against property tax liability is $1,400,300,000 in the 2025–26 fiscal year and $1,524,700,000 in the 2026–27 fiscal year. Currently the annual distribution is $1,275,000,000.

Telecom and communication tower exemption

The bill exempts radio, cellular, and telecommunication towers from the property tax. The bill also exempts radio, cellular, and telecommunication towers that are classified as real property from the telephone company tax.

School aid reduction information

The bill requires that a person's property tax bill include information from the school district

where the property is located regarding the amount of any gross reduction in state aid to the district as a result of pupils enrolled in the statewide choice program or the Racine choice program or as a result of making payments to private schools under the special needs scholarship program.

Manufacturing property assessment fees

Under current law, DOR assesses manufacturing property for property tax purposes and imposes a fee on each municipality in which the property is located to cover part of the assessment costs. If a municipality does not pay by March 31 of the following year, DOR reduces the municipality's July and November shared revenue distribution by the amount of the fee. The bill requires the fee to be collected from a reduction in the municipality's shared revenue distribution, and if DOR is unable to collect the fee in this manner, then the fee is directly imposed on the municipality.

GENERAL TAXATION

Sales tax exemption for electricity and natural gas

Under current law, electricity and natural gas sold during the months of November, December, January, February, March, and April for residential use is exempt from the sales and use tax. The bill exempts from the sales and use tax electricity and natural gas sold for residential use regardless of when it is sold.

Sales tax exemption for over-the-counter drugs

The bill creates a sales and use tax exemption for the sale of over-the-counter drugs.

County and municipality sales and use taxes

Current law allows a county to enact an ordinance to impose sales and use taxes at the rate of 0.5 percent of the sales price or purchase price on tangible personal property and taxable services. The county must use the revenue from the taxes for property tax relief. Under the bill, a county may impose that county sales and use tax at the rate of 0.1, 0.2, 0.3, 0.4, or 0.5 percent. The bill also allows a county, except for Milwaukee County, to impose, by ordinance, an additional sales and use tax at the rate of 0.1, 0.2, 0.3, 0.4, or 0.5 percent of the sales price or purchase price on tangible personal property and taxable services. However, the ordinance does not take effect unless approved by a majority of the voters of the county at a referendum. The revenue from those taxes may be used for any purpose designated by the county board or specified in the ordinance or in the referendum approving the ordinance.

The bill also allows a municipality, except for the City of Milwaukee, with a 2020 population exceeding 30,000 to enact an ordinance to impose sales and use taxes at the rate of 0.1, 0.2, 0.3, 0.4, or 0.5 percent of the sales price or purchase price on tangible personal property and taxable services. The ordinance does not take effect unless approved by a majority of the voters of the municipality at a referendum. The revenue from those taxes may be used for any purpose designated by the governing body of the municipality or specified in the ordinance or in the referendum approving the ordinance.

Sales tax exemption for diapers and feminine hygiene products

The bill creates a sales and use tax exemption for the sale of diapers and feminine hygiene products.

Breastfeeding equipment

The bill creates a sales and use tax exemption for breast pumps, breast pump kits, and breast pump storage and collection supplies.

Sales and use tax exemption for gun safety items

The bill creates a sales and use tax exemption for sales of gun safes, trigger locks, and gun barrel locks.

Prairie and wetland counseling services

Under current law, the sale of landscaping and lawn maintenance services is subject to the sales tax. The bill excludes from taxable landscaping services the planning and counseling services for the restoration, reclamation, or revitalization of prairie, savanna, or wetlands if such services are provided for a separate and optional fee distinct from other services.

Sales tax exemption for energy systems

Current law provides a sales and use tax exemption for a product that has as its power source wind energy, direct radiant energy received from the sun, or gas generated from anaerobic digestion of animal manure and other agricultural waste, if the product produces at least 200 watts of alternating current or 600 British thermal units per day. The sale of electricity or energy produced by the product is also exempt.

The bill modifies current law so that the exemption applies to solar power systems and wind energy systems that produce electrical or heat energy directly from the sun or wind and are capable of continuously producing at least 200 watts of alternating current or 600 British thermal units. In addition, the exemption applies to a waste energy system that produces electrical or heat energy directly from gas generated from anaerobic digestion of animal manure and other agricultural waste and is capable of continuously producing at least 200 watts of alternating current or 600 British thermal units. A system for which the exemption applies includes tangible personal property sold with the system that is used primarily to store or facilitate the storage of the electrical or heat energy produced by the system.

Elimination of sales tax exemption for farm-raised deer

The bill eliminates the sales and use tax exemption that applies to the sale of farm-raised deer to a person operating a hunting preserve or game farm in this state.

Vapor products

Current law imposes a tax on vapor products, which are any noncombustible products that produce vapor or aerosol for inhalation from the application of a heating element to a liquid or other substance that is depleted as the product is used, regardless of whether the liquid or other substance contains nicotine. The tax is imposed at the rate of 5 cents per milliliter of the liquid or other substance based on the volume as listed by the manufacturer.

The bill taxes vapor products at the rate of 71 percent of the manufacturer's established list price and modifies the definition of "vapor product." Under the bill, "vapor product" means a noncombustible product that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means that can be used to produce vapor from a solution or other substance, regardless of whether the product contains nicotine. A "vapor product" is defined to include an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device, as well as any container of a solution or other substance that is intended to be used with these items. The bill specifies that any product regulated by the federal Food and Drug Administration as a drug or device is not a vapor product.

Little cigars

The bill taxes little cigars at the same rate as the excise tax imposed on cigarettes. Under current law, all cigars are taxed at the rate of 71 percent of the manufacturer's established list price, limited to 50 cents per cigar. Under the bill, little cigars are taxed at the rate of 126 mills per little cigar, regardless of weight. The bill defines "little cigar" to mean a cigar that has an integrated cellulose acetate filter and is wrapped in any substance containing tobacco.

Filing fee increase for petitions to Tax Appeals Commission

The bill increases the filing fee paid by petitioners who file certain petitions for review with the Tax Appeals Commission. Specifically, under the bill, the filing fee increases from $25 to $250 for petitions that do not involve a small claims case. The bill also modifies the definition of "small claims" to a matter in which the amount in controversy is less than or equal to the amount used to determine the applicability of small claims procedure to certain civil actions under current law, which is currently $10,000. Under current law, the definition of "small claims" for cases decided by the Tax Appeals Commission is $2,500, and certain procedures of the Tax Appeals Commission for deciding cases differ between small claims cases and non–small claims cases.

Electronic filing of petitions with Tax Appeals Commission

The bill allows electronic filing of petitions for review to the Tax Appeals Commission and specifies that a petition filed electronically is considered timely filed if submitted by midnight of the last day for filing.

Providing notices for public utility taxes

Under current law, public utility companies, including railroads and air carriers, are exempt from local property taxes and instead are subject to special state taxes. Current law requires DOR to send certain notices regarding these taxes by certified mail. Under the bill, DOR must still provide the notices but is no longer required to send them to public utilities subject to ad valorem taxes by certified mail.

Transportation

HIGHWAYS AND LOCAL ASSISTANCE

Enumeration of the I 39/90/94 project

Under current law, major highway projects must be specifically authorized by the legislature and approved by the transportation projects commission before construction on the project may begin. The bill enumerates the I 39/90/94 project, which the bill defines to mean "I 39/90/94 extending approximately 67 miles in Dane, Columbia, Sauk, and Juneau counties from USH 12/18 in Madison to USH 12/STH 16 in Wisconsin Dells, including I 39 from I 90/94 to Levee Road near the city of Portage, and including all interchanges and work on adjacent roadways necessary for the completion of the project."

Currently, moneys are appropriated to DOT for various purposes relating to state highway facilities. DOT is prohibited from encumbering or expending those moneys for purposes related to the purchase of land, easements, or development rights in land, unless the purchase is in association with a highway project and the land or interest in land is located within one-quarter mile of the highway. The bill exempts the I 39/90/94 project from this prohibition.

Sound barriers on I 894

The bill requires DOT, during the 2025–27 fiscal biennium, to allocate $19,500,000 for the construction of sound barriers on I 894, between 27th street and 76th street, in Milwaukee County.

Contract cost threshold for gubernatorial approval

Under current law, DOT may enter into contracts for services. Certain contracts that exceed a specified cost threshold require the approval of the governor. The bill increases the cost threshold for the following contract types:

1. For engineering, consulting, surveying, or other specialized services, increased from $3,000 to $100,000.
2. For highway improvements, increased from $1,000 to $250,000.
3. For counties to perform highway improvements, increased from $5,000 to $100,000.
4. For performing portions of improvement work affecting railroads or utilities, increased from $5,000 to $100,000.
5. For prompt repair, protection, or preservation of state highways jeopardized by extraordinary conditions or emergency, increased from $10,000 to $100,000.

Requirements for local transportation projects

Under current law, for certain highway projects for which DOT spends federal money, federal money must make up at least 70 percent of the funding for those projects. DOT is required to notify political subdivisions receiving aid for local projects whether the aid includes federal moneys and how those moneys must be spent. For certain projects that receive no federal money, DOT may not require political subdivisions to comply with any portion of DOT's

facilities development manual other than design standards. Any local project funded with state funds under the surface transportation program or the local bridge program must be let through competitive bidding and by contract to the lowest responsible bidder. The bill eliminates all of these requirements.

Traffic calming grants

Under the bill, DOT must develop and administer a local traffic calming grant program. Under the program, DOT must award grants to political subdivisions for infrastructure projects designed to reduce the speed of vehicular traffic.

Mass transit aids

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. There are five classes of mass transit systems, and the total amount of state aid payments to four of these classes is limited to a specific amount in each calendar year. The fifth class consists of certain commuter or light rail systems, and no state aid amounts are specified for this class.

The bill modifies the criteria by which mass transit systems are placed into classes, modifying the threshold operating expenses for each class and updating the census by which population-based class distinctions are determined for two of the classes.

For the four classes of mass transit systems for which state aid amounts are specified, the bill does the following to the total amount limits:

1. For mass transit systems having annual operating expenses of $100,000,000 or more, the bill maintains the current limit of $66,787,400 in calendar year 2025 and increases the limit to $69,458,900 in calendar year 2026 and to $72,237,300 in calendar year 2027 and thereafter.
2. For mass transit systems having annual operating expenses of more than $30,000,000 but less than $100,000,000, the bill maintains the current limit of $17,549,500 in calendar year 2025 and increases the limit to $18,251,500 in calendar year 2026 and to $18,981,600 in calendar year 2027 and thereafter.
3. For mass transit systems serving urban areas having a population of at least 50,000 but having annual operating expenses of no more than $30,000,000, the bill maintains the current limit of $25,475,900 in calendar year 2025 and increases the limit to $26,494,900 in calendar year 2026 and to $27,554,700 in calendar year 2027 and thereafter.
4. For mass transit systems serving urban areas having a population of less than 50,000, the bill maintains the current limit of $5,398,600 in calendar year 2025 and increases the limit to $9,800,600 in calendar year 2026 and to $10,192,600 in calendar year 2027 and thereafter.

General transportation aids

Under current law, DOT administers a general transportation aids program that makes aid payments to a county based on a share-of-costs formula, and to a municipality based on the greater of a share-of-costs formula or an aid rate per mile. The aid rate per mile is $2,734

for 2025. The bill increases the aid rate per mile to $2,816 for 2026 and $2,901 for 2027 and thereafter.

Currently, the maximum annual amount of aid that may be paid to counties under the program is $132,276,700. The bill maintains this amount for 2025 and increases this amount to $136,245,000 for 2026 and $140,332,400 for 2027 and thereafter. Currently, the maximum annual amount of aid that may be paid to municipalities under the program is $415,116,200. The bill maintains this amount for 2025 and increases this amount to $427,569,700 for 2026 and $440,396,800 for 2027 and thereafter.

Local road improvement program funding

Under current law, DOT administers the local roads improvement program (LRIP) to assist political subdivisions in improving seriously deteriorating local roads by reimbursing political subdivisions for certain improvements. LRIP has several components, including discretionary grants. Current law specifies dollar amounts that DOT must allocate in each fiscal year to each of three project types that exceed specified cost thresholds: 1) county trunk highway improvements that exceed $250,000; 2) town road improvements that exceed $100,000; and 3) municipal street improvements that exceed $250,000.

The bill increases the amounts that DOT is required to allocate for discretionary grants for the three project types, as follows:

1. Allocations for county trunk highway improvements are increased from $5,840,200 to $6,015,400 in fiscal year 2025–26 and $6,195,900 in fiscal year 2026–27 and each fiscal year thereafter.
2. Allocations for town road improvements are increased from $6,398,000 to $6,590,000 in fiscal year 2025–26 and $6,787,600 in fiscal year 2026–27 and each fiscal year thereafter.
3. Allocations for municipal street improvements are increased from $4,166,900 to $4,291,900 in fiscal year 2025–26 and $4,420,700 in fiscal year 2026–27 and each fiscal year thereafter.

In addition to the ongoing LRIP, onetime funding has previously been appropriated to provide supplemental grants to local governments for projects that are eligible for discretionary grants. This funding was provided for fiscal year 2019–20, with specified amounts required to be allocated between improvement projects on county trunk highways, town roads, and municipal streets. The bill provides that supplemental grants in fiscal year 2025–26 be allocated so that the total funding is distributed among the three project types at the same percentage that each group was allocated funding in fiscal year 2019–20. The bill changes the funding source for these grants from the transportation fund to the general fund.

Local roads improvement grants to Ontario and DeForest

The bill requires DOT to provide local roads improvement program (LRIP) grants of $500,000 to the village of Ontario for residential street development and $6,000,000 to the village of DeForest for improvements to the I 39/CTH "V" interchange. Under current law, DOT administers LRIP to assist political subdivisions in improving seriously deteriorating local roads by reimbursing political subdivisions for certain improvements.

Agricultural roads improvement program general fund appropriation

Under current law, DOT administers an agricultural roads improvement program (ARIP) under which DOT provides grants to political subdivisions for projects to improve certain highway facilities that facilitate access to agricultural lands. Currently, a transportation fund appropriation funds the grants. The bill adds a general fund appropriation to fund grants under the program.

Agricultural roads improvement program time limits

Currently, all grants under ARIP must be awarded by June 23, 2026, and only costs incurred by June 23, 2028, may be reimbursed. These dates represent three years and five years, respectively, from the effective date of the bill creating ARIP.

The bill provides that any grants made from moneys appropriated in the 2025–27 fiscal biennium must be awarded by three years from the effective date of the bill and only costs incurred by five years from the effective date of the bill may be reimbursed.

Local bridge and culvert improvements set-aside

The bill requires DOT to designate 10 percent of the moneys appropriated for LRIP discretionary supplemental grants and ARIP in the 2025–27 fiscal biennium for grants for improvements to certain local bridges or culverts identified as being in poor or worse condition.

County forest road aids

Under current law, DOT provides aid to counties for the improvement of public roads within county forests. The current amount of aid is $351 per mile of county forest road. The bill maintains the aid amount for calendar year 2025 and increases the aid amount, per mile of road, to $361 in calendar year 2026 and $373 in calendar year 2027 and each year thereafter.

Bonding authority for design-build program

Under current law, DOT administers the design-build project program, under which highway improvement project contracts are awarded to a single builder that designs, engineers, and constructs the project. Under the program, DOT may fund state highway rehabilitation projects, major highway projects, or southeast Wisconsin freeway megaprojects. The state is authorized to contract public debt in an amount up to $20,000,000 for the program. The bill increases the authorized public debt for this purpose by $92,500,000, to $112,500,000.

I 94 east-west corridor bonding

Under current law, the state may contract up to $40,000,000 in public debt for reconstruction of the "I 94 east-west corridor," which is all freeways, including related interchange ramps, roadways, and shoulders, encompassing I 94 in Milwaukee County from 70th Street to 16th Street, and all adjacent frontage roads and collector road systems. The bill increases the authorized general obligation bonding limit for this purpose by $185,171,300, to a total of $225,171,300.

Use of revenue bond proceeds for state highway rehabilitation

Under current law, the Building Commission may issue revenue bonds for certain major

highway projects and transportation administrative facilities. Also under current law, state highway rehabilitation projects are funded from various sources, including bond proceeds, but not from proceeds of revenue bonds. The bill provides that revenue bond proceeds may be expended for state highway rehabilitation projects.

Transportation revenue bonds

Under current law, the Building Commission may issue revenue bonds for major highway projects and transportation administrative facilities in a principal amount that may not exceed $4,325,885,700. The bill increases the revenue bond limit to $4,644,920,800, an increase of $319,035,100.

DRIVERS AND MOTOR VEHICLES

Noncitizen driver's licenses

Under 2007 Wisconsin Act 20, certain provisions specified in the federal REAL ID Act of 2005 (REAL ID) were incorporated into state law, and these provisions became effective on January 1, 2013. Among these provisions was the requirement that DOT follow certain procedures in processing applications for driver's licenses and identification cards. However, under 2011 Wisconsin Acts 23 and 32, DOT may process applications for driver's licenses and identification cards in a manner other than that required by REAL ID if the driver's licenses and identification cards are marked to indicate that they are not REAL ID compliant and DOT processes the applications in compliance with DOT practices and procedures applicable immediately prior to implementation of REAL ID.

Under current law, an applicant for a driver's license or identification card, regardless of whether it is REAL ID compliant or REAL ID noncompliant, must provide to DOT 1) an identification document that includes either the applicant's photograph or both the applicant's full legal name and date of birth; 2) documentation, which may be the same as item 1, above, showing the applicant's date of birth; 3) proof of the applicant's social security number or verification that the applicant is not eligible for a social security number; 4) documentation showing the applicant's name and address of principal residence; and 5) documentary proof that the applicant is a U.S. citizen or is otherwise lawfully present in the United States. However, in processing an application for a REAL ID noncompliant driver's license or identification card, DOT is not required to meet the standards for document retention and verification that are imposed for REAL ID compliant products.

Under the bill, an applicant for a REAL ID noncompliant driver's license or identification card (noncompliant REAL ID) is not required to provide documentary proof that the applicant is a U.S. citizen or is otherwise lawfully present in the United States. Also, an applicant may, in lieu of item 1 above, provide an individual taxpayer identification number, a foreign passport, or any other documentation deemed acceptable to DOT and, in lieu of items 2 and 4 above, provide documentation deemed acceptable to DOT. If the applicant does not have a social security number, the applicant is required to provide verification only that he or she does not have one, rather than verification that he or she is not eligible for one. In

processing an application for, and issuing or renewing, a noncompliant REAL ID, DOT may not include any question or require any proof or documentation as to whether the applicant is a U.S. citizen or is otherwise lawfully present in the United States. The license document issued must display, on its face, the words "Not valid for voting purposes. Not evidence of citizenship or immigration status." The bill does not change any current law requirements related to driver qualifications such as minimum age or successful completion of knowledge and driving skills tests.

With limited exceptions, DOT may not disclose social security numbers obtained from operator's license or identification card applicants. The bill prohibits DOT from disclosing the fact that an applicant has verified to DOT that the applicant does not have a social security number, except that DOT may disclose this information to the Elections Commission.

The bill also prohibits discrimination on the basis of a person's status as a holder or a nonholder of a noncompliant REAL ID, adding this license status as a prohibited basis for discrimination in employment, housing, and the equal enjoyment of a public place of accommodation or amusement.

Authorizing special group plates

Under current law, members of certain designated special groups may obtain from DOT special registration plates for certain vehicles that are owned or leased by special group members. A fee, in addition to the regular registration fee for the particular kind of vehicle, is charged for the issuance or reissuance of most special plates.

The bill establishes two special groups: persons wishing to have "blackout" registration plates and persons wishing to have "retro" registration plates. The bill requires that plates issued to members of the "blackout" special group have a black background and white lettering displaying the word "Wisconsin" and the registration number assigned to the vehicle. The bill requires that plates issued to members of the "retro" special group have a yellow background and black lettering displaying the words "America's Dairyland" and "Wisconsin" and the registration number assigned to the vehicle.

The bill provides that, in addition to the required fees, special group members are required to make a voluntary payment of $25 to be issued the special plates. Under the bill, DOT retains $23,700, or the actual initial costs of production, whichever is less, from the voluntary payment moneys for the initial costs of production of the special plates. The remainder of the voluntary payment amounts are deposited in the transportation fund.

Title fees increase

Under current law, the owner of a vehicle subject to registration must apply to DOT for a certificate of title for the vehicle when the person first acquires or registers the vehicle. The bill increases from $157 to $277 the fees for a first certificate of title and a certificate of a title after transfer.

Operator license fee increase

Under current law, a person must pay DOT a specified fee for issuance, renewal, upgrading,

and reinstatement of licenses, endorsements, and instruction permits. The bill increases from $24 to $32.50 the fee for a license, other than a probationary license, for the operation of "Class D" motor vehicles.

Driver education grant program funding

Under current law, DOT administers a program to make grants to providers of driver education courses, and moneys are appropriated to DOT from the transportation fund for that purpose. Under current law, moneys are appropriated to OCI for general program operations. At the end of each fiscal year, the unencumbered balance in that appropriation account that exceeds 10 percent of the fiscal year's expenditures from that appropriation account lapses to the general fund.

The bill modifies the DOT appropriation to be from the general fund, from the amounts lapsed from the OCI appropriation account, but not to exceed $6,000,000 in a fiscal year.

RAIL AND AIR TRANSPORTATION

Attaching Office of the Commissioner of Railroads to DOT

The bill attaches the Office of the Commissioner of Railroads to DOT for administrative purposes. Under current law, the office primarily regulates the safety of rail-highway crossings and is attached to PSC for administrative purposes.

Freight rail preservation bonding

Under current law, the state may contract up to $300,300,000 in public debt for DOT to acquire railroad property, provide grants and loans for railroad property acquisition and improvement, and provide intermodal freight facilities grants. The bill increases the authorized general obligation bonding limit for these purposes by $5,000,000, to $305,300,000.

GENERAL TRANSPORTATION

Regional transit authorities

The bill authorizes the creation of a regional transit authority (RTA) in any metropolitan statistical area in which qualifying political subdivisions agree to create one. Upon creation, each regional transit authority is a public body corporate and politic and a separate governmental entity.

An RTA is created if any two or more political subdivisions located within a metropolitan statistical area adopt resolutions authorizing the political subdivision to become members of the RTA. Once created, the members of an RTA consist of all political subdivisions that adopt resolutions authorizing participation. Any political subdivision located in whole or in part within a metropolitan statistical area located in whole or in part within an RTA's jurisdiction may join the RTA. The jurisdictional area of an RTA created under the bill is the geographic area formed by the combined territorial boundaries of all participating political subdivisions. A member political subdivision may withdraw from an RTA if the governing

body of the political subdivision adopts a resolution requesting withdrawal from the RTA and the political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the RTA.

An RTA's authority is vested in its board of directors. Directors serve four-year terms. An RTA's bylaws govern its management, operations, and administration and must include provisions specifying all of the following:

1. The functions or services to be provided by the RTA.
2. The powers, duties, and limitations of the RTA.
3. The maximum rate of the sales and use tax, not exceeding the statutory limit, that may be imposed by the RTA.

An RTA may do all of the following:

1. Establish or acquire a comprehensive unified local transportation system, which is a transportation system comprising bus lines and other public transportation facilities generally within the jurisdictional area of the RTA. "Transportation system" is defined to include land, structures, equipment, and other property for transportation of passengers, including by bus, rail, or other form of mass transportation. The RTA may operate this transportation system or provide for its operation by another. The RTA may contract with a public or private organization to provide transportation services in lieu of directly providing these services and may purchase and lease transportation facilities to public or private transit companies. With two exceptions, an RTA may not directly or by contract provide service outside the RTA's jurisdictional area.
2. Coordinate specialized transportation services for persons who are disabled or age 60 or older.
3. Own or lease real or personal property.
4. Acquire property by condemnation.
5. Enter upon highways to install, maintain, and operate the RTA's facilities.
6. Impose, by the adoption of a resolution by the RTA's board of directors, a sales and use tax in the RTA's jurisdictional area at a rate of not more than 0.5 percent of the sales price.
7. Impose a fee of $2 per transaction on the rental of passenger cars without drivers.
8. Incur debts and obligations. An RTA may issue tax-exempt revenue bonds, secured by a pledge of any income or revenues from any operations or other source of moneys for the RTA. The bonds of an RTA are not a debt of its member political subdivisions and neither the member political subdivisions nor the state are liable for the payment of the bonds.
9. Set fees and charges for functions, facilities, and services provided by the RTA.
10. Adopt bylaws and rules to carry out the powers and purposes of the RTA.
11. Sue and be sued in its own name.
12. Employ agents, consultants, and employees; engage professional services; and purchase furniture, supplies, and materials reasonably necessary to perform its duties and exercise its powers.
13. Invest funds not required for immediate disbursement.

14. Do and perform any authorized acts by means of an agent or by contracts with any person.
15. Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the RTA, including providing for passenger safety.

The board of directors of an RTA must annually prepare a budget for the RTA. Rates and other charges received by the RTA may be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision. The RTA must maintain an accounting system in accordance with generally accepted accounting principles and must have its financial statements and debt covenants audited annually by an independent certified public accountant.

An RTA must provide, or contract for the provision of, transit service within the RTA's jurisdictional area. An RTA that acquires a transportation system for the purpose of operating the system must assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law. An RTA that acquires, constructs, or operates a transportation system must negotiate an agreement with the representative of the labor organization that covers the employees affected by the acquisition, construction, or operation to protect the interests of employees affected, and that agreement must include specified provisions. Employees of the RTA are participatory employees under the Wisconsin Retirement System (WRS) if the RTA elects to join the WRS.

Current law provides limited immunity for cities, villages, towns, counties, and other political corporations and governmental subdivisions, and for officers, officials, agents, and employees of these entities, for acts done in an official capacity or in the course of employment. Claimants must generally follow a specified claims procedure and liability for damages is generally limited to $50,000 except that no liability may be imposed for performance of a discretionary duty or for punitive damages. If a person suffers damage resulting from the negligent operation of a motor vehicle owned and operated by a county, city, village, town, school district, sewer district, or other political subdivision of the state in the course of its business, the person may file a claim for damages following this claims procedure and the amount of damages recoverable is limited to $250,000. The bill specifies that this provision related to claims and liability for negligent operation of a motor vehicle by a political subdivision applies to an RTA.

The bill also allows RTAs to participate in organizing municipal insurance mutuals to provide insurance and risk management services.

Transit capital assistance grants

The bill requires DOT to establish a transit capital assistance grant program, under which DOT awards grants to eligible applicants for the replacement of public transit vehicles.

Certification grants under the transportation infrastructure loan program

Under current law, DOT administers a transportation infrastructure loan program. Under the program, DOT provides loans and other assistance to eligible applicants for highway

and transit capital projects. When loans under the program are repaid, the moneys are again made available for loan or other assistance under the program.

The bill specifies that, if DOT finds that special circumstances exist, DOT may award a grant to an eligible applicant under the program for the purpose of engaging a certified public accountant to make any certifications or attestations required by DOT as a condition of receiving a loan or other assistance under the program.

Determination of grant ceiling for TEA grants

Under current law, DOT administers a transportation facilities economic assistance and development program (TEA). Under TEA, DOT may improve a highway, airport, or harbor, or provide other assistance for the improvement of such transportation facilities or certain rail property or railroad tracks, as part of an economic development project. DOT may also make loans for the improvement of any of these transportation facilities. The state share of costs for the improvement of any transportation facility (grant ceiling) may generally not exceed the lesser of 50 percent of the cost of the improvement or $5,000 for each job resulting from the improvement or the economic development project.

The bill increases the dollar amount for each job resulting from the improvement or project used in calculating the grant ceiling to $15,000.

Auto parts and repair transfer to the transportation fund

The bill requires a transfer from the general fund to the transportation fund in each fiscal year, beginning on June 30, 2025. The amount of the transfer must be equal to the marginal difference between the sales tax generated from the sale of automotive parts, accessories, tires, and repair and maintenance services in fiscal year 2019–20 and the fiscal year of the transfer, as calculated by DOA.

Transfer from forestry account to transportation fund

The bill transfers $25,000,000 from the forestry account of the conservation fund to the transportation fund.

Harbor assistance program priority

Under current law, DOT administers the harbor assistance program under which it makes grants to reimburse eligible applicants for the cost of making harbor improvements. DOT is authorized to establish criteria for eligible applicants and projects and is required to prioritize projects based on the amount of tonnage and waterborne transportation handled in the harbor. The bill requires DOT, in the 2025–27 fiscal biennium, to prioritize program grants to municipalities in which a shipbuilder in this state is conducting operations.

Harbor assistance bonding authorization

Under current law, the state may contract up to $167,300,000 in public debt for DOT to provide local grants for harbor assistance and for harbor improvements such as dock wall repair and maintenance, construction of new dock walls, dredging of materials from a harbor, or the

placement of dredged materials in containment facilities. The bill increases the authorized general obligation bonding limit for these purposes by $30,000,000, to $197,300,000.

City of Sheboygan harbor assistance grant

The bill requires DOT to award a harbor assistance grant of $3,000,000 to the city of Sheboygan for the construction of an educational facility at the Harbor Centre Marina.

Ignition interlock device requirement expansion

Under current law, if a person is convicted of a second or subsequent offense related to operating a motor vehicle while under the influence of an intoxicant or other drug, with a prohibited alcohol concentration, or with a measurable amount of a controlled substance in his or her blood (OWI offense), or a first OWI offense for which his or her alcohol concentration is 0.15 or greater, a court must order the person's operating privilege restricted to operating vehicles that are equipped with an ignition interlock device. The bill expands the ignition interlock requirement to all OWI offenses that involve the use of alcohol.

Veterans

Veterans assistance

Under current law, DVA administers the assistance to needy veterans grant program, which provides subsistence aid and health care aid to veterans. Under the program, DVA may provide up to $3,000 in subsistence aid per 12-month period to veterans who have suffered a loss of income due to illness, injury, or natural disaster. Under the program, DVA may also provide aid payments to a veteran to pay for dental care, hearing care, and vision care. The total lifetime limit that a veteran may receive in aid under the program is $7,500.

The bill expands the program by allowing DVA to provide subsistence aid payments, in an amount of up to $5,000 per 12-month period, to a veteran who has suffered a loss of income for any reason and allows DVA to provide health care aid payments to pay for any medical device prescribed by a licensed health care provider. The bill also raises the total lifetime limit that a veteran may receive in aid under the program to $10,000.

Veterans' mental health services

The bill requires DVA to promote and assist veterans' access to, and provide grants to organizations that provide to veterans, community-based and emergency crisis mental health services. The bill gives DVA authority to promulgate emergency rules to administer the requirements of the bill.

Transfer of funds

The bill transfers from the general fund to the DVA appropriation used for the institutional operations of veterans homes $7,100,000 in fiscal year 2025–26 and $14,800,000 in fiscal year 2026–27.

Hmong and Laotian veterans

The bill expands the definition of "veteran" to include both 1) a person who resides in this state who was naturalized pursuant to the federal Hmong Veterans' Naturalization Act of 2000, and 2) a person who resides in this state who the secretary of veterans affairs has determined served honorably with a special guerrilla unit or irregular forces operating from a base in Laos in support of the armed forces of the United States at any time during the period from February 28, 1961, to September 18, 1978, and who is a citizen of the United States or a lawful permanent resident of the United States. The bill extends most veterans benefits to anyone who meets this newly expanded definition of veteran; however, admission to a state veterans home and burial in a veterans cemetery are not included benefits as they are subject to federal regulation.

Veterans service officer grants

The bill increases the dollar amount of veteran service officer grants made to counties and governing bodies of federally recognized American Indian tribes and bands.

Under current law, DVA is required to annually award a grant to a county that employs

a certain elected or appointed county veterans service officer. The grant is awarded for the purpose of improving a county's services to veterans and varies in amount depending on the county's population. A county that employs a part-time county veterans service officer is eligible to receive an annual grant not exceeding $550. DVA may also make annual grants to the governing body of a federally recognized American Indian tribe or band if the tribal governing body appoints a tribal veterans service officer and enters into an agreement with DVA regarding the creation, goals, and objectives of the tribal veterans service officer position.

The bill increases the dollar amount of the veterans service officer grants awarded to counties in the following ways: 1) for counties with a population of less than 20,000, the grant is increased from $11,688 to $12,300; 2) for counties with a population of 20,000 to 45,499, the grant is increased from $13,750 to $14,400; 3) for counties with a population of 45,500 to 74,999, the grant is increased from $15,813 to $16,600; and 4) for counties with a population of 75,000 or more, the grant is increased from $17,875 to $18,800. The bill also increases the dollar amount of the grant awarded to tribal governing bodies from $20,625 to $21,700. In addition, the bill eliminates the restriction on a grant for a county employing a part-time county veterans services officer.

Funding increase for the operation of Camp American Legion

Under current law, DVA may annually grant up to $75,000 to the Wisconsin department of the American Legion for the operation of Camp American Legion. The bill increases the amount DVA may grant for the operation of Camp American Legion to up to $100,000. ■