



## 2011 ASSEMBLY BILL 534

February 7, 2012 – Introduced by Representatives KRUG, KNODL, BALLWEG, ENDSLEY, JACQUE, KERKMAN, KESTELL, KNUDSON, T. LARSON, MARKLEIN, A. OTT, PRIDEMORE, SPANBAUER, STEINEKE, STRACHOTA, THIESFELDT, VAN ROY, VOS, WYNN, ZIEGELBAUER, J. OTT and RIVARD, cosponsored by Senators DARLING and LAZICH. Referred to Committee on Children and Families.

1     **AN ACT** *to renumber and amend* 49.151 (2); and *to create* 49.001 (3m) and  
2             49.151 (2) (a) 1., 2. and 3. and (b) of the statutes; **relating to:** intentional  
3             program violations of public assistance programs.

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### *Analysis by the Legislative Reference Bureau*

The Wisconsin Works (W-2) program provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Under Wisconsin Shares, which is also part of the W-2 program, 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 educational or work activities, and who satisfies other eligibility criteria, may receive a child care subsidy for child care services. The W-2 program is currently administered by the Department of Children and Families (DCF). DCF also administers a program that provides emergency assistance to needy persons in cases of fire, flood, natural disaster, energy crisis, or homelessness or impending homelessness (emergency assistance program).

Under current law, if a court finds or if it is determined after an administrative hearing that an individual has intentionally violated any statute or rule governing the W-2 program on three separate occasions, a W-2 agency may permanently deny the individual benefits under the W-2 program. Under this bill, a W-2 agency, an entity administering Wisconsin Shares, or DCF is required deny an individual benefits under the W-2 program or the emergency assistance program as follows:

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1. For a first intentional program violation, for six months.
2. For a second intentional program violation, for one year.
3. For a third intentional program violation, permanently.

Under the bill, an intentional program violation is defined as making a false or misleading statement, intentionally misrepresenting or withholding facts, or committing any act that constitutes a violation of state or federal law for the purpose of using, presenting, transferring, acquiring, receiving, possessing, or trafficking public assistance benefits. The bill also specifies that DCF, a W-2 agency, or an entity administering Wisconsin Shares determines whether an individual has committed an intentional program violation for purposes of denying benefits.

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

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

1           **SECTION 1.** 49.001 (3m) of the statutes is created to read:

2           49.001 **(3m)** "Intentional program violation" means intentionally making a  
3 false or misleading statement, intentionally misrepresenting or withholding facts,  
4 or committing any act that constitutes a violation of state or federal law for the  
5 purpose of using, presenting, transferring, acquiring, receiving, possessing, or  
6 trafficking benefits under this chapter.

7           **SECTION 2.** 49.151 (2) of the statutes is renumbered 49.151 (2) (a) (intro.) and  
8 amended to read:

9           49.151 **(2)** (a) (intro.) ~~If a court finds or it is determined after an administrative~~  
10 ~~hearing the department, a Wisconsin Works agency, or a county department or~~  
11 ~~agency under contract under s. 49.155 (1m) determines that an individual who is a~~  
12 ~~member of a Wisconsin works group applying for or receiving benefits under s. 49.138~~  
13 ~~or ss. 49.141 to 49.161, for the purpose of establishing or maintaining eligibility for~~  
14 ~~those benefits or for the purpose of increasing the value of those benefits, has~~  
15 ~~intentionally violated, on 3 separate occasions, committed an intentional program~~

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1 violation related to any provision in s. 49.138 or ss. 49.141 to 49.161 or any rule  
2 promulgated under those sections, the Wisconsin works Works agency may  
3 permanently, the county department or agency under contract under 49.155 (1m), or  
4 the department shall deny benefits under s. 49.138 or ss. 49.141 to 49.161 to the  
5 individual, as follows:

6 **SECTION 3.** 49.151 (2) (a) 1., 2. and 3. and (b) of the statutes are created to read:

7 49.151 (2) (a) 1. For a first intentional program violation, for 6 months.

8 2. For a 2nd intentional program violation, for one year.

9 3. For a 3rd intentional program violation, permanently.

10 (b) An individual who is denied benefits under par. (a) may request a review  
11 of the denial following the procedure under s. 49.152 or, if the denial is based upon  
12 a violation of s. 49.155, may request a contested case hearing under ch. 227 by filing  
13 a request for a hearing with the department within 30 days after the date of the  
14 denial.

15 **SECTION 4. Initial applicability.**

16 (1) INTENTIONAL PROGRAM VIOLATIONS. The renumbering and amendment of  
17 section 49.151 (2) of the statutes and the creation of section 49.151 (2) (a) 1., 2., and  
18 3. and (b) of the statutes first apply to acts or omissions that occur on the effective  
19 date of this subsection.

20 **SECTION 5. Effective date.**

21 (1) This act takes effect on the first day of the 7th month beginning after  
22 publication.

23 (END)