



State of Wisconsin  
2017 - 2018 LEGISLATURE

January 2017 Special Session

LRB-0639/4  
TKK/TJD:klm/wlj/amn

## ASSEMBLY BILL 6

February 17, 2017 - Introduced by COMMITTEE ON ASSEMBLY ORGANIZATION, Representatives NYGREN, BORN, FELZKOWSKI, SKOWRONSKI, NOVAK, QUINN, STEFFEN, MURPHY, RIPP, BALLWEG, SWEARINGEN, MURSAU, SUBECK, BROSTOFF, KLEEFISCH, PETRYK, TITTL, SPIROS, ROHRKASTE, E. BROOKS, BERNIER, BILLINGS, ZEPNICK, SINICKI, DOYLE, KRUG, PETERSEN, KOLSTE, JAGLER, RODRIGUEZ, VRUWINK, FIELDS, KULP, SARGENT, ALLEN and WACHS, cosponsored by Senators DARLING, VUKMIR, HARS DORF, MARKLEIN, TESTIN, WANGGAARD, KAPENGA, LASEE and CARPENTER, by request of Governor Scott Walker. Referred to Committee on Education.

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

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### ***Analysis by the Legislative Reference Bureau***

This bill authorizes the director of the Office of Educational Opportunity in the University of Wisconsin System to contract with a person to operate, as a four-year pilot project, one recovery charter school for no more than 15 high school pupils in recovery from substance use disorder or dependency. Under the bill, the operator must provide an academic curriculum that satisfies the requirement for graduation from high school as well as therapeutic programming and support for pupils attending the charter school. The bill requires a pupil who wishes to attend the

recovery charter school to apply and to agree to all of the following: 1) that the pupil has begun treatment in a substance use disorder or dependency program; 2) that the pupil has maintained sobriety for at 30 days prior to attending the charter school; and 3) that the pupil will submit to a drug screening assessment and, if appropriate, a drug test prior to being admitted. The operator of the charter school may not admit a pupil who tests positive for the presence of a drug in his or her system. In addition, a pupil who enrolls in the school must receive counseling from substance use disorder or dependency counselors while enrolled in the charter school.

The contract between the operator of the recovery charter school and OEO must contain a requirement that, as a condition of continuing enrollment, an applicant for enrollment in the recovery charter school submit claims for coverage of certain services provided by the recovery charter school to his or her health care plan for which the applicant is covered for mental health services. The bill also requires the director of OEO to, following the fourth year of the operation of the charter school, submit a written report to the Department of Health Services regarding the operation and effectiveness of the charter school.

The bill permits the state superintendent to award a start-up grant towards the establishment of the recovery charter school of up to \$50,000 in fiscal year 2017-18 if the director of OEO procures matching funds equal to the amount of the grant. Under the bill, the Department of Public Instruction must pay to the operator of the recovery charter school the same per pupil amount as is paid to the operator of other charter schools.

The bill prohibits a health care policy, plan, or contract from excluding coverage for mental health or behavioral health treatment or services provided by the recovery charter school if the policy, plan, or contract covers mental health or behavior health treatment or services when provided by another health care provider.

This proposal may contain a health insurance mandate requiring a social and financial impact report under s. 601.423, stats.

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

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

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

5           20.255 (2) (fq) *Charter schools; office of educational opportunity recovery*  
6 *charter schools.* A sum sufficient to make the payments to charter schools under s.

1 118.40 (2x) (e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section  
2 21 (2).

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

5 20.255 (2) (fq) *Charter schools; office of educational opportunity recovery*  
6 *charter schools.* A sum sufficient to make the payments to charter schools under s.  
7 118.40 (2x)(e) 1m. and for the grant under 2017 Wisconsin Act .... (this act), section  
8 ~~(21) (2).~~

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

10 66.0137 (4) SELF-INSURED HEALTH PLANS. If a city, including a 1st class city, or  
11 a village provides health care benefits under its home rule power, or if a town  
12 provides health care benefits, to its officers and employees on a self-insured basis,  
13 the self-insured plan shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2),  
14 632.746 (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867,  
15 632.87 (4), ~~(5), and to~~ (6), 632.885, 632.89, 632.895 (9) to (17), 632.896, and 767.513  
16 (4).

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

18 118.40 (2x) (cm) Notwithstanding par. (c), the director may enter into a  
19 contract to establish, as a pilot project, only one recovery charter school, to be located  
20 in this state and that operates only high school grades, if the term of the contract is  
21 limited to 4 consecutive school years and the contract requires the charter school  
22 operator to do all of the following:

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

1           2. Provide therapeutic programming and support for pupils in recovery from  
2 substance use disorder or dependency.

3           3. Require prospective pupils to apply to attend the charter school and  
4 condition eligibility for enrollment on all of the following:

5           a. That the applicant has begun treatment in a substance use disorder or  
6 dependency program.

7           b. That the applicant will have maintained sobriety for at least 30 days prior  
8 to attending the charter school.

9           c. That the applicant submit to a drug screening assessment and, if indicated,  
10 a drug test. An applicant who tests positive for the presence of a drug in his or her  
11 system may not be enrolled in the charter school.

12           4. Limit enrollment to no more than 15 pupils.

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

16           6. Establish the following policies for pupils attending the charter school:

17           a. Suspension and expulsion policies for pupils. The operator shall provide for  
18 incremental and rehabilitative discipline in the policies under this subd. 6. a. The  
19 operator shall model expulsion procedures on the procedures for expulsion under s.  
20 120.13 (1) (c) 3.

21           b. That a pupil attending the charter school may elect to unenroll from the  
22 charter school upon the completion of any treatment program required of the pupil.

23           7. Require, as a condition of continuing enrollment, that an applicant submit  
24 claims for coverage of therapeutic programming and support and counseling

1 provided by the charter school to any health care plan, as defined in s. 628.36 (2) (a)  
2 1., under which the applicant is covered for mental health services.

3 **SECTION 6.** 118.40 (2x) (e) 1. of the statutes is amended to read:

4 118.40 (2x) (e) 1. Beginning in the 2016-17 school year, from the appropriation  
5 under s. 20.255 (2) (fp), for each pupil attending a charter school established under  
6 this subsection, other than the charter school established under par. (cm), the  
7 department shall pay to the operator of a charter school established under this  
8 subsection an amount equal to the per pupil amount paid to an operator of a charter  
9 school under sub. (2r) (e) in that school year.

10 **SECTION 7.** 118.40 (2x) (e) 1m. of the statutes is created to read:

11 118.40 (2x) (e) 1m. Beginning in the 2017-18 school year, from the  
12 appropriation under s. 20.255 (2) (fq), for each pupil attending the charter school  
13 established under par. (cm), the department shall pay to the operator of the charter  
14 school an amount equal to the per pupil amount paid to an operator of a charter  
15 school under sub. (2r) (e) in that school year.

16 **SECTION 8.** 118.40 (2x) (e) 2. of the statutes is amended to read:

17 118.40 (2x) (e) 2. The department shall pay 25 percent of the total amount  
18 required to be paid under this paragraph in September, 25 percent in December, 25  
19 percent in February, and 25 percent in June. The department shall send the check  
20 to the operator of the charter school.

21 **SECTION 9.** 118.40 (2x) (e) 3. of the statutes is created to read:

22 118.40 (2x) (e) 3. If, after the 3rd Friday in September in any school year, a pupil  
23 who had enrolled in the charter school established under par. (cm) withdraws from  
24 that charter school and enrolls in a public school in a school district in that school  
25 year, for each installment under subd. 2. that was not paid to the charter school in

1 that school year, the state superintendent shall pay to the board of the school district  
2 in which the pupil enrolls, from the appropriation under s. 20.255 (2) (fp), the per  
3 pupil amount under subd. 1m. multiplied by 0.25.

4 **SECTION 10.** 118.40 (3) (f) of the statutes is renumbered 118.40 (3) (f) 1. and  
5 amended to read:

6 118.40 (3) (f) 1. A contract with a school board, an entity under sub. (2r) (b) a.  
7 to h., or the director under sub. (2x) may provide for the establishment of more than  
8 one charter school, and, except as provided in subd. 2., a charter school governing  
9 board may enter into more than one contract with a school board, an entity under  
10 sub. (2r) (b), or the director under sub. (2x).

11 **SECTION 11.** 118.40 (3) (f) 2. of the statutes is created to read:

12 118.40 (3) (f) 2. The governing board of the charter school established under  
13 a contract with the director under sub. (2x) (cm) may not enter into more than one  
14 contract with the director.

15 **SECTION 12.** 118.40 (3) (g) 2. of the statutes is renumbered 118.40 (3) (g) 2. a.  
16 and amended to read:

17 118.40 (3) (g) 2. a. A charter school shall give preference in enrollment to pupils  
18 who were enrolled in the charter school in the previous school year and.

19 b. A charter school other than the charter school established under a contract  
20 with the director under sub. (2x) (cm) shall give preference to siblings of pupils who  
21 are enrolled in the charter school.

22 **SECTION 13.** 118.40 (3m) (c) of the statutes is amended to read:

23 118.40 (3m) (c) Give preference in awarding contracts for the operation of  
24 charter schools other than the charter school established under a contract with the

1 director under sub. (2x) (cm) to those charter schools that serve children at risk, as  
2 defined in s. 118.153 (1) (a).

3 **SECTION 14.** 118.40 (3o) of the statutes is created to read:

4 118.40 **(3o)** REPORT OF THE DIRECTOR TO THE DEPARTMENT OF HEALTH SERVICES.  
5 The director shall, following the 4th school year of the operation of the charter school  
6 established under par. (cm), report, in writing, to the department of health services  
7 on the operation and effectiveness of the charter school. The director shall include  
8 in the report an evaluation of the effectiveness of the charter school on long-term  
9 student recovery outcomes.

10 **SECTION 15.** 120.12 (26) of the statutes is created to read:

11 120.12 **(26)** ENROLLMENT OF PUPILS. For a pupil who is a resident of the school  
12 district and who was enrolled in but has withdrawn from the recovery charter school  
13 established under s. 118.40 (2x) (cm), do all of the following:

- 14 (a) Enroll the pupil in the appropriate grade in a school in the school district.  
15 (b) Apply all credits earned at the recovery charter school towards the high  
16 school graduation requirements under s. 118.33.

17 **SECTION 16.** 120.13 (2) (g) of the statutes is amended to read:

18 120.13 **(2)** (g) Every self-insured plan under par. (b) shall comply with ss.  
19 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.746 (10) (a) 2. and (b) 2., 632.747 (3),  
20 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4), ~~(5)~~, and to (6), 632.885,  
21 632.89, 632.895 (9) to (17), 632.896, and 767.513 (4).

22 **SECTION 17.** 185.983 (1) (intro.) of the statutes is amended to read:

23 185.983 **(1)** (intro.) Every voluntary nonprofit health care plan operated by a  
24 cooperative association organized under s. 185.981 shall be exempt from chs. 600 to  
25 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41, 601.42, 601.43, 601.44,

1 601.45, 611.26, 611.67, 619.04, 623.11, 623.12, 628.34 (10), 631.17, 631.89, 631.93,  
2 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.798, 632.85,  
3 632.853, 632.855, 632.867, 632.87 (2), ~~(2m), (3), (4), (5)~~, and to (6), 632.885, 632.89,  
4 632.895 (5) and (8) to (17), 632.896, and 632.897 (10) and chs. 609, 620, 630, 635, 645,  
5 and 646, but the sponsoring association shall:

6 **SECTION 18.** 609.717 of the statutes is created to read:

7 **609.717 Mental health services provided by a recovery charter school.**  
8 Limited service health organizations, preferred provider plans, and defined network  
9 plans are subject to s. 632.87 (4m).

10 **SECTION 19.** 632.87 (1) of the statutes is amended to read:

11 632.87 (1) No insurer may refuse to provide or pay for benefits for health care  
12 services provided by a licensed health care professional on the ground that the  
13 services were not rendered by a physician as defined in s. 990.01 (28), unless the  
14 contract clearly excludes services by such practitioners, but no contract or plan may  
15 exclude services in violation of sub. (2), (2m), (3), (4), (4m), (5), or (6).

16 **SECTION 20.** 632.87 (4m) of the statutes is created to read:

17 632.87 (4m) No policy, plan, or contract may exclude coverage for mental health  
18 or behavioral health treatment or services provided by the charter school established  
19 under a contract under s. 118.40 (2x) (cm), if the policy, plan, or contract covers  
20 mental health or behavioral health treatment or services provided by another health  
21 care provider, as defined in s. 146.81 (1) (a) to (p).

22 **SECTION 21. Nonstatutory provisions.**

23 (1) SEEKING FEDERAL MONEYS; DEPARTMENT OF HEALTH SERVICES. During the  
24 2017-19 fiscal biennium, the department of health services may seek and apply for  
25 any federal moneys for the purpose of awarding a grant to the office of educational



1 opportunity in the University of Wisconsin System under section 36.64 of the  
2 statutes for the operation of the charter school established under a contract under  
3 section 118.40 (2x) (cm) of the statutes, and if federal moneys are received, may  
4 award those moneys as a grant to the office of educational opportunity.

5 (2) OFFICE OF EDUCATIONAL OPPORTUNITY; START-UP FUNDING. From the  
6 appropriation under section 20.255 (2) (fq) of the statutes, the state superintendent  
7 may award a start-up grant of up to \$50,000 to the director of the office of educational  
8 opportunity in the University of Wisconsin System under section 36.64 of the  
9 statutes for the purpose of establishing a recovery charter school under section  
10 118.40 (2x) (cm) of the statutes. The state superintendent may not award a grant  
11 under this subsection unless the director of the office of educational opportunity  
12 procures matching funds equal to the amount of the grant for the same purpose.

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

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

18 (2) The amendment of section 20.255 (2) (fq) of the statutes takes effect on July  
19 1, 2018.

20 (END)