

1999 DRAFTING REQUEST

Bill

Received: **12/3/98**

Received By: **champra**

Wanted: **As time permits**

Identical to LRB:

For: **Rob Kreibich (608) 266-0660**

By/Representing: **Andy Cook**

This file may be shown to any legislator: **NO**

Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **Employ Pub - employe benefits**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Health Insurance benefits for certain state employes activated for military service

Instructions:

See Attached.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	champra 12/23/98	jgeller 12/23/98	ismith 12/28/98	_____	lrb_docadmin 12/28/98	lrb_docadmin 01/6/99	
/2	champra 04/29/99	jgeller 04/29/99	martykr 04/30/99	_____	lrb_docadmin 04/30/99	lrb_docadminState 04/30/99	

FE Sent For ~~(04/27/99)~~ (04/30/99).
("1") ("2")

<END>

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/1	champra 12/23/98	jgeller 12/23/98	ismith 12/28/98	_____	lrb_docadmin 12/28/98	lrb_docadmin 01/6/99	

FE Sent For:

12/29/98 jg
km 4/30
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04-27-99
1/1

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May Contact:

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1?	champra	11/23 JLG	IS 12/28	IS/KM 12/28			

FE Sent For:

<END>

Per Steve,

low spender



STATE OF WISCONSIN

Department of Employee Trust Funds

Eric Stanchfield
Secretary
201 East Washington Avenue
P.O. Box 7931
Madison, Wisconsin 53707.

June 7, 1996

To: State Agencies

For: Rep. Freibach

By Andy Cook

*Sec 51
of 95 A 255?*

**Health Insurance Benefits for National Guard Personnel On Unpaid Military Leave
in Operation Balkan Endeavor (Austria, Bosnia, Croatia, Serbia, et al)**

Extend Forever!

1995 Wisconsin Act 255, passed by the Legislature and signed by the Governor, effective May 4, 1996, provides extended Group Health Insurance eligibility for National Guard personnel on an unpaid military leave of absence who are called to active duty in Operation Balkan Endeavor. Employers may remember a similar provision in 1991 for Operation Desert Storm. This Act affects an estimated 15 to 30 employees.

This Act provides that employers notify eligible employees (or designated representatives) by June 4, 1996. While this deadline has passed, the Act also provides that the participant's election must be received by the employer by July 3, 1996, or 60 days after the employee is activated, whichever is later. We ask that employers immediately review their records to determine if they have an affected employee.

Normally for employees on unpaid military leave, health insurance premiums are prepaid for up to two months in advance and the State continues to pay the employer share of health insurance for the first three months of an employee's leave, for a total of up to five months of coverage with employer contribution. Then, the employee has the option of continuing health insurance through 36 months after the start of the leave by paying the full premium.

Employers must locate these employees (or designated representatives) and offer health insurance premium payments beyond the three months that normally would be allowed under the LOA provision. These employees (or designated representatives) can elect to: 1) continue health insurance coverage and establish pre-payment of premiums; 2) reinstate coverage by filing an application if they let their coverage lapse due to non-payment of premium; or 3) allow their coverage to lapse and reapply within 30 days of return to employment (provided employment resumes within 90 days after release from active military service).

Attached to this bulletin is the notice to be used by employees (or designated representatives) to make their election. This form must be signed by the employee (or designated representative) and returned to the payroll representative by July 3, 1996, or 60 days after the participant is activated, whichever is later. Once the participant has made an election, and signed and dated the form, provide them with a copy of the form as an acknowledgement and keep the original for your records. Return a copy of this form to ETF and if appropriate, Health Insurance Application (ET-2301). Refer to instructions on the attached Health Insurance Election For Operation Balkan Endeavor Participant (ET-9064).

Questions about the Election Form or the deadline can be directed to Mary Hensen at (608) 266-8411.

HEALTH INSURANCE ELECTION FOR OPERATION BALKAN ENDEAVOR PARTICIPANT

To: Employee or Designated Representative:

**This Form Must Be Signed and Returned to the Payroll Representative Listed
Below Regardless of Your Election**

Effective May 4, 1996, Governor Thompson signed into law 1995 Wisconsin Act 255 which provides additional months of state contribution toward health insurance premiums. If you were insured under the State of Wisconsin Health Insurance plan eligible to receive state contributions toward the premium when you were activated as a member of the Wisconsin National Guard or a reserve component of the United States Armed Forces or were recalled to active duty from inactive reserve status and had been discharged or retired, you may elect to receive benefits resulting from this legislation. If you have let your coverage lapse, you may elect to be reinstated and begin to receive the state share for your premiums. If you have continued the health insurance coverage at your own expense, you may elect to receive the employer's contribution for the premium you have already paid and for premium due in the future if you are still on leave of absence. You will also receive state share payments for any premium you paid-in-full if you have subsequently let your coverage lapse.

Please check the appropriate box(es) and sign below.

1. **While on Military Leave I let my State of Wisconsin Health Insurance lapse.** I elect to reinstate my health insurance to the health plan and coverage type that I was enrolled in at the time my State of Wisconsin Health Insurance lapsed. I realize that coverage will be effective on the first of the month following my employer's receipt of the enclosed Health Insurance Application (ET-2301), and that the employer's contribution will begin at that time for up to a total of 12 months. The 12 month total includes the two month period for which premiums are paid in advance as an active employe as well as the first three months of a leave of absence in which the employer contributes toward the premium.
2. **I elect to receive the employer's share of any premium I have paid without the aid of the state share.** I understand that this includes any past payments as well as any premium, up to a total of 12 months that may be required in the future. The 12 month total includes the two month period for which premiums are paid in advance as an active employe as well as the first three months of a leave of absence in which the employer contributes toward the premium.
3. I do not elect to receive the employer's share of premium.
4. I do not elect to reinstate my coverage.

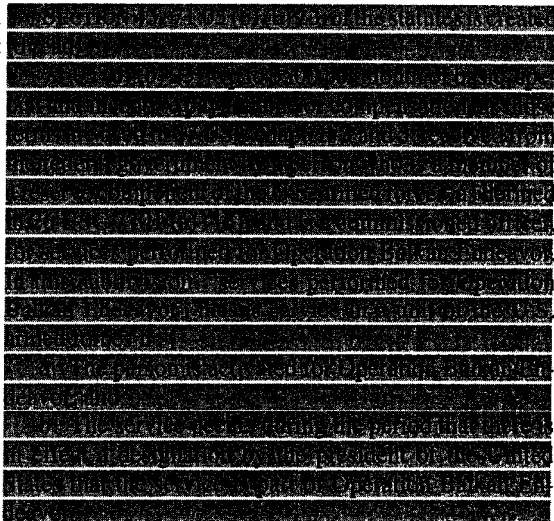
Your election cannot go into effect unless this form is received by July 3, 1996, or 60 days after you are activated, whichever is later. In any case, no employer contributions may be paid under this legislation after July 31, 1998.

Date (Mo/Date/Yr)	Signature of Employee or Designated Representative
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If you have any questions regarding your benefits under this legislation, please contact your payroll representative. Your payroll representative will return a copy of this form as an acknowledgment.

Date (Mo/Day/Yr)	Signature of Payroll Representative
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Vetoed
In Part



SECTION 44. 71.85 (3) of the statutes is renumbered 71.85 (3) (intro.) and amended to read:

71.85 (3) ABATEMENT OF INTEREST AND PENALTIES. (intro.) No penalty or interest that has been imposed under this subchapter on a taxpayer who is eligible for the exemption under s.:

(a) Section 71.05 (6) (b) 13. or 14. may continue to accrue while the taxpayer is in the Operation Desert Shield or Operation Desert Storm theater of operations and for 180 days after the taxpayer leaves the Operation Desert Shield or Operation Desert Storm theater of operations.

SECTION 45. 71.85 (3) (b) of the statutes is created to read:

71.85 (3) (b) Section 71.05 (6) (b) 22. or 23. may continue to accrue while the taxpayer is in the Operation Balkan Endeavor theater of operations and for 180 days after the taxpayer leaves the Operation Balkan Endeavor theater of operations.

SECTION 46. 230.03 (14) (b) of the statutes is amended to read:

230.03 (14) (b) A person who served on active duty under honorable conditions in the U.S. armed forces in Bosnia, Grenada, Lebanon, Panama, Somalia or a Middle East crisis under s. 45.34.

SECTION 47. 230.03 (14) (c) of the statutes is amended to read:

230.03 (14) (c) A person who served on active duty under honorable conditions in the U.S. armed forces for at least one day during a war period, as defined in s. 45.35 (5) ~~(a) to (h)~~ (e) or under section 1 of executive order 10957 dated August 10, 1961.

SECTION 48. 341.08 (7) of the statutes is amended to read:

341.08 (7) A vehicle's registration does not expire on the date of expiration of registration under ss. 341.25 to 341.36 if, on that date of expiration, the registrant is serv-
ing on active duty in the U.S. armed forces in the Middle

East or in the territorial or international waters adjacent to the Middle East as a participant in or in support of Operation Desert Shield or Desert Storm and is absent from this state. Any registration extended under this subsection expires 30 days after the registrant returns to this state or 90 days after the registrant completes his or her military service in that geographic area as a participant in or in support of those operations is discharged from active duty, whichever is earlier. If a registration is renewed after an extension under this subsection, the renewal period shall begin on the day after the date of expiration of registration.

SECTION 49. 341.14 (6) (a) of the statutes is amended to read:

341.14 (6) (a) Upon application to register an automobile or station wagon or a motor truck or dual purpose farm truck which has a gross weight of not more than 8,000 pounds by any person who was a member of any of the U.S. armed services and who was held as a prisoner of war during any of the conflicts described in s. 45.35 (5) ~~(b) to (g)~~ (e) 2. to 8. or in Bosnia, Grenada, Lebanon, Panama, Somalia or a Middle East crisis under s. 45.34, and upon submission of a statement from the U.S. department of veterans affairs certifying that the person was a prisoner of war during one of the conflicts described in s. 45.35 (5) ~~(b) to (g)~~ (e) 2. to 8. or in Bosnia, Grenada, Lebanon, Panama, Somalia or a Middle East crisis under s. 45.34, the department shall issue to the person a special plate which is colored red, white and blue and which has the words "ex-prisoner of war" placed on the plate in the manner designated by the department.

SECTION 50. 343.20 (4) of the statutes is amended to read:

343.20 (4) Any license issued under this chapter does not expire on the expiration date on the license if, on that expiration date, the licensee is serv
ing on active duty in the U.S. armed forces in the Middle East or in the territorial or international waters adjacent to the Middle East as a participant in or in support of Operation Desert Shield or Desert Storm and is absent from this state. Any license extended under this subsection expires 30 days after the licensee returns to this state or 90 days after the licensee completes his or her military service in that geographic area as a participant in or in support of those operations is discharged from active duty, whichever is earlier. If a license is renewed after an extension under this subsection, the renewal period shall begin on the day after the expiration date on the license.

SECTION 51. Nonstatutory provisions; group health insurance coverage of certain state and authority employes participating in Operation Balkan Endeavor.

(1) In this section:

(a) "Eligible employe" means a state employe, as defined in section 40.02 (54t) of the statutes, as created by

1995 Wisconsin Act 27, to whom all of the following apply:

1. On or after December 1, 1995, is activated to perform service for the operation.

2. On the date on which he or she is activated to perform service for the operation, is insured and is receiving employer contributions under section 40.05 (4) of the statutes.

3. On the date on which he or she is activated to perform service for the operation, is either a member of the Wisconsin national guard; a member of a reserve component of the U.S. armed forces, as defined in section 40.02 (57m) of the statutes; or an individual who is recalled to active military duty from inactive reserve status and had been either discharged from active duty, discharged from a unit of the Wisconsin national guard or a reserve component of the U.S. armed forces, as defined in section 40.02 (57m) of the statutes, or retired from active military service.

4. Has received a military leave of absence under section 230.32 (3) (a) or 230.35 (3) of the statutes, under a collective bargaining agreement under subchapter V of chapter 111 of the statutes or under rules promulgated by the secretary of employment relations as a result of being activated to perform service for the operation, or is eligible for reemployment under section 45.50 of the statutes after completion of his or her service for the operation.

(b) "Employer" means the state agency, as defined in section 40.02 (54) of the statutes, by whom an eligible employee was employed on the date on which the eligible employee was activated to perform service for the operation.

(c) "Employer contributions" means contributions paid toward the premium payments of an eligible employee by the employer of the eligible employee.

(d) "Insured" means eligible for coverage under and properly enrolled in the state plan.

(e) "Operation" means Operation Balkan Endeavor or an operation that is a successor to Operation Balkan Endeavor.

(f) "Premium" means the health insurance premium under the state plan.

(g) "Service for the operation" means federal military duty as a participant in or in support of the operation.

(h) "State plan" means the state group health insurance plan provided under subchapter IV of chapter 40 of the statutes.

(2) (a) Notwithstanding sections 40.05 (4) and 40.51 (2) of the statutes, an eligible employee who is not insured may have his or her insurance under the state plan reinstated without furnishing evidence of insurability satisfactory to the insurer and may receive employer contributions under subsection (4) if the employee or the employee's designated representative makes a written election to have his or her insurance under the state plan reinstated and to receive employer contributions under

subsection (4) and pays the amount of any employee contributions that are required to be paid under section 40.05 (4) of the statutes toward the premium payments.

(b) Notwithstanding section 40.05 (4) of the statutes, an eligible employee who is insured may receive employer contributions under subsection (4) if the employee or the employee's designated representative makes a written election to receive the employer contributions under subsection (4) and pays the amount of any employee contributions that are required to be paid under section 40.05 (4) of the statutes toward the premium payments.

(c) An eligible employee or his or her designated representative shall make an election under paragraph (a) or (b) on a form provided by his or her employer not later than 60 days after the date on which the eligible employee begins to perform service for the operation or 60 days after the effective date of this paragraph, whichever is later.

(d) The group insurance board shall take any action necessary to include the period under paragraph (c) in the enrollment period under the state plan for eligible employees who are not insured.

(3) Not later than 30 days after the effective date of this subsection, the employer of an eligible employee shall mail to the eligible employee or to the eligible employee's designated representative a written notification of the eligible employee's rights under this SECTION, along with the form required under subsection (2) (c).

(4) Notwithstanding sections 40.05 (4) and 40.51 (2) of the statutes, the employer of an eligible employee who makes or whose designated representative makes an election under subsection (2) shall pay employer contributions toward the premium payments of the eligible employee during the period in which the eligible employee is performing service for the operation as follows:

(a) The amount of the employer contributions paid toward each premium payment shall be equal to the amount of the employer contributions under section 40.05 (4) of the statutes that would have been paid toward the premium payment if the eligible employee had continued employment with the employer instead of performing service for the operation.

(b) If the eligible employee has been insured during the period beginning on the date on which the eligible employee left employment with the employer to perform service for the operation and ending on the date on which the eligible employee or the eligible employee's designated representative makes the election under subsection (2) but the eligible employee did not receive employer contributions under section 40.05 (4) of the statutes toward one or more of the premium payments during that period, the employer shall pay to the eligible employee in a lump sum an amount equal to the employer contributions that would have been paid toward those premium payments under section 40.05 (4) of the statutes if the eligible employee had continued employment with the employer dur-

ing that period instead of performing service for the operation.

(c) The number of months for which the eligible employe receives employer contributions under paragraphs (a) and (b), when added to the number of months for which the eligible employe received employer contributions under section 40.05 (4) of the statutes during the period beginning on the date on which the eligible employe left employment with the employer to perform service for the operation and ending on the date on which the eligible employe ceases to perform service for the operation, may not exceed a total of 12 months.

(d) No employer contributions may be paid under this subsection after the last day of the 24th month beginning after the effective date of this paragraph.

(5) Notwithstanding sections 111.84 (1) and (2), 111.91 (1) and (2) and 111.93 (3) of the statutes, this SECTION applies to an eligible employe and to the employer regardless of whether the eligible employe is unrepresented or represented by a labor organization, as defined in section 111.81 (12) of the statutes.

SECTION 51m. Nonstatutory provisions; rules for Wisconsin veterans cemeteries.

(1) If the department of veterans affairs chooses to promulgate rules to assess fees under section 45.358 (3m)

of the statutes, the department of veterans affairs shall promulgate the rules, using the procedure under section 227.24, of the statutes, for the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a) and (2) (b) of the statutes, the department of veterans affairs need not provide evidence of the necessity of preservation of the public peace, health, safety or welfare in promulgating rules under this subsection.

SECTION 52. Initial applicability.

(1) The treatment of sections 71.03 (7) [REDACTED] and 71.85 (3) of the statutes and the creation of sections 71.03 (7) (b) and 71.85 (3) (b) of the statutes first apply to taxable years beginning on January 1, 1995.

SECTION 53. Effective dates. This act takes effect on the first day of the first month beginning after publication, except as follows:

(1) SECTION 51 (3) of this act takes effect on the day after publication.

(2) The treatment of section 45.25 (3) (a) of the statutes takes effect on July 1, 1997.

(3p) The treatment of section 20.485 (4) (a) of the statutes takes effect on July 1, 1996, or on the day after publication, whichever is later.

Vetoed
In Part

1995 Senate Bill 478

Date of enactment: April 20, 1996

Date of publication: May 3, 1996

1995 WISCONSIN ACT 256

AN ACT to create 895.481 of the statutes; relating to: limitation of civil liability related to equine activities.

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

SECTION 1. 895.481 of the statutes is created to read:
895.481 Civil liability exemption; equine activities. (1) In this section:

(a) "Equine" means a donkey, hinny, horse, mule or pony.

(b) "Equine activity" means any of the following:

1. Shows, fairs, competitions, performances or parades that involve any breeds of equines and any equine disciplines, including combined training, competitive trail riding, cutting, dressage, driving, endurance trail riding, English or western performance riding, grand prix jumping, horse racing, hunter and jumper shows, hunting, polo, pulling, rodeos, 3-day events and western games.
2. Equine training or teaching.
3. Boarding of equines.
4. Riding, inspecting or evaluating an equine belonging to another, regardless of whether the owner of the equine receives monetary or other consideration for the use of the equine or permits the riding, inspection or evaluation of the equine.
5. Riding, training or driving an equine or being a passenger on an equine.
6. Riding, training or driving a vehicle pulled by an equine or being a passenger on a vehicle pulled by an equine.
7. Assisting in the medical treatment of an equine.
8. Shoeing of an equine.
9. Assisting a person participating in an activity listed in subds. 1. to 8.

(c) "Equine activity sponsor" means a person, whether operating for profit or nonprofit, who organizes or provides the facilities for an equine activity, including own-



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1109/1

RAC:.....

JLG

SOON

1999 BILL

1 AN ACT ^{gen cat} ...; relating to: payment of health insurance premiums for state
2 employees activated for military duty in the U.S. armed forces. ✓

Analysis by the Legislative Reference Bureau

This bill requires the state to pay the employer contributions for any state employee who is activated to serve on military duty in the U.S. armed forces, other than for training purposes. To qualify for the payment of employer contributions for health insurance under the bill, the employee must be insured under the state health insurance program on the day on which he or she is activated to serve on active duty in the U.S. armed forces and he or she must have been granted a military leave of absence by the state. Under the bill, the state is required to pay such employer contributions and is also required to reimburse any state employee who has paid the employer contributions for health insurance. Finally, the bill provides that the state may not pay more than 12[✓] months of employer contributions for health insurance for the state employees who are activated to serve in the U.S. armed forces.

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

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

3 SECTION 1. 40.05 (4g)[✓] of the statutes is created to read:

BILL

1 40.05 (4g) PAYMENT OF HEALTH INSURANCE PREMIUMS FOR STATE EMPLOYEES
2 ACTIVATED FOR MILITARY DUTY IN THE U.S. ARMED FORCES. (a) In this subsection, "eligible
3 employe" means a state employe to whom all of the following apply:

4 1. On or after the effective date of this subdivision.... [revisor inserts date], is
5 activated to serve on military duty in the U.S. armed forces, other than for training
6 purposes.

7 2. On the date on which he or she is activated to serve on active duty in the U.S.
8 armed forces, is insured and is receiving employer contributions for health insurance
9 premiums under sub. (4).

10 3. On the date on which he or she is activated, is either a member of the
11 Wisconsin national guard or a member of a reserve component of the U.S. armed
12 forces or is recalled to active military duty from inactive reserve status.

13 4. Has received a military leave of absence under s. 230.32 (3) (a) or 230.35 (3),
14 under a collective bargaining agreement under subch. V of ch. 111 or under rules
15 promulgated by the secretary of employment relations or is eligible for
16 reemployment with the state under s. 45.50 after completion of his or her service in
17 the U.S. armed forces.

18 (b) 1. Notwithstanding sub. (4) and s. 40.51 (2), an eligible employe who is not
19 insured after the date on ^{which} he or she is activated to serve on active duty in the U.S.
20 armed forces may have his or her health insurance reinstated during the period in
21 which he or she is serving on active duty in the U.S. armed forces without furnishing
22 evidence of insurability satisfactory to the insurer and may receive employer
23 contributions under par. (c) if the eligible employe or the eligible employe's
24 designated representative makes a written election to have his or her health
25 insurance reinstated and to receive employer contributions under par. (c) and pays

BILL

1 any employe contributions that are required to be paid under sub. (4)[✓] toward the
2 premium payments.

3 2. Notwithstanding sub. (4), an eligible employe who is insured after the date
4 on which he or she is activated to serve on active duty in the U.S. armed forces may
5 receive employer contributions under par. (c)[✓] during the period in which he or she is
6 serving on active duty in the U.S. armed forces if the eligible employe or the eligible
7 employe's designated representative makes a written election to receive employer
8 contributions under par. (c) and pays any employe contributions that are required
9 to be paid under sub. (4) toward the premium payments.

10 3. An eligible employe or his or her designated representative shall make an
11 election under subd. 1. or 2.[✓] on a form provided by his or her employer not later than
12 60 days after the date on which the eligible employe begins to serve on active duty
13 for the U.S. armed forces.

14 4. The group insurance board shall include the period under subd. 3.[✓] in any
15 applicable enrollment period under the state health insurance plan for eligible
16 employes who are not insured.

17 (c) Notwithstanding sub. (4) and s. 40.51 (2),[✓] the employer of an eligible
18 employe who makes or whose designated representative makes an election under
19 par. (b)[✓] shall pay employer contributions toward the premium payments of the
20 eligible employe during the period in which the eligible employe is serving on active
21 duty for the U.S. armed forces as follows:

22 1. The amount of the employer contributions paid toward each premium
23 payment shall be equal to the amount of the employer contributions under sub. (4)
24 that would have been paid toward the premium payment if the eligible employe had

BILL

1 continued employment with the employer instead of serving on active duty for the
2 U.S. armed forces.

3 2. If the eligible employe has been insured during the period beginning on the
4 date on which the eligible employe left employment with the employer to serve on
5 active duty for the U.S. armed forces and ending on the date on which the eligible
6 employe or the eligible employe's designated representative makes the election
7 under par. (b) but the eligible employe did not receive employer contributions under
8 sub. (4) toward any of the premium payments during that period, the employer shall
9 pay to the eligible employe in a lump sum an amount equal to the employer
10 contributions that would have been paid toward those premium payments under
11 sub. (4) if the eligible employe had continued employment with the employer during
12 that period instead of serving on active duty for the U.S. armed forces.

13 (d) The number of months for which the eligible employe may receive employer
14 contributions under par. (c),[✓] when added to the number of months for which the
15 eligible employe received employer contributions under sub. (4) during the period
16 beginning on the date on which the eligible employe left employment with the
17 employer to serve on active duty for the U.S. armed forces and ending on the date
18 on which the eligible employe ceases to serve on active duty for the U.S. armed forces,
19 may not exceed a total of 12[✓] months.

20

(END)[✓]

**SUBMITTAL
FORM**

LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 12/28/98

To: Representative Kreibich

Relating to LRB drafting number: LRB-1109

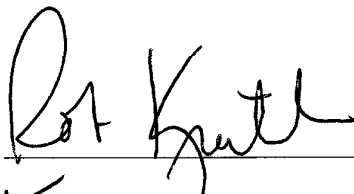
Topic

Health Insurance benefits for certain state employees activated for military service

Subject(s)

Employ Pub - employe benefits

1. **JACKET** the draft for introduction



in the **Senate** ____ or the **Assembly** (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached _____.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction _____.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Richard A. Champagne, Legislative Attorney
Telephone: (608) 266-9930

NOTE: PLEASE RETURN THIS BILL DRAFT AND THIS TRANSMITTAL SHEET WITH YOUR FISCAL ESTIMATE FORMS

IF THERE IS A FISCAL EFFECT TO THE BILL, PLEASE SUBMIT THE FISCAL ESTIMATE WORKSHEET.

TO: Pam Henning
Employe Trust Funds

FROM: Deborah Uecker
Division of Executive Budget and Finance
101 East Wilson Street
Administration Building, 10th Floor
Madison, WI 53702

*Copy to
Rep. Kreibich
05-07-99*

SUBJECT: Fiscal Estimate - LRB Number 1108/1
1999 Bill Number *2*

Please provide the necessary information on fiscal estimate forms and return two (2) copies to Deborah Uecker, no later than: 04-May-99

If you cannot comply with the above deadline for any reason, please call Deborah at 267-0371.

Provide local government costs.
_____ is responsible for local government costs.

Employe Trust Funds

DATE DOA SENT TO AGENCY:

27-Apr-99

DATE DOA RECEIVED FROM AGENCY:

5/11/99

TO BE COMPLETED BY AGENCY:

Name and phone number of person who prepared the fiscal estimate.

Pam Henning
(Name)

267-2929
(Phone Number)

PLEASE SEND ORIGINAL COPIES OF THE FORMS THAT CAN BE REPRODUCED.

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 1109/1

INTRODUCTION #

Admin. Rule #

Subject

Payment of health insurance premiums for state employees activated for military duty in the U.S. armed forces.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget
 Yes No

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
 Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate:

LRB 1109/1 requires the state to pay the same share of health insurance premiums for up to 12 months for any state employee called up for active military service as was applied to the employee prior to the military leave. The maximum period for which the premium will be paid includes the three months of premiums for which employees are eligible under existing law. This will limit eligibility for additional premium to a maximum of nine months.

Since LRB 1109/1 is not limited to a particular military service period, exact estimates are not available of the number of state employees who are subject to this legislation. Based on the number of state employees who took military training leave in 1998, we estimate 600 employees could be subject to active duty call-up. Assuming a 1999 average employer share of monthly premium of \$419.64 per employee, this could cost up to \$2.2 million annually.

Long-Range Fiscal Implications:

On-going.

Prepared By: / Phone # / Agency Name

Pamela Henning 267-2929
Department of Employee Trust Funds

Authorized Signature / Telephone No.



Date

5/6/99

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 1109/1

Admin. Rule #

INTRODUCTION #

Subject

Payment of health insurance premiums for state employees activated for military duty in the U.S. armed forces.

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal Impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs	2,200,000.00	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 2,200,000.00	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ 2,200,000.00 \$ _____

NET CHANGE IN REVENUES \$ _____ \$ _____

Prepared By: / Phone # / Agency Name
 Pamela Henning 267-2929
 Department of Employee Trust Funds

Authorized Signature/Telephone No.



Date

5/6/99



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-1109/z 2

RAC:jlq:ijs

RM has been
run

Soon

1999 BILL

Regen

- 1 AN ACT *to create* 40.05 (4g) of the statutes; **relating to:** payment of health
2 insurance premiums for state employes activated for military duty in the U.S.
3 armed forces.

Analysis by the Legislative Reference Bureau

This bill requires the state to pay the employer contributions for any state employe who is activated to serve on military duty in the U.S. armed forces, other than for training purposes. To qualify for the payment of employer contributions for health insurance under the bill, the employe must be insured under the state health insurance program on the day on which he or she is activated to serve on active duty in the U.S. armed forces and he or she must have been granted a military leave of absence by the state. Under the bill, the state is required to pay such employer contributions and is also required to reimburse any state employe who has paid the employer contributions for health insurance. Finally, the bill provides that the state may not pay more than 12 months of employer contributions for health insurance for the state employes who are activated to serve in the U.S. armed forces.

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

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

BILL

1 **SECTION 1.** 40.05 (4g) of the statutes is created to read:

2 **40.05 (4g) PAYMENT OF HEALTH INSURANCE PREMIUMS FOR STATE EMPLOYEES**

3 **ACTIVATED FOR MILITARY DUTY IN THE U.S. ARMED FORCES.** (a) In this subsection, "eligible
4 employee" means a state employe to whom all of the following apply:

April 15, 1999

5 1. On or after ~~the effective date of this subdivision ... [revisor inserts date]~~ is
6 activated to serve on military duty in the U.S. armed forces, other than for training
7 purposes.

8 2. On the date on which he or she is activated to serve on active duty in the U.S.
9 armed forces, is insured and is receiving employer contributions for health insurance
10 premiums under sub. (4).

11 3. On the date on which he or she is activated, is either a member of the
12 Wisconsin national guard or a member of a reserve component of the U.S. armed
13 forces or is recalled to active military duty from inactive reserve status.

14 4. Has received a military leave of absence under s. 230.32 (3) (a) or 230.35 (3),
15 under a collective bargaining agreement under subch. V of ch. 111 or under rules
16 promulgated by the secretary of employment relations or is eligible for
17 reemployment with the state under s. 45.50 after completion of his or her service in
18 the U.S. armed forces.

19 (b) 1. Notwithstanding sub. (4) and s. 40.51 (2), an eligible employe who is not
20 insured after the date on which he or she is activated to serve on active duty in the
21 U.S. armed forces may have his or her health insurance reinstated during the period
22 in which he or she is serving on active duty in the U.S. armed forces without
23 furnishing evidence of insurability satisfactory to the insurer and may receive
24 employer contributions under par. (c) if the eligible employe or the eligible employe's
25 designated representative makes a written election to have his or her health

BILL

1 insurance reinstated and to receive employer contributions under par. (c) and pays
2 any employe contributions that are required to be paid under sub. (4) toward the
3 premium payments.

4 2. Notwithstanding sub. (4), an eligible employe who is insured after the date
5 on which he or she is activated to serve on active duty in the U.S. armed forces may
6 receive employer contributions under par. (c) during the period in which he or she is
7 serving on active duty in the U.S. armed forces if the eligible employe or the eligible
8 employe's designated representative makes a written election to receive employer
9 contributions under par. (c) and pays any employe contributions that are required
10 to be paid under sub. (4) toward the premium payments.

11 3. An eligible employe or his or her designated representative shall make an
12 election under subd. 1. or 2. on a form provided by his or her employer not later than
13 60 days after the date on which the eligible employe begins to serve on active duty
14 for the U.S. armed forces.

15 4. The group insurance board shall include the period under subd. 3. in any
16 applicable enrollment period under the state health insurance plan for eligible
17 employes who are not insured.

18 (c) Notwithstanding sub. (4) and s. 40.51 (2), the employer of an eligible
19 employe who makes or whose designated representative makes an election under
20 par. (b) shall pay employer contributions toward the premium payments of the
21 eligible employe during the period in which the eligible employe is serving on active
22 duty for the U.S. armed forces as follows:

23 1. The amount of the employer contributions paid toward each premium
24 payment shall be equal to the amount of the employer contributions under sub. (4)
25 that would have been paid toward the premium payment if the eligible employe had

BILL

1 continued employment with the employer instead of serving on active duty for the
2 U.S. armed forces.

3 2. If the eligible employe has been insured during the period beginning on the
4 date on which the eligible employe left employment with the employer to serve on
5 active duty for the U.S. armed forces and ending on the date on which the eligible
6 employe or the eligible employe's designated representative makes the election
7 under par. (b) but the eligible employe did not receive employer contributions under
8 sub. (4) toward any of the premium payments during that period, the employer shall
9 pay to the eligible employe in a lump sum an amount equal to the employer
10 contributions that would have been paid toward those premium payments under
11 sub. (4) if the eligible employe had continued employment with the employer during
12 that period instead of serving on active duty for the U.S. armed forces.

13 (d) The number of months for which the eligible employe may receive employer
14 contributions under par. (c), when added to the number of months for which the
15 eligible employe received employer contributions under sub. (4) during the period
16 beginning on the date on which the eligible employe left employment with the
17 employer to serve on active duty for the U.S. armed forces and ending on the date on
18 which the eligible employe ceases to serve on active duty for the U.S. armed forces,
19 may not exceed a total of 12 months.

20 (END)



STEPHEN R. MILLER
CHIEF

State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
P. O. BOX 2037
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
LEGAL FAX: (608) 264-8522
REFERENCE SECTION: (608) 266-0341
REFERENCE FAX: (608) 266-5648

May 3, 1999

MEMORANDUM

To: Representative Kreibich

From: Rick Champagne, Legislative Attorney, (608) 266-9930

Subject: LRB 99-1109/2

Please note that there may be a constitutional issue in requiring that the state pay health insurance premiums for those state employees who are activated for military service *before the effective date of the bill*. Section 26 (1), Article IV of the Wisconsin Constitution prohibits the legislature from granting "any extra compensation to a public officer, agent, servant or contractor after the services have been rendered or the contract has been entered into." Because state employees who are activated *before the effective date of the bill* have ceased to render services on the date that the bill takes effect, the bill may be providing extra compensation for state employees after they have rendered their services. This issue only affects LRB 99-1109/2. LRB 99-1109/1 is not affected by this constitutional provision, because the bill only applies to those state employees who are activated to serve on military duty *on or after the effective date of the bill*.

If you have any questions about this issue or any other matter affecting the bill, please do not hesitate to contact me.