

1999 Senate Bill 187

Date of enactment: **April 25, 2000**

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1999 WISCONSIN ACT 104

AN ACT to amend 40.05 (4) (b); and to repeal and recreate 40.05 (4) (bd) of the statutes; relating to: eliminating the time period in which state employees must use accumulated sick leave credits to purchase state group health insurance.

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

SECTION 1. 40.05 (4) (b) of the statutes is amended to read:

40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10 and 757.02 (5) and subch. I or V of ch. 111 of any eligible employee shall, at the time of death, upon qualifying for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon termination of creditable service and qualifying as an eligible employee under s. 40.02 (25) (b) 6. or 10., be converted, at the employee's current basic pay rate, to credits for payment of health insurance premiums on behalf of the employee or the employee's surviving insured dependents. Any supplemental compensation that is paid to a state employee who is classified under the state classified civil service as a teacher, teacher supervisor or education director for the employee's completion of educational courses that have been approved by the employee's employer is considered as part of the employee's basic pay for purposes of this paragraph. The full premium for any eligible employee who is insured at the time of retirement, or for the surviving insured dependents of an eligible employee who is deceased, shall be deducted from the credits until the credits are exhausted and paid from the

account under s. 40.04 (10), and then deducted from annuity payments, if the annuity is sufficient. The department shall provide for the direct payment of premiums by the insured to the insurer if the premium to be withheld exceeds the annuity payment. Except as provided in par. (bd), upon conversion of an employee's unused sick leave to credits under this paragraph or par. (bf), the employee or, if the employee is deceased, the employee's surviving insured dependents may elect to delay initiation of deductions from those credits for ~~up to 10 years after the date of the conversion~~ any period of time if the employee or surviving insured dependents are covered by a comparable health insurance plan or policy during the period beginning on the date of the conversion and ending on the last day of the 2nd month after the date on which the employee or surviving insured dependents later elect to initiate deductions from those credits. A health insurance plan or policy is considered comparable if it provides hospital and medical benefits that are substantially equivalent to the standard health insurance plan established under s. 40.52 (1).

SECTION 2. 40.05 (4) (bd) of the statutes is repealed and recreated to read:

40.05 (4) (bd) If a retired employee or the retired employee's surviving insured dependents elected before the effective date of this paragraph [revisor inserts date], to delay initiation of deductions from the

* Section 991.11, WISCONSIN STATUTES 1997-98: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

employee's sick leave credits and those deductions have been initiated, but have not been terminated, before the date on which the employe or surviving insured dependents submit an election under subd. 1., or if a retired employe or the surviving insured dependents of a retired employe who terminated creditable service before the effective date of this paragraph [revisor inserts date], elected to delay initiation of deductions from the employe's sick leave credits and those deductions have not been initiated before the date on which the employe or surviving insured dependents submit an election under subd. 1., the retired employe or surviving insured dependents may elect to delay continuation or initiation of those deductions for any period of time after the date on which the employe's unused sick leave was converted to those credits if all of the following apply:

1. The retired employe or surviving insured dependents make the election on a form provided by the department and submit the election to the department no later than the first day of the 6th month beginning immediately after the effective date of this subdivision [revisor inserts date].

2. The retired employe or surviving insured dependents are covered by a comparable health insurance plan or policy during the period beginning on the date on which the employe or surviving insured dependents submit an election under subd. 1. and ending on the last day of the 2nd month after the date on which the employe or surviving insured dependents later elect to continue or initiate the deductions. A health insurance plan or policy is considered comparable if it provides hospital and medical benefits that are substantially equivalent to the standard health insurance plan established under s. 40.52 (1).