

1999 DRAFTING REQUEST

Bill

Received: **03/23/99**

Received By: **champra**

Wanted: **As time permits**

Identical to LRB:

For: **Fred Risser (608) 266-1627**

By/Representing: **Leslie**

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:

Time period in which accumulated unused sick leave credits must be used

Instructions:

Eliminate 10 year time period under unused accumulated sick leave program

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 04/1/99	chanaman 04/1/99	martykr 04/5/99	_____	lrb_docadmin 04/5/99	lrb_docadminState 04/8/99	

FE Sent For:

06-08-99

<END>

1999 DRAFTING REQUEST

Bill

Received: 03/23/99

Received By: champra

Wanted: As time permits

Identical to LRB:

For: Fred Risser (608) 266-1627

By/Representing: Leslic

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:

Time period in which accumulated unused sick leave credits must be used

Instructions:

Eliminate 10 year time period under unused accumulated sick leave program

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 04/1/99	chanaman 04/1/99	martykr 04/5/99	_____	lrb_docadmin 04/5/99		State

FE Sent For:

<END>



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2586/1

RAC:.....

cmj

1999 BILL

1 AN ACT ^{gen cost} relating to: eliminating the time period in which state employees must
2 use accumulated sick leave credits to purchase state group health insurance.

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, if a state employee who is eligible for coverage under the state group health insurance program terminates employment in a position that is covered under the Wisconsin retirement system (WRS) and has attained the minimum age to begin receiving a retirement benefit under the WRS, or if a state employee who is eligible for coverage under the state group health insurance program is laid off, the employee's accumulated unused sick leave may be converted, at his or her basic pay rate immediately prior to termination, to credits for the payment of health insurance premiums during the employee's retirement or period of layoff. Current law also provides that, upon conversion of the unused sick leave to credits, the employee must begin to use the sick leave credits for the purchase of state group health insurance no later than ~~10~~ years after the date of conversion. This bill eliminates this ~~10~~ year requirement. ^{ten}

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 (4) (b) of the statutes is amended to read:

BILL**SECTION 1**

1 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused
2 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10 and 757.02 (5) and subch.
3 I or V of ch. 111 of any eligible employe shall, at the time of death, upon qualifying
4 for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon
5 termination of creditable service and qualifying as an eligible employe under s. 40.02
6 (25) (b) 6. or 10., be converted, at the employe's current basic pay rate, to credits for
7 payment of health insurance premiums on behalf of the employe or the employe's
8 surviving insured dependents. Any supplemental compensation that is paid to a
9 state employe who is classified under the state classified civil service as a teacher,
10 teacher supervisor or education director for the employe's completion of educational
11 courses that have been approved by the employe's employer is considered as part of
12 the employe's basic pay for purposes of this paragraph. The full premium for any
13 eligible employe who is insured at the time of retirement, or for the surviving insured
14 dependents of an eligible employe who is deceased, shall be deducted from the credits
15 until the credits are exhausted and paid from the account under s. 40.04 (10), and
16 then deducted from annuity payments, if the annuity is sufficient. The department
17 shall provide for the direct payment of premiums by the insured to the insurer if the
18 premium to be withheld exceeds the annuity payment. Except as provided in par.
19 (bd), upon conversion of an employe's unused sick leave to credits under this
20 paragraph or par. (bf), the employe or, if the employe is deceased, the employe's
21 surviving insured dependents may elect to delay initiation of deductions from those
22 credits for ~~up to 10 years after the date of the conversion~~ any period of time if the
23 employe or surviving insured dependents are covered by a comparable health
24 insurance plan or policy during the period beginning on the date of the conversion
25 and ending on the last day of the 2nd month after the date on which the employe or

BILL

1 surviving insured dependents later elect to initiate deductions from those credits.
 2 A health insurance plan or policy is considered comparable if it provides hospital and
 3 medical benefits that are substantially equivalent to the standard health insurance
 4 plan established under s. 40.52 (1).

History: 1981 c. 96, 274, 278, 386; 1983 a. 9 s. 6; 1983 a. 27, 30; 1983 a. 46 ss. 2 to 4, 7; 1983 a. 140; 1983 a. 141 ss. 7 to 12, 20; 1983 a. 290, 304, 338; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 ✓ 256; 1989 a. 13, 14, 31, 119, 122, 166, 182, 189, 230, 336, 355, 359; 1991 a. 32, 39, 107, 113, 141, 152, 189, 269; 1995 a. 27, 81, 88, 89, 240, 302; 1997 a. 35, 58, 149.

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

6 40.05 (4) (bd) If a retired employe or the retired employe's surviving insured
 7 dependents elected before the effective date of this paragraph [revisor inserts
 8 date], to delay initiation of deductions from the employe's sick leave credits and those
 9 deductions have been initiated, but have not been terminated, before the date on
 10 which the employe or surviving insured dependents submit an election under subd.
 11 1., or if a retired employe or the surviving insured dependents of a retired employe
 12 who terminated creditable service before the effective date of this paragraph
 13 [revisor inserts date], elected to delay initiation of deductions from the employe's sick
 14 leave credits and those deductions have not been initiated before the date on which
 15 the employe or surviving insured dependents submit an election under subd. 1., the
 16 retired employe or surviving insured dependents may elect to delay continuation or
 17 initiation of those deductions for any period of time after the date on which the
 18 employe's unused sick leave was converted to those credits if all of the following
 19 apply:

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

**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: 4/5/99

To: Senator Risser

Relating to LRB drafting number: LRB-2586

Topic

Time period in which accumulated unused sick leave credits must be used

Subject(s)

Employ Pub - employe benefits

1. **JACKET** the draft for introduction

Risser

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