

**2001 Jr2 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-AB1)**

Received: 03/11/2002

Received By: champra

Wanted: Soon

Identical to LRB:

For: Legislative Fiscal Bureau

By/Representing: Mason

This file may be shown to any legislator: NO

Drafter: champra

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**  
**Employ Pub - miscellaneous**

Extra Copies:

Submit via email: NO

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**Pre Topic:**

LFB:.....Mason -

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**Topic:**

Accumulated sick leave conversion account program changes

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**Instructions:**

See Attached.

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**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 03/12/2002	hhagen 03/12/2002	pgreensl 03/12/2002	_____	lrb_docadmin 03/12/2002		

FE Sent For:

<END>

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**Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: MARCH 10, 2002

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# of Pages, Including Cover: 4 Sender's Initials: \_\_\_\_\_

From: TONY, LFB

Message:

**Rick--**

**Here are copies of the ARC motions that have been adopted and should be drafted as part of the ARC amendment:**

**These first 2 were included in the General Government working group package:**

**[Request #290 -- page 26] Should included prohibited subject of bargaining language so that it will apply to reps and non-reps alike.**

**[Request 221 -- page 27] Draft to reflect working group modification.**

**The following item was adopted by the ARC when they dealt with individual members' motions:**

**[Request 214 -- page 2] State premium payments terminated as of July 1, 2002. The intent of the motion is that employees who wish to participate in the program must pay the full premium costs. The termination of state premium payments is to be a permanent change. For collective bargaining purposes, include language that this provision applies unless the CB agreement provides otherwise.**

**That's all for now!**

# Budget Amendments 2002

**Legislator**

Duff

**Statement of Intent**

**Legislation**

**Legislation**

**Legislation**

**Statement**

**Agency**

Employee Trust Funds

**Statement**

**Statement**

**Statement**

**Statement**

**Statement**

**Summary**

**Reduce Accumulated Sick Leave Benefits for state employees. Allow for a 50% credit of unused sick leave prospectively for all state employees.**

JFC took action to suspend for 14 months the state's contribution toward Accumulated Sick Leave Conversion benefits, saving more than \$70 million. This program allows employees to bank the cash value of unused sick leave in an account and upon retirement use those funds to purchase health insurance coverage. Currently sick leave benefits provided to state employees are some of the most generous in the country and far exceed those provided to employees in the private sector. While Wisconsin allows for over 100% of unused sick leave to be banked for future use, most other states allow for a much reduced credit for unused sick leave. It should also be noted that only three states give more total sick leave than Wisconsin which provides 16.25 days. Most give 15 days of sick leave or less. This high level of sick leave only enhances the amount of unused sick leave costs to the state under this program.

It should be noted this is a collectively bargained benefit and any scaling back would infringe upon collective bargaining agreements.

**Benefit Impact**

Significant future savings.

**Statement**

**Request**

221

**Working Group Recommendation:** Effective January 1, 2003, provide that state employees could convert 75% of all unused sick leave accruing after that date into credits under the sick leave conversion credit programs. Specify that for employees included in a collective bargaining agreement for which a representative is recognized or certified, this provision would apply unless otherwise provided in the collective bargaining agreement. Any reduced costs to the state as employer would not be realized before the 2003-04 fiscal year at the earliest.



State of Wisconsin  
2001 - 2002 LEGISLATURE  
January 2002 Special Session

LRBb2409/1  
RAC:Amh

LFB:.....Mason – Accumulated sick leave conversion account program changes

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 32, line 23: after that line insert:

3 "SECTION 100ic. 40.05 (4) (bg) of the statutes is created to read:

4 40.05 (4) (bg) For sick leave which accumulates beginning on January 1, 2003,  
5 conversion under par. (b) or (bm) of accumulated sick leave under ss. 13.121 (4),  
6 230.35 (2), 233.10, and 757.02 (5) and subch. I or V of ch. 111 to credits for payment  
7 of health insurance premiums shall be limited to 75% of the accumulated sick leave.  
8 For eligible employees who are included in a collective bargaining unit for which a  
9 representative is recognized or certified under subch. V of ch. 111, this paragraph  
10 shall apply unless otherwise provided in a collective bargaining agreement.

1           **SECTION 100ig.** 40.05 (4) (bm) of the statutes is amended to read:

2           40.05 (4) (bm) Except as provided under ~~par.~~ pars. (bg) and (bp), accumulated  
3           unused sick leave under ss. 36.30 and 230.35 (2) or 233.10 of any eligible employee  
4           shall, upon request of the employee at the time the employee is subject to layoff under  
5           s. 40.02 (40), be converted at the employee's current basic pay rate to credits for  
6           payment of health insurance premiums on behalf of the employee. Any  
7           supplemental compensation that is paid to a state employee who is classified under  
8           the state classified civil service as a teacher, teacher supervisor or education director  
9           for the employee's completion of educational courses that have been approved by the  
10          employee's employer is considered as part of the employee's basic pay for purposes  
11          of this paragraph. The full amount of the required employee contribution for any  
12          eligible employee who is insured at the time of the layoff shall be deducted from the  
13          credits until the credits are exhausted, the employee is reemployed, or 5 years have  
14          elapsed from the date of layoff, whichever occurs first.

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, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 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; 1999 a. 9, 11, 13, 104; 2001 a. 16.

15          **SECTION 100ih.** 40.05 (4) (bp) 1. of the statutes is amended to read:

16          40.05 (4) (bp) 1. Except as provided in subds. 2. and 3., for sick leave which  
17          accumulates beginning on ~~August 1, 1987~~ January 1, 2003, conversion under par. (b)  
18          or (bm) of accumulated unused sick leave under s. 36.30 to credits for payment of  
19          health insurance premiums shall be limited to the annual amounts of sick leave  
20          specified in this subdivision. For faculty and academic staff personnel who are  
21          appointed to work 52 weeks per year, conversion is limited to ~~8.5~~ 6.375 days of sick  
22          leave per year. For faculty and academic staff personnel who are appointed to work  
23          39 weeks per year, conversion is limited to ~~6.4~~ 4.8 days of sick leave per year. For  
24          faculty and academic staff personnel not otherwise specified, conversion is limited

- 1 to a number of days of sick leave per year to be determined by the secretary by rule,
- 2 in proportion to the number of weeks per year appointed to work.”.

**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, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 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; 1999 a. 9, 11, 13, 104; 2001 a. 16.

3

(END)



State of Wisconsin  
2001 - 2002 LEGISLATURE  
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RAC:hmh:pg

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3 (END)