



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-2621/1
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2011 SENATE BILL 240

October 18, 2011 - Introduced by Senators VUKMIR, LASEE and GROTHMAN, cosponsored by Representatives THIESFELDT, CRAIG, RIVARD, SPANBAUER, PETRYK, KOOYENGA, KLEEFISCH and BROOKS. Referred to Committee on Health.

1 **AN ACT to create** 38.12 (12), 66.0138 and 120.12 (28) of the statutes; **relating**
2 **to:** funding postretirement health care benefits of local government employees.

Analysis by the Legislative Reference Bureau

Currently, cities, villages, towns, counties, school districts, and technical college districts (local governments), provide health care benefits for their employees. Some also provide postretirement health care benefits for their employees.

This bill prohibits a local government from providing health care benefits to any employee hired on or after the bill's effective date for use upon the employee's retirement unless the cost of the benefit is fully funded on an actuarial basis.

For further information see the ***state and local*** 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.** 38.12 (12) of the statutes is created to read:
4 **38.12 (12) HEALTH CARE BENEFITS FOR RETIREES.** If the district board provides
5 any health care benefits, for use upon retirement, to an employee hired on or after

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1 the effective date of this subsection [LRB inserts date], the district board shall
2 ensure that the cost of the benefits is fully funded on an actuarial basis.

3 **SECTION 2.** 66.0138 of the statutes is created to read:

4 **66.0138 Health care benefits for retirees. (1)** In this section, “political
5 subdivision” means a city, village, town, or county.

6 **(2)** If a political subdivision provides health care benefits, for use upon
7 retirement, to an employee hired on or after the effective date of this subsection
8 [LRB inserts date], the political subdivision shall ensure that the cost of the benefits
9 is fully funded on an actuarial basis.

10 **SECTION 3.** 120.12 (28) of the statutes is created to read:

11 **120.12 (28) HEALTH CARE BENEFIT FOR RETIREES.** If the school board provides any
12 health care benefit, for use upon retirement, to an employee hired on or after the
13 effective date of this subsection [LRB inserts date], ensure that the cost of the
14 benefit is fully funded on an actuarial basis.

15 **(END)**