

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-AB133)**

Received: **04/2/99**

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:

Alt. Drafters:

Subject: **Employ Pub - employe benefits**

Extra Copies:

**Pre Topic:**

LFB:.....Mason - Yank#128,

**Topic:**

Use of Accumulated Sick Leave Conversion Credits

**Instructions:**

Delete p. 205, item 10 from LFB Summary

**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 04/2/99	ygeller 04/5/99	jfrantze 04/6/99	_____	lrb_docadmin 04/6/99		

FE Sent For:

<END>

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/1	champra	1 4/5 JLS	7/6/99	7/6/99			

FE Sent For:

<END>

DOA:.....Caucutt - Contracts under accumulated sick leave conversion credit program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**RETIREMENT AND GROUP INSURANCE**

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 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.

This bill provides that, for most state employees, the accumulated unused sick leave credits may only be used to purchase health insurance under a plan which is contracted or provided by the group insurance board; however, the credits may also be used to purchase health insurance by judges or district attorneys who became state employees in 1978 and 1990, respectively, and who elected to keep their county health insurance coverage but subject to any applicable rules promulgated by the department of employee trust funds (DETF).

In addition, the bill authorizes the secretary of employee trust funds to promulgate rules permitting all state employees to use accumulated sick leave credits

for the purchase of health insurance offered by a person other than a WRS employer, but only if the use of accumulated sick leave credits to purchase the insurance would not result in the credits being treated as income under the Internal Revenue Code.

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

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

1           **SECTION 1.** 40.02 (37) of the statutes is renumbered 40.02 (37) (intro.) and  
2 amended to read:

3           40.02 (37) (intro.) “Health insurance” means ~~contractual~~ any of the following:

4           (a) Contractual arrangements which may include, but are not limited to,  
5 indemnity or service benefits, or prepaid comprehensive health care plans, which  
6 will provide full or partial payment of the financial expense incurred by employes  
7 and dependents as the result of injury, illness or preventive medical procedures. The  
8 plans may include hospitalization, surgical and medical care, as well as ancillary  
9 items or services as determined by the group insurance board. The plans may  
10 include the type of coverage normally referred to as “major medical” insurance.

11           **SECTION 2.** 40.02 (37) (b) of the statutes is created to read:

12           40.02 (37) (b) For the purpose of health insurance premium credits under ss.  
13 40.05 (4) (b), (bc), (bd), (be), (bf), (bm), (bp) and (bw) and 40.95, group health  
14 insurance within the meaning of par. (a) which is contracted or provided by the group  
15 insurance board under s. 40.03 (6) (a) or (b), including health care coverage under ss.  
16 40.51 and 40.52, and, to the extent permitted by rules promulgated by the  
17 department, health insurance provided by a county pursuant to an election to remain  
18 covered under s. 753.07 (4) or 978.12 (6), including continuation coverage under s.  
19 632.897 or federal law, but not conversion coverage.





State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0042/1

RAC:.....

JOHN

JLg

LFB:.....Mason - Yank#128, Use of Accumulated Sick Leave Conversion Credits

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 1. Page 557, line <sup>13</sup>~~14~~: delete the material beginning with that line and ending  
3 with page 558, line 6.

4 2. Page 559, line 1: delete lines 1 to 4.

5 (END)



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0042/1  
RAC;jlg:jf

LFB:.....Mason - Yank #128, Use of Accumulated Sick Leave Conversion  
Credits

**FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION**

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