

2001 Jr2 DRAFTING REQUEST

Senate Amendment (SA-SSA1-AB1)

Received: **03/28/2002**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Engel**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Addl. Drafters:

Subject: **Insurance - health
Employ Priv - miscellaneous
Employ Pub - miscellaneous**

Extra Copics:

Submit via email: **NO**

Pre Topic:

SCC:.....Engel - CN4002,

Topic:

Private employer health care coverage program and small employer health insurance premium rates

Instructions:

See Attached

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>
/?	kahlepj 03/28/2002	gilfokm 03/28/2002		_____			
/1			kfollet 03/28/2002	_____	lrb_docadmin 03/29/2002		
/2	champra 03/30/2002	gilfokm 04/01/2002	jfrantze 04/01/2002	_____	lrb_docadmin 04/01/2002		

FE Sent For:

<END>

2001 Jr2 DRAFTING REQUEST

Senate Amendment (SA-SSA1-AB1)

Received: 03/28/2002

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Senate Democratic Caucus

By/Representing: Engel

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health
Employ Priv - miscellaneous
Employ Pub - miscellaneous

Extra Copies:

Submit via email: NO

Pre Topic:

SCC:.....Engel - CN4002,


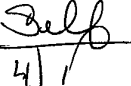
Topic:

Private employer health care coverage program and small employer health insurance premium rates

Instructions:

See Attached

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>
/?	kahlepj 03/28/2002	gilfokm 03/28/2002		_____			
/1		12-4/1 kmj	kfollet 03/28/2002	_____	irb_docadmin 03/29/2002		
FE Sent For:				 4/1			
				<END>			

2001 Jr2 DRAFTING REQUEST

Senate Amendment (SA-SSA1-AB1)

Received: 03/28/2002

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Senate Democratic Caucus

By/Representing: Engel

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Addl. Drafters:

Subject: Insurance - health
Employ Priv - miscellaneous
Employ Pub - miscellaneous

Extra Copies:

Submit via email: NO

Pre Topic:

SCC:.....Engel - CN4002,

Topic:

Private employer health care coverage program and small employer health insurance premium rates

Instructions:

See Attached

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>
/?	kahlepj	3/28 eng	18/3/28	18/3/28			

FE Sent For:

<END>

Private Employer Health Care Coverage Program – Senate Substitute Amendment 1 to Senate Bill 81 (with modifications)

Incorporate provisions of Senate Substitute Amendment 1 to 2001 Senate Bill 81, except that the \$850,000 in funding needed for start-up of the Private Employer Health Care Coverage Program would be in the form of a loan from Office of the Commissioner of Insurance general operations fund. The amendment would also authorize ETF to seek private grant funding to support the program, and establish restrictions on premium rates that a small employer insurer may charge a small employer for health benefit plans issued or renewed on or after September 1, 2003.

This amendment is currently in drafting (Rick Champagne).

CN 4002

62929

RAC

2001

Date (time) needed SOON

LRB b 2929 / 1

CAUCUS BUDGET AMENDMENT
[CAUCUS AMDTS. ONLY]

RAC DJK : King :

See form **AMENDMENTS — COMPONENTS & ITEMS.**

note

CAUCUS AMENDMENT
TO SENATE SUBSTITUTE AMENDMENT 1
TO 2001 SPECIAL SESSION ASSEMBLY BILL 1

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated; amend the substitute amendment as follows:

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :



State of Wisconsin
2001 - 2002 LEGISLATURE

2929/1
LRBb:2702/1
RAC&PJK:lmg:pgg

SENATE AMENDMENT,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 1

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

2 **1.** Page 19, line 20: after that line insert:

3 **"SECTION 52im.** 20.515 (2) (g) of the statutes is amended to read:

4 20.515 (2) (g) *Private employer health care coverage plan.* All moneys received
5 under subch. X of ch. 40 from employers who elect to participate in the private
6 employer health care coverage program under subch. X of ch. 40 and from any other
7 person under s. 40.98 (2) (h), for the costs of designing, marketing, and contracting
8 for or providing administrative services for the program and for lapsing to the
9 general fund the amounts required under s. 40.98 (6m)."

10 **2.** Page 32, line 23: after that line insert:

11 **"SECTION 100ic.** 40.98 (2) (h) of the statutes is created to read:

1 40.98 (2) (h) The department may seek funding from any person for the
2 payment of costs of designing, marketing, and contracting for or providing
3 administrative services under the health care coverage program and for lapsing to
4 the general fund any amount required under sub. (6m). Any moneys received by the
5 department under this paragraph shall be credited to the appropriation account
6 under s. 20.515 (2) (g).

7 **SECTION 100ix.** 40.98 (6m) of the statutes is created to read:

8 40.98 (6m) The secretary of administration shall lapse from the appropriation
9 under s. 20.515 (2) (g) to the general fund the amounts necessary to repay the loan
10 under s. 601.34 when the secretary of administration, after consulting with the
11 board, determines that funds in the appropriation under s. 20.515 (2) (g) are
12 sufficient to make the lapse. The amounts that are required to be lapsed under s.
13 20.515 (2) (g) shall equal the amount necessary to pay all principal and interest costs
14 on the loan, less any amount that is lapsed to the general fund under s. 20.515 (2)
15 (a) at the end of the 2001–03 fiscal biennium. The secretary of administration may
16 lapse the amounts under s. 20.515 (2) (g) in installments.”.

17 **3.** Page 221, line 13: after that line insert:

18 **“SECTION 508r.** 601.34 of the statutes is created to read:

19 **601.34 Loan to general fund.** No later than the first day of the 2nd month
20 beginning after the effective date of this section [revisor inserts date], an amount
21 equal to \$850,000 shall be lapsed from the appropriation account under s. 20.145 (1)
22 (g) to the general fund. The amount lapsed from the appropriation account shall be
23 considered a loan to the general fund and interest shall accrue on the amount lapsed
24 at the average rate earned by the state on its deposits in the state investment fund

1 during the period of the loan. The general fund shall repay the loan from moneys
2 lapsed to the general fund from the appropriation under s. 20.515 (2) (a) at the end
3 of the 2001–03 fiscal biennium, if any, and from moneys lapsed to the general fund
4 from the appropriation under s. 20.515 (2) (g) in the amounts specified in s. 40.98
5 (6m). If the secretary of administration determines that the moneys lapsed from
6 these appropriations will not be sufficient to repay the loan within a reasonable
7 period of time, as determined by the secretary and the commissioner, the secretary
8 shall credit the appropriation account under s. 20.145 (1) (g) from moneys in the
9 general fund an amount sufficient to repay the loan.”.

10 **4.** Page 221, line 25: after that line insert:

11 “SECTION 509r. 635.05 (1) of the statutes is amended to read:

12 635.05 (1) Establishing restrictions on premium rates that a small employer
13 insurer may charge a small employer such that the premium rates charged to small
14 employers with similar case characteristics for the same or similar benefit design
15 characteristics do not vary from the midpoint rate for those small employers by more
16 than ~~35%~~ 10% of that midpoint rate.”.

17 **5.** Page 355, line 15: after that line insert:

18 “(1v) HIRING FREEZE EXEMPTION. Notwithstanding any action of the governor or
19 the secretary of administration under section 16.505 (3) of the statutes before the
20 effective date of this subsection, the department of employee trust funds may fill 3.5
21 FTE GPR positions that are vacant on the effective date of this subsection, that are
22 authorized to the department under section 16.505 of the statutes, and that are
23 funded from the appropriation under section 20.512 (2) (a) of the statutes.”.

24 **6.** Page 358, line 21: after that line insert:

1 “(1v) RULES RELATED TO SMALL EMPLOYER HEALTH INSURANCE RATES. Using the
2 procedure under section 227.24 of the statutes, the commissioner of insurance may
3 promulgate the rules required under section 635.05 (1) of the statutes, as affected by
4 this act, for the period before the effective date of the permanent rules required under
5 section 635.05 (1) of the statutes, as affected by this act, but not to exceed the period
6 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding
7 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the commissioner is not required
8 to provide evidence that promulgating a rule under this subsection as an emergency
9 rule is necessary for the preservation of public peace, health, safety, or welfare and
10 is not required to provide a finding of emergency for a rule promulgated under this
11 subsection.”.

12 **7.** Page 388, line 16: after that line insert:

13 “(1v) PRIVATE EMPLOYER HEALTH CARE COVERAGE PROGRAM. In the schedule under
14 section 20.005 (3) of the statutes for the appropriation to the department of employee
15 trust funds under section 20.515 (2) (a) of the statutes, as affected by the acts of 2001,
16 the dollar amount is increased by \$850,000 for fiscal year 2001–02 to increase
17 funding for the purpose for which the appropriation is made.”.

18 **8.** Page 436, line 4: after that line insert:

19 “(1v) SMALL EMPLOYER HEALTH INSURANCE RATES. The treatment of section 635.05
20 (1) of the statutes and SECTION 9127 (1v) of this act first apply to rates charged under
21 policies or plans issued or renewed to small employers on September 1, 2003.”.

22 **9.** Page 446, line 13: after that line insert:

D-note

:Kmg:

This amendment relates to the private employer health ^{care} coverage program and small employer health insurance premium rates. ^{Since it contains} Please let us know if it does not include everything ^{that} you want, or if it includes more than you want.

~~RAC~~
PJK

Portions of various bills and amendments,

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2929/1dn
PJK:kmg:kjf

March 28, 2002

This amendment relates to the private employer health care coverage program and small employer health insurance premium rates. Since it contains portions of various different bills and amendments, please let me know if it does not include everything that you want, or if it includes more than you want.

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



S.D. Nally
State of Wisconsin
2001 - 2002 LEGISLATURE

January 2002 Special Session

LRBb2929/1
RAC&PJK:kmg:kjf

RMK

SCC:.....Engel – CN4002, Private employer health care coverage program
and small employer health insurance premium rates

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT ,

TO SENATE SUBSTITUTE AMENDMENT 1,

TO ASSEMBLY BILL 1

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

2 1. Page 19, line 20: after that line insert:

3 “SECTION 52im. 20.515 (2) (g) of the statutes is amended to read:

4 20.515 (2) (g) *Private employer health care coverage plan.* All moneys received
5 under subch. X of ch. 40 from employers who elect to participate in the private
6 employer health care coverage program under subch. X of ch. 40 and from any other
7 person under s. 40.98 (2) (h), for the costs of designing, marketing, and contracting
8 for or providing administrative services for the program and for lapsing to the
9 general fund the amounts required under s. 40.98 (6m).”

Insert 1-9

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

2 “**SECTION 100ic.** 40.98 (2) (h) of the statutes is created to read:

3 40.98 (2) (h) The department may seek funding from any person for the
4 payment of costs of designing, marketing, and contracting for or providing
5 administrative services under the health care coverage program and for lapsing to
6 the general fund any amount required under sub. (6m). Any moneys received by the
7 department under this paragraph shall be credited to the appropriation account
8 under s. 20.515 (2) (g).

9 **SECTION 100ix.** 40.98 (6m) of the statutes is created to read:

10 40.98 (6m) The secretary of administration shall lapse from the appropriation
11 under s. 20.515 (2) (g) to the general fund the amounts necessary to repay the loan
12 under s. 601.34 when the secretary of administration, after consulting with the
13 board, determines that funds in the appropriation under s. 20.515 (2) (g) are
14 sufficient to make the lapse. The amounts that are required to be lapsed under s.
15 20.515 (2) (g) shall equal the amount necessary to pay all principal and interest costs
16 on the loan, less any amount that is lapsed to the general fund under s. 20.515 (2)
17 (a) at the end of the 2001–03 fiscal biennium. The secretary of administration may
18 lapse the amounts under s. 20.515 (2) (g) in installments.”.

19 ~~**3.** Page 221, line 13: after that line insert:~~

20 ~~“**SECTION 508r.** 601.34 of the statutes is created to read:~~

21 ~~**601.34 Loan to general fund.** No later than the first day of the 2nd month~~
22 ~~beginning after the effective date of this section [revisor inserts date], an amount~~
23 ~~equal to \$850,000 shall be lapsed from the appropriation account under s. 20.145 (1)~~
24 ~~(g) to the general fund. The amount lapsed from the appropriation account shall be~~

1 considered a loan to the general fund and interest shall accrue on the amount lapsed
2 at the average rate earned by the state on its deposits in the state investment fund
3 during the period of the loan. The general fund shall repay the loan from moneys
4 lapsed to the general fund from the appropriation under s. 20.515 (2) (a) at the end
5 of the 2001–03 fiscal biennium, if any, and from moneys lapsed to the general fund
6 from the appropriation under s. 20.515 (2) (g) in the amounts specified in s. 40.98
7 (6m). If the secretary of administration determines that the moneys lapsed from
8 these appropriations will not be sufficient to repay the loan within a reasonable
9 period of time, as determined by the secretary and the commissioner, the secretary
10 shall credit the appropriation account under s. 20.145 (1) (g) from moneys in the
11 general fund an amount sufficient to repay the loan.”

12 4. Page 221, line 25: after that line insert:

13 “SECTION 509r. 635.05 (1) of the statutes is amended to read:

14 635.05 (1) Establishing restrictions on premium rates that a small employer
15 insurer may charge a small employer such that the premium rates charged to small
16 employers with similar case characteristics for the same or similar benefit design
17 characteristics do not vary from the midpoint rate for those small employers by more
18 than ~~35%~~ 10% of that midpoint rate.”

19 5. Page 355, line 15: after that line insert:

20 “(1v) HIRING FREEZE EXEMPTION. Notwithstanding any action of the governor or
21 the secretary of administration under section 16.505 (3) of the statutes before the
22 effective date of this subsection, the department of employee trust funds may fill 3.5
23 FTE GPR positions that are vacant on the effective date of this subsection, that are

✓
Insert
3-12

1 authorized to the department under section 16.505 of the statutes, and that are
2 funded from the appropriation under section 20.512 (2) (a) of the statutes.”.

3 **6.** Page 358, line 21: after that line insert:

4 “(1v) RULES RELATED TO SMALL EMPLOYER HEALTH INSURANCE RATES. Using the
5 procedure under section 227.24 of the statutes, the commissioner of insurance may
6 promulgate the rules required under section 635.05 (1) of the statutes, as affected by
7 this act, for the period before the effective date of the permanent rules required under
8 section 635.05 (1) of the statutes, as affected by this act, but not to exceed the period
9 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding
10 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the commissioner is not required
11 to provide evidence that promulgating a rule under this subsection as an emergency
12 rule is necessary for the preservation of public peace, health, safety, or welfare and
13 is not required to provide a finding of emergency for a rule promulgated under this
14 subsection.”.

15 **7.** Page 388, line 16: after that line insert:

16 “(1v) PRIVATE EMPLOYER HEALTH CARE COVERAGE PROGRAM. In the schedule under
17 section 20.005 (3) of the statutes for the appropriation to the department of employee
18 trust funds under section 20.515 (2) (a) of the statutes, as affected by the acts of 2001,
19 the dollar amount is increased by \$850,000 for fiscal year 2001–02 to increase
20 funding for the purpose for which the appropriation is made.”.

21 **8.** Page 436, line 4: after that line insert:

22 “(1v) SMALL EMPLOYER HEALTH INSURANCE RATES. The treatment of section 635.05
23 (1) of the statutes and SECTION 9127 (1v) of this act first apply to rates charged under
24 policies or plans issued or renewed to small employers on September 1, 2003.”.

2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2929/2ins
RAC::

✓ 1. Page 21, line 3: after that line insert:

✓ "SECTION 57b. 20.855 (1) (ch) of the statutes is created to read:

✓ 20.855 (1) (ch) *Payment to reimburse loan to general fund from the office of the commissioner of insurance.* A sum sufficient to repay the loan to the general fund under s. 601.34, but not to exceed the sum of the following:

1-9
✓ 1. The amounts lapsed to the general fund from the appropriation account under s. 20.515 (2) (a) at the end of the 2001-03 fiscal biennium.

2. The amounts lapsed to the general fund from the appropriation account under s. 20.515 (2) (g), as determined under s. 40.98 (6m).

3. Any amount that is needed to repay all principle and interest costs on the loan to the general fund under s. 601.34 ^{and} that exceeds ^{the} amounts identified in subds. 1. and 2.". _{→ SET}

✓ 2. Page 221, line 13: after that line insert:

✓ "SECTION 508r. 601.34 of the statutes is created to read:

3-12
601.34 **Loan to general fund.** (1) No later than the first day of the 2nd month beginning after the effective date of this ^{subsection} ~~section~~ [revisor inserts date], an amount equal to \$850,000 shall be lapsed from the appropriation account under s. 20.145 (1) (g) to the general fund. The amount lapsed from the appropriation account shall be considered a loan to the general fund and interest shall accrue on the amount lapsed at the average rate earned by the state on its deposits in the state investment fund during the period of the loan.

✓ (2) The secretary of administration shall pay the principle and interest costs on the loan from the appropriation account under s. 20.855 (1) (ch) as follows:

(a) After the close of the 2002-03[✓] fiscal year, the secretary shall make principle and interest payments equal to the moneys lapsed to the general fund from the appropriation account under s. 20.515 (2) (a) in that year, if any, and from moneys lapsed to the general fund from the appropriation account under s. 20.515 (2) (g) in the amounts specified in s. 40.98 (6m)[✓], if any.

(b) After the close of each fiscal year thereafter, the secretary shall make principle and interest payments equal to the moneys lapsed to the general fund from the appropriation account under s. 20.515 (2) (g)[✓] in the amounts specified in s. 40.98 (6m), if any.

(c) If the secretary determines during any fiscal year that the moneys paid under pars. (a) and (b) will not be sufficient to repay the loan within a reasonable period of time, as determined by the secretary and the commissioner, the secretary shall pay all remaining principle and interest costs on the loan after the close of that fiscal year.”

ed
g
3-12



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb2929/2dn

RAC&PJK:

King

I redrafted this amendment to create an appropriation from the general fund to repay the loan to the office of the commissioner of insurance. The amount appropriated for this new appropriation will equal the amounts lapsed from the DETF appropriations in each year and the additional amount that is needed to repay the loan if the secretary of administration and the commissioner of insurance determine that the amounts lapsed from the DETF appropriations will not be sufficient to repay the loan after a reasonable period of time.

Rick A. Champagne
Senior Legislative Attorney
Phone: (608) 266-9930
E-mail: rick.champagne@legis.state.wi.us

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb2929/2dn
RAC&PJK:kmg:jf

April 1, 2002

I redrafted this amendment to create an appropriation from the general fund to repay the loan to the office of the commissioner of insurance. The amount appropriated for this new appropriation will equal the amounts lapsed from the DETF appropriations in each year and the additional amount that is needed to repay the loan if the secretary of administration and the commissioner of insurance determine that the amounts lapsed from the DETF appropriations will not be sufficient to repay the loan after a reasonable period of time.

Rick A. Champagne
Senior Legislative Attorney
Phone: (608) 266-9930
E-mail: rick.champagne@legis.state.wi.us



State of Wisconsin
2001 - 2002 LEGISLATURE
January 2002 Special Session

LRBb2929/2
RAC&PJK:kmg:jf

SCC:.....Engel – CN4002, Private employer health care coverage program
and small employer health insurance premium rates

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS SENATE AMENDMENT ,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1

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

2 1. Page 19, line 20: after that line insert:

3 “SECTION 52im. 20.515 (2) (g) of the statutes is amended to read:

4 20.515 (2) (g) *Private employer health care coverage plan.* All moneys received
5 under subch. X of ch. 40 from employers who elect to participate in the private
6 employer health care coverage program under subch. X of ch. 40 and from any other
7 person under s. 40.98 (2) (h), for the costs of designing, marketing, and contracting
8 for or providing administrative services for the program and for lapsing to the
9 general fund the amounts required under s. 40.98 (6m).”.

1 **2.** Page 21, line 3: after that line insert:

2 “**SECTION 57b.** 20.855 (1) (ch) of the statutes is created to read:

3 20.855 (1) (ch) *Payment to reimburse loan to general fund from the office of the*
4 *commissioner of insurance.* A sum sufficient to repay the loan to the general fund
5 under s. 601.34, but not to exceed the sum of the following:

6 1. The amounts lapsed to the general fund from the appropriation account
7 under s. 20.515 (2) (a) at the end of the 2001–03 fiscal biennium.

8 2. The amounts lapsed to the general fund from the appropriation account
9 under s. 20.515 (2) (g), as determined under s. 40.98 (6m).

10 3. Any amount that is needed to repay all principle and interest costs on the
11 loan to the general fund under s. 601.34 and that exceeds the amounts identified in
12 subds. 1. and 2.”

13 **3.** Page 32, line 23: after that line insert:

14 “**SECTION 100ic.** 40.98 (2) (h) of the statutes is created to read:

15 40.98 (2) (h) The department may seek funding from any person for the
16 payment of costs of designing, marketing, and contracting for or providing
17 administrative services under the health care coverage program and for lapsing to
18 the general fund any amount required under sub. (6m). Any moneys received by the
19 department under this paragraph shall be credited to the appropriation account
20 under s. 20.515 (2) (g).

21 **SECTION 100ix.** 40.98 (6m) of the statutes is created to read:

22 40.98 (6m) The secretary of administration shall lapse from the appropriation
23 under s. 20.515 (2) (g) to the general fund the amounts necessary to repay the loan
24 under s. 601.34 when the secretary of administration, after consulting with the

1 board, determines that funds in the appropriation under s. 20.515 (2) (g) are
2 sufficient to make the lapse. The amounts that are required to be lapsed under s.
3 20.515 (2) (g) shall equal the amount necessary to pay all principal and interest costs
4 on the loan, less any amount that is lapsed to the general fund under s. 20.515 (2)
5 (a) at the end of the 2001–03 fiscal biennium. The secretary of administration may
6 lapse the amounts under s. 20.515 (2) (g) in installments.”.

7 **4.** Page 221, line 13: after that line insert:

8 “SECTION 508r. 601.34 of the statutes is created to read:

9 **601.34 Loan to general fund. (1)** No later than the first day of the 2nd month
10 beginning after the effective date of this subsection ... [revisor inserts date], an
11 amount equal to \$850,000 shall be lapsed from the appropriation account under s.
12 20.145 (1) (g) to the general fund. The amount lapsed from the appropriation account
13 shall be considered a loan to the general fund and interest shall accrue on the amount
14 lapsed at the average rate earned by the state on its deposits in the state investment
15 fund during the period of the loan.

16 **(2)** The secretary of administration shall pay the principle and interest costs
17 on the loan from the appropriation account under s. 20.855 (1) (ch) as follows:

18 (a) After the close of the 2002–03 fiscal year, the secretary shall make principle
19 and interest payments equal to the moneys lapsed to the general fund from the
20 appropriation account under s. 20.515 (2) (a) in that year, if any, and from moneys
21 lapsed to the general fund from the appropriation account under s. 20.515 (2) (g) in
22 the amounts specified in s. 40.98 (6m), if any.

23 (b) After the close of each fiscal year thereafter, the secretary shall make
24 principle and interest payments equal to the moneys lapsed to the general fund from

1 the appropriation account under s. 20.515 (2) (g) in the amounts specified in s. 40.98
2 (6m), if any.

3 (c) If the secretary determines during any fiscal year that the moneys paid
4 under pars. (a) and (b) will not be sufficient to repay the loan within a reasonable
5 period of time, as determined by the secretary and the commissioner, the secretary
6 shall pay all remaining principle and interest costs on the loan after the close of that
7 fiscal year.”.

8 **5.** Page 221, line 25: after that line insert:

9 “SECTION 509r. 635.05 (1) of the statutes is amended to read:

10 635.05 (1) Establishing restrictions on premium rates that a small employer
11 insurer may charge a small employer such that the premium rates charged to small
12 employers with similar case characteristics for the same or similar benefit design
13 characteristics do not vary from the midpoint rate for those small employers by more
14 than ~~35%~~ 10% of that midpoint rate.”.

15 **6.** Page 355, line 15: after that line insert:

16 “(1v) HIRING FREEZE EXEMPTION. Notwithstanding any action of the governor or
17 the secretary of administration under section 16.505 (3) of the statutes before the
18 effective date of this subsection, the department of employee trust funds may fill 3.5
19 FTE GPR positions that are vacant on the effective date of this subsection, that are
20 authorized to the department under section 16.505 of the statutes, and that are
21 funded from the appropriation under section 20.512 (2) (a) of the statutes.”.

22 **7.** Page 358, line 21: after that line insert:

23 “(1v) RULES RELATED TO SMALL EMPLOYER HEALTH INSURANCE RATES. Using the
24 procedure under section 227.24 of the statutes, the commissioner of insurance may

1 promulgate the rules required under section 635.05 (1) of the statutes, as affected by
2 this act, for the period before the effective date of the permanent rules required under
3 section 635.05 (1) of the statutes, as affected by this act, but not to exceed the period
4 authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding
5 section 227.24 (1) (a), (2) (b), and (3) of the statutes, the commissioner is not required
6 to provide evidence that promulgating a rule under this subsection as an emergency
7 rule is necessary for the preservation of public peace, health, safety, or welfare and
8 is not required to provide a finding of emergency for a rule promulgated under this
9 subsection.”.

10 **8.** Page 388, line 16: after that line insert:

11 “(1v) PRIVATE EMPLOYER HEALTH CARE COVERAGE PROGRAM. In the schedule under
12 section 20.005 (3) of the statutes for the appropriation to the department of employee
13 trust funds under section 20.515 (2) (a) of the statutes, as affected by the acts of 2001,
14 the dollar amount is increased by \$850,000 for fiscal year 2001–02 to increase
15 funding for the purpose for which the appropriation is made.”.

16 **9.** Page 436, line 4: after that line insert:

17 “(1v) SMALL EMPLOYER HEALTH INSURANCE RATES. The treatment of section 635.05
18 (1) of the statutes and SECTION 9127 (1v) of this act first apply to rates charged under
19 policies or plans issued or renewed to small employers on September 1, 2003.”.

20 **10.** Page 446, line 13: after that line insert:

21 “(1v) SMALL EMPLOYER HEALTH INSURANCE RATES. The treatment of section 635.05
22 (1) of the statutes takes effect on September 1, 2003.”.

23 (END)