



WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO

2003 Assembly Bill 418	Assembly Substitute Amendment 1 and Assembly Amendment 1 to the Substitute Amendment
<i>Memo published:</i> September 26, 2003	<i>Contact:</i> Pam Shannon, Senior Staff Attorney (266-2680)

Current Law

Under **current law**, classified state employees who are inducted into active service in the U.S. Armed Forces or who are requested to work for the federal government during national emergencies have restoration rights and certain other benefits. In addition, classified state employees who attend military schools and annual field training or annual active duty for training, and any other state or federal active duty are entitled to receive the difference between their base state pay and base military pay for no more than 30 days of active service per year. Employees do not accumulate sick leave and vacation while on leave for federal service. There is no comparable differential pay provision in current law for unclassified state employees. Because wages are a mandatory subject of collective bargaining, a represented state employee may be eligible to receive pay and benefits for military service under a collective bargaining agreement.

Assembly Bill 418

Assembly Bill 418, as introduced, would require that all state employees who are activated to military service be paid their state salaries while on military duty, minus any military pay and allowances they receive, unless the military pay and allowances equal or exceed the person's state salary. [Allowances are disbursements based on the person's location and mission and are paid for such items as housing, per diem, hostile fire pay, and hazardous duty pay.] The employees would continue to accumulate sick leave and vacation while on military duty.

To qualify for the payment, an employee must: (1) be activated on or after January 1, 2003 to serve on military duty, other than for training purposes; (2) on the activation date, be a member of the Wisconsin National Guard or a member of a reserve component of the U.S. Armed Forces, or recalled to active duty from inactive reserve status; and (3) be on an authorized military leave of absence. 7

The differential pay and benefits provisions would also apply to state employees who are activated to serve in the U.S. public health service and detailed for duty with the U.S. Armed Forces. These employees would be eligible to be paid their state salary, minus any federal pay and allowances

they receive, unless the federal pay and allowances equal or exceed their state salary. They would also continue to accumulate sick leave and vacation during their period of service. *- Seniority Status*

The bill provides that an employee may receive the differential pay and benefits beginning on the 30th day after the employee is activated, for a period of not more than 179 days. The Governor may extend that period to up to one year from the date of activation.

Under current federal and state law, if an employee is returning from active service of more than 30 days, but less than 181 days, the employee must submit an application for reemployment within 14 days after completion of service. The bill would permit an employee to use up to 80 hours of accumulated paid leave prior to resuming work, but does not specify whether the 80 hours must be used within the 14-day period.

The bill applies retroactively to military leaves that begin on or after January 1, 2003.

Assembly Substitute Amendment 1

Assembly Substitute Amendment 1 differs from the bill in the following respects:

1. The substitute amendment subtracts military pay and *housing* allowances, rather than *all* allowances, from state pay to determine the amount of differential pay.
2. Under the substitute amendment, an employee may receive the pay and benefits beginning *on the day* on which the employee is activated, rather than on the 30th day under the bill. Also, the Governor may extend that period to up to *two* years from the date of activation, rather than to up to one year under the bill, and may apply the extension to an individual employee or to a group of employees.
3. The substitute amendment permits an employee to use up to 80 hours of accumulated paid leave *within the 14-day period* following completion of military duty. The bill does not specify that the 80 hours have to be used within the 14-day period.
4. The substitute amendment provides that a state employee may receive differential pay and benefits only after exhausting any other differential pay eligibility the employee may have. Thus, a classified employee who is entitled to 30 days of differential pay under current law, or a represented employee similarly entitled pursuant to a collective bargaining agreement, must first exhaust that benefit before receiving the differential pay benefits created in this legislation. The bill does not contain a similar provision.

Assembly Amendment 1 to Assembly Substitute Amendment 1

Assembly Amendment 1 amends the substitute amendment to make eligible for differential pay and benefits state employees who *were already serving on January 1, 2003* and continued to serve after that date, as are employees activated on or after January 1, 2003 under the substitute amendment. The amendment specifies that employees who were activated before January 1, 2003 may receive the differential pay and benefits retroactively to January 1, 2003, but not for service in the period prior to that date.

Legislative History

On September 17, 2003, the Assembly Committee on Veterans and Military Affairs introduced and adopted Assembly Amendment 1 to Assembly Substitute Amendment 1 on a vote of Ayes, 13; Noes, 0. The committee adopted the substitute amendment, as amended, also on a vote of Ayes, 13;

Noes, 0. The committee then recommended passage of the bill, as amended, on a vote of Ayes, 12;
Noes, 1.

PS;jal;ksm



**WISCONSIN LEGISLATIVE COUNCIL
ACT MEMO**

**2003 Wisconsin Act 162
[2003 Assembly Bill 418]**

**Differential Pay for Activated State
Employees**

2003 Acts: www.legis.state.wi.us/2003/data/acts/

Act Memos: www.legis.state.wi.us/lc/act_memo/act_memo.htm

2003 Wisconsin Act 162 requires that all state employees who are activated to military duty be paid their state salaries while on military duty, minus any military pay and housing allowances they receive, unless the military pay and housing allowances equal or exceed the person's state salary. An activated employee may also accumulate sick leave and paid annual leave as though no interruption in state service occurred.

To qualify for the payment, an employee must: (1) on or after January 1, 2003, be activated to serve or be serving on military duty in the U.S. armed forces other than for training purposes; (2) on the date of activation, be a member of either the Wisconsin National Guard or a member of a reserve component of the U.S. armed forces, or recalled to active duty from inactive reserve status; and (3) be on an authorized military leave of absence.

The differential pay and benefits also apply to state employees who are activated to serve in the U.S. public health service and detailed to duty with the U.S. armed forces.

Act 162 provides that an employee may receive the differential pay and benefits beginning on the date of activation, for a period of not more than 179 days. The Governor may extend that period to up to two years from the date of activation, for an individual employee or a group of employees. The Act also permits an employee to use up to 160 hours of accumulated paid leave within 30 days after completion of duty before resuming employment with the state, and to carry over to the next year any remaining paid leave accumulated while on duty.

The differential pay benefit is retroactive to January 1, 2003. Employees who were activated prior to that date may receive differential pay retroactively to January 1, 2003, but not for service before that date.

Effective Date: The Act takes effect on March 31, 2004.

Prepared by: Pam Shannon, Senior Staff Attorney

March 24, 2004

PS:wu

This memo provides a brief description of the Act. For more detailed information,
consult the text of the law and related legislative documents.

Wisconsin American Legion



STATE HEADQUARTERS
2930 American Legion Dr. P.O. Box 388
Portage, WI 53901 608-745-1090
FAX: 608-745-0179 E-mail: info@wilegion.org

January 16, 2004

Senator Ron Brown
State Capitol
Room 104 South
P.O. Box 7882
Madison, WI 53707-7882

JAN 22 2004

Dear Senator Ron Brown,

We are writing you on behalf of The American Legion, Department of Wisconsin and the 100,000 plus American Legion family members.

We would like to call your attention to AB 418. This bill has been in committee for an extended period of time.

This bill will provide state employees who are active duty with monies to bridge the gap between their normal pay, and the often-lower military pay. This bill would give these individuals the peace of mind that their families will not suffer financially while they serve our country.

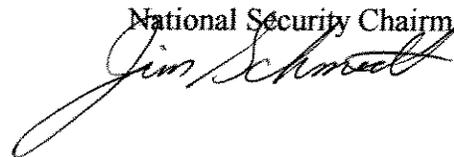
We ask that you bring your influence to bear to get this important piece of legislation moving forward to passage in both the Assembly and Senate.

Your support in this matter will be greatly appreciated.

Sincerely,


Ralph Schulenberg
Legislative Committee Chairman

Jim Schmidt
National Security Chairman



cc: Anthony Hardy
Wisconsin Department of Veterans Affairs

JS:ra

Date: January 28, 2004

To: Members of the Wisconsin Assembly

From: Dennis Boyer, AFSCME Council 11

Re: AB 418/Pay Differential and Leave Accumulation for State Employees Called to Active Duty

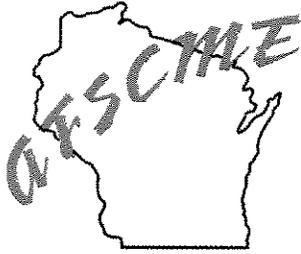
We have all heard by now of the personal dislocations and hardships encountered by those called from their civilian lives to military duty.

The State of Wisconsin, in its employer capacity, has a responsibility to serve as a role model in treatment of employees who undertake these sacrifices on behalf of their Nation.

We all must remain alert to issues regarding those employees serving in the National Guard and reserve due to the intensifying role of those forces in the Nation's defense strategy.

We urge you to swiftly pass AB 418.

DB:lm



Wisconsin State Employees Union

Council #24

AFL-CIO

Bill Fendel, President
Martin Beil, Executive Director

8033 Excelsior Drive, Suite C
Madison, WI 53717
Phone 608/836-0024
Fax 608/836-0222
Website <http://wseu-24.org>

Date: February 18, 2004

To: Members of the Wisconsin Senate
Committee on Homeland Security, Veterans and Military Affairs and Government Reform

From: Steven R. Williams, AFSCME Council 24

Re: AB 418/Pay Differential and Leave Accumulation for State Employees Called to Active Duty

We have all heard by now of the personal dislocations and hardships encountered by those called from their civilian lives to military duty.

The State of Wisconsin, in its employer capacity, has a responsibility to serve as a role model in treatment of employees who undertake these sacrifices on behalf of their Nation.

We all must remain alert to issues regarding those employees serving in the National Guard and reserve due to the intensifying role of those forces in the Nation's defense strategy.

Current national policies rely heavily on deployment of reserve and guard capabilities.

This has a dislocating effect on a number of public sector constituencies, particularly in health and public safety occupations.

One can debate whether this national reliance on these components is sound policy, but no one can argue the impact on these employees and their families.

We urge you to swiftly act on AB 418 by reporting this ever-important bill out of committee.

SRW:srw



- ▶ Home
- ▶ Lobbying in Wisconsin
- ▶ Organizations employing lobbyists
- ▶ Lobbyists



as of Wednesday, February 25, 2004

2003-2004 legislative session

Legislative bills and resolutions

(search for another legislative bill or resolution at the bottom of this page)

- Text, Sponsors and Analysis
- Status and Fiscal Estimate
- Lobbying Effort on this item

Assembly Bill 418

differential pay and accumulation of sick leave and annual leave for certain state employees activated into service in the U.S. armed forces or the U.S. public health service

Organization		These organizations have reported lobbying on this proposal:	Place pointer on icon to display comments click icon to display prior comments		
Profile	Interests		Date Notified	Position	Comm
●	●	AFSCME Council 11	7/21/2003	↑	
●	●	American Red Cross	2/18/2004	↑	
●	●	Dane County	2/20/2004	↑	
●	●	Wisconsin Sheriffs and Deputy Sheriffs Association	8/15/2003	↑	
●	●	Wisconsin State Employees Union	7/30/2003	↑	

Select a legislative proposal and click "go"

House

Proposal Type

Proposal Number (enter proposal number)

Legislative Session

Proud to serve, but sinking under debt Bill would compensate state employees called to active military duty

By AMY RINARD
arinard@journalsentinel.com
Posted: Dec. 20, 2003

Madison - Hunkered down in a bunker in Kuwait earlier this year, Wisconsin Air National Guardsman Jim Larson was as worried about unpaid bills back home as incoming missiles in the desert, he said.

A Wisconsin state trooper for 11 1/2 years, Larson was called up for active military duty early in 2002 and served nearly all of last year at Truax Field in Madison before shipping out to Kuwait in December. Larson, 37, of Marshall, served there until June of this year. He was deactivated in September.

He said he was proud to serve and would "do it again in a heartbeat," but even now his family struggles to recover from the near-crushing financial strain caused by his call-up to active military service.

"I'm very proud of being able to serve my country and come back and enjoy all the freedoms we enjoy here," said Larson.

"But I'm living a life where I'm used to earning more, and, I know, I put myself in this situation when I enlisted, but all of a sudden I have a severe reduction in pay."

That would change, under proposed legislation that would compensate Larson and other state employees called to active military duty. The bill, now stalled in an Assembly committee, would allow the state to make up the difference between state employees' military pay and the salaries they would have earned in their normal jobs.

In addition to helping out financially, the bill would reduce the stress on families in which a husband or wife is called up.

Financial worries

Phone calls home to his wife, Tina, from Larson's base in Kuwait were spent in large part discussing ways to keep the family of five afloat financially. Larson said that their income plummeted by more than \$20,000 in 2002 and another \$10,000 during the first half of this year.

When Larson was called up for active military duty, he went from being paid near the top of the state pay scale for state troopers to earning a wage near the bottom of the military pay scale. That's because he did not enlist in the Wisconsin Air National Guard until he was in his 30s.

By the time he was released from active duty and returned home, the family's savings - including the college fund for his 17-year-old daughter - had been wiped out and a stack of bills were unpaid.

"There were bills that lagged behind, bill collectors were calling and your credit record gets tarnished," Larson said.

"I didn't realize I would be activated for nearly two years and have to endure such a loss of earnings."

War on Iraq



Photo/Joe Kosholek

Jim Larson, Wisconsin Air National Guardsman, shown with his daughter Krista. Larson had to dip into her college fund to make up for lost pay while he was on active duty.

Quotable

“I didn't realize I would be activated for nearly two years and have to endure such a loss of earnings.”

**- Jim Larson,
Wisconsin Air
National Guardsman**

Under the bill proposed at the request of Gov. Jim Doyle, state employees called up for military duty would receive the extra pay for 179 days. That could be extended for another six months under order of the governor.

The measure would be retroactive to Jan. 1, 2003, so Larson would recover some of his lost wages if the legislation becomes law.

State employees on active military duty also would accumulate sick leave and vacation as if no interruption in state service had occurred.

While endorsed unanimously by the Assembly Committee on Veterans and Military Affairs on Sept. 30, the bill (AB 418) has yet to be scheduled for a vote of the full Assembly.

"The time to get this bill passed is now," said Dan Leistikow, a spokesman for Doyle, who was not available for comment.

"When people are in harm's way, the last thing they should be worrying about is bankruptcy."

Leistikow said that the bill would have little impact on the state budget because employee salaries are budgeted in full anyway.

"The governor believes the state should be a model as a good employer that supports employees serving in the Guard and reserve," he said.

"This is a step the state can take that has almost no fiscal impact on the state but would be a huge benefit for families."

Changes considered

The bill is in the Assembly Rules Committee, headed by Speaker John Gard (R-Peshtigo), awaiting scheduling for a vote of the full Assembly.

Gard's aide Steve Baas said Assembly leadership has concerns about how it would look for the state to supplement the military pay of its own employees while thousands of private-sector workers called up for active military duty might not enjoy the same benefit from their employers.

"There's a fairness issue here that needs to be looked at," Baas said, adding that the matter was under review. "We're looking to see if there's a way to make it fair to all people."

Gard was not available for comment.

Republicans are considering several ways to broaden the bill to provide compensation for National Guard members and reservists called to active duty who do not work for the state, he said.

Rep. Terry Musser (R-Black River Falls), chairman of the Assembly Committee on Veterans and Military Affairs, said the proposed legislation would apply to about 200 state employees who are among the more than 4,000 National Guard members and reservists statewide who have been called to active duty this year.

He agrees something should be done to help the servicemen and women whose employers may not have a policy to pay them in full while they are on active duty. He favors another bill that would make all military pay exempt from state income taxes.

But, Musser said, he would like to see the proposed legislation approved to compensate state employees called to active service.

"A lot of states, local governments and private employers around the country already are making up the difference in pay for their employees," he said.

Several new contracts negotiated between the state and some of its unions include a pay differential provision for military service performed in 2003. Those contracts have not yet been approved by the Legislature and do not cover the majority of state workers.

The proposed legislation would make the pay differential state law and not limit it to a single year. State employees not represented by unions would be entitled to the differential under the bill.

Larson said with the country's ongoing war on terrorism, activation of National Guard and reserve units will be more common and that increasing numbers of state employees could face a financial crisis unless the legislation is approved.

"I think this is the way things will go for a while, where activations will be pretty commonplace and it'll be a tough financial future for state employees if we don't pass this bill," he said.

"State employees in the Guard could become few and far between. It will be tougher to keep people in the Guard."

From the Dec. 21, 2003 editions of the Milwaukee Journal Sentinel

www.jsonline.com[Return to regular view](#)Original URL: <http://www.jsonline.com/news/wauk/mar04/214822.asp>

A hero's welcome: A little time off

County wants to reward staff returning from war

By SCOTT WILLIAMS

swilliams@journalsentinel.com*Posted: March 15, 2004*

If anybody needs a vacation when the war in Iraq ends, it is American soldiers who have spent a year or more serving in it.

But the mission has lasted so long that some returning National Guard members, and other reservists, are finding that what they'd previously earned lapsed at the end of the year.

One employer - the State of Wisconsin - soon will allow employees on military duty to carry over their unused vacation time until they return stateside. And Waukesha County has developed yet another option: letting returning soldiers recoup lost vacation time through cash payouts averaging more than \$1,000 each.

On The Web

For more information, visit the National Committee for Employer Support of the Guard and Reserve at www.esgr.com.

Advocates for military service applaud such arrangements as a worthwhile gesture to soldiers who have sacrificed and risked so much to serve the country.

"We're grateful for all that support," said Lt. Col. Tim Donovan, spokesman for the Wisconsin National Guard.

But not every employer can afford such generosity. Especially in these tough economic times, many employers don't offer workers more than the most basic benefit required by law - a guarantee that their jobs will be here when they get back.

"There's a burden for employers," said Jane Berg of the employer group MRA, a non-profit employers association. "It is difficult for them to do more."

The Waukesha-based association estimates that barely half of Wisconsin employers allow employees to accrue vacation time while in the military, and even fewer supplement the military wages of those workers.

Because military pay seldom equals the income of a regular job, some reservists count on their employers to make up the difference, although the law does not require it.

Gov. Jim Doyle is expected to sign legislation Wednesday requiring that state employees both receive supplemental wages and keep unused vacation time while serving on active duty. Doyle spokesman Dan Leistikow said the bill, approved by lawmakers last month, will reduce the financial burden on military reservists who must leave their state jobs behind for months at a time.

Currently the state has about 100 employees away from their jobs for the Iraq war.

"It's a small number, but it is a very important issue for those families," Leistikow said. "These are people who are heroes serving their country. We should make sure they don't incur a financial penalty."

A legislative analysis estimates that the supplemental pay and vacation benefits will cost state taxpayers \$87,100 a month.

National Guard members and other reservists serve part-time in the military. Changing to full-time active duty often creates a

hardship by suddenly taking them away from their regular jobs.

Wisconsin has about 2,000 reservists on active duty, some assigned for a year or longer. Three of those are Waukesha County employees, and county officials want to show some gratitude. A proposal headed to the Waukesha County Board would allow employees returning from military service either to receive cash payouts for lost vacation time or to carry it forward the way state employees soon will be able to do.

County officials estimate that payouts for the three employees will total \$3,200.

Peter Hans, employee benefits administrator for Waukesha County, said the measure is intended as a patriotic tip of the hat to returning soldiers.

"It just seems like the right thing to do," Hans said. "They serve our country for a year, they come back to work, and we say: 'Guess what. You don't have any vacation time.'"

From the March 16, 2004 editions of the Milwaukee Journal Sentinel

2/18/04

AB 418

Jim Larson → works for State Patrol
SS-4

- deployed to Kuwait for 6 mo.
- income dropped significantly, created financial hardship, hurt credit rating
- some other public/private entities have already provided benefit → ESGR listing

Todd Weninger → also in State Patrol
E-7

- also mobilized w/ Air National Guard
- + financial reserves depleted w/ 1st year of activation (activated almost 2 years)
- + received some help from VFW to help pay bills

did receive combat pay, remote pay, imminent separation pay, etc. - but did not close gap

2/18/04

AB 418

Susan Crawford - Office of State

Employment Relations

- have negotiated benefit w/ all unions who have ratified contracts so far - have offered to all
- about 55% of state employees not represented - important to provide parity in benefits

Garry Olson

- NG - more than 930 members currently deployed
- close to 3,500 who have been mobilized so far (some returned)
- 132 state employees still deployed + about 25-30% receive lower rate of pay from military

2/18/04

AB 407, 410, 418

Musser

AB 407 - enables activated military

members to get out of vehicle leases

mirrors federal law provisions

AB 410 - gives higher priority to existing efforts

- provides recognition - could implement similar to past TAPS bills
 - no additional cost anticipated
 - but does not address active duty members (only reserves & NCO veterans)
- need amendment?

AB 418 - helps state employees

- 2004 activated so far
- some private employees already do
- about 15% of state employees not covered by contracts

2/18/04

AB 418

Richard Russell - correctional officer
Taycheedah

- reported to FF, McGray for full year, then went to Fry (mobilized twice)
- wrote letter to Gov. Doyle about issue

- also only allowed 7 days of leave before returning to work in order to receive pay
- need time back w/ family