

## 2005 DRAFTING REQUEST

### Bill

Received: 12/29/2004

Received By: rchampag

Wanted: Soon

Identical to LRB:

For: Thomas Nelson (608) 266-2418

By/Representing: John

This file may be shown to any legislator: NO

Drafter: rchampag

May Contact:

Addl. Drafters:

Subject: Employ Pub - miscellaneous

Extra Copies: PJK

Submit via email: YES

Requester's email: Rep.Nelson@legis.state.wi.us

Carbon copy (CC:) to:

---

### Pre Topic:

No specific pre topic given

---

### Topic:

Private employer coverage under state employee health insurance program

---

### Instructions:

Look at 03-3890/1 for small employer defintion; allow small employers into state health employee plan.  
But small employer cant be more than 25 employees.

---

### 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>
/?				_____			State
/1	rchampag 12/29/2004	lkunkel 01/06/2005	rschluet 01/06/2005	_____	lrb_docadmin 01/06/2005		State
/2	rchampag 01/25/2005	lkunkel 01/25/2005	rschluet 01/25/2005	_____	Inorthro 01/25/2005 mbarman 01/25/2005	mbarman 01/25/2005	

Vers.    Drafted    Reviewed    Typed    Proofed    Submitted    Jacketed    Required

FE Sent For:

<END>

→ 02-03-2005  
(1/2")  
↑  
Per RAC

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*e-mail only*

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*changed*

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*12/mk/25*  
*1 25 5*

FE Sent For:

**2005 DRAFTING REQUEST**

**Bill**

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Wanted: **Soon**

Identical to LRB:

For: **James Kreuser (608) 266-5504**

By/Representing: **Jihn, though call AJ**

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

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - miscellaneous**

Extra Copies: **PJK**

Submit via email: **YES**

Requester's email: **Rep.Kreuser@legis.state.wi.us**

Carbon copy (CC:) to:

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**Instructions:**

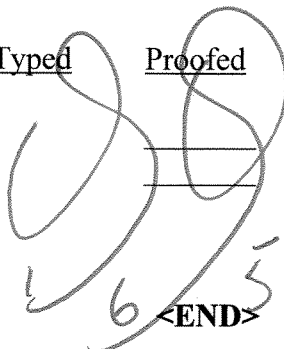
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/?	rchampag	1/1mk/1/5					State

FE Sent For:

  
<END>



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-3890/1  
RJM&MES:cmh&wlj:rs

**2003 BILL**

1 **AN ACT to create** 20.143 (1) (dm), 71.05 (6) (b) 34. and 560.29 of the statutes;  
2 **relating to:** requiring the creation of a corporation to make investments in  
3 certain businesses located in this state, providing a grant to the corporation,  
4 creating an individual income tax deduction for contributions to the  
5 corporation, and making an appropriation.

---

***Analysis by the Legislative Reference Bureau***

This bill creates a special committee that is required to organize a business corporation to be called the Badger Fund. The corporation must make investments in certain businesses in this state to earn income and promote and maintain capital retention and economic stability in this state, business continuity, job retention and creation, and the ownership of these businesses by residents of this state, including employee ownership of the businesses. The corporation must also provide investment capital and other financial assistance and services to the businesses to assist them in creating, maintaining, and protecting jobs in this state.

Under the bill, the Badger Fund must invest in businesses that have a majority of their employees in this state and that have net assets that are not in excess of \$75,000,000. The Badger Fund must give priority to businesses that are economically viable and that are seeking equity capital for expansion, modernization of equipment, or upgrading the employee skills or facing an ownership transition due to an owner who is retiring with no business ownership succession plan.

Under the bill, the Department of Commerce must give the Badger Fund a \$3,000,000 grant, if the corporation applies for the grant, for start-up capital and

**BILL**

reasonable administrative expenses. As a condition of receiving the grant, the corporation must do or agree to do all of the following:

1. Establish investment policies and criteria with respect to the promotion of employee ownership and employee participation in the governance and management of the businesses in which the corporation invests; the creation, retention, and protection of employment in this state; and employment practices, workplace safety, environmental suitability, and other matters considered appropriate by the corporation.

2. Invest not less than 60 percent of its investment assets in businesses, either in equity interests of the businesses or in debt obligations of the businesses.

3. Invest not more than 20 percent of its investment assets in any one business.

4. Permit investment in businesses whose employees are not represented by a labor organization.

5. Provide no assistance to employees of a business who wish to join a labor organization.

6. Use its best efforts to ensure that a majority of its investment assets directly or indirectly promote employee ownership of businesses in which it invests or employee participation in the governance and management of the businesses in which it invests.

7. Maintain a reserve fund that contains at least 15 percent of its investment assets.

The bill creates an individual income tax deduction for 50 percent of any amount that is contributed to the Badger Fund corporation. The deduction may be claimed for a taxable year that begins after December 31, 2003.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state* 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:***

1           **SECTION 1.** 20.143 (1) (dm) of the statutes is created to read:

2           20.143 (1) (dm) *Grant to Badger Fund.* A sum sufficient not to exceed  
3           \$3,000,000 for the purpose of paying the grant specified in s. 560.29 (4).

4           **SECTION 2.** 71.05 (6) (b) 34. of the statutes is created to read:

5           71.05 (6) (b) 34. For taxable years beginning after December 31, 2003, 50  
6           percent of any amount that is contributed to the Badger Fund corporation under s.  
7           560.29.

**BILL**

1           **SECTION 3.** 560.29 of the statutes is created to read:

2           **560.29 Badger Fund.** (1) In this section:

3           (a) "Committee" means the special committee created under sub. (2).

4           (b) "Corporation" means the Badger Fund.

5           (c) "Employer" means a person engaging in any activity, enterprise, or business  
6 in this state employing any individuals on a permanent basis. "Employer" includes  
7 the state and any office, department, independent agency, authority, institution,  
8 association, society, or other body in state government created or authorized to be  
9 created by the constitution or any law, including the legislature and the courts.

10          (d) "Labor organization" has the meaning given in s. 5.02 (8m).

11          (e) "Qualified business" means a business that satisfies all of the following:

12           1. The business employs at least 51 percent of its employees in this state.

13           2. The business has net assets that do not exceed \$75,000,000.

14          (2) (a) There is created a special committee, consisting of the following  
15 members who shall be nominated by the governor, and with the advice and consent  
16 of the senate appointed, for terms ending on the day on which the committee ceases  
17 to exist:

18           1. Two members who represent labor organizations.

19           2. Two members who represent pension funds of labor organizations.

20           3. One member who has experience in the field of economic development.

21           4. Two members who represent the business or financial communities.

22           5. One member who has experience in the field of environmental protection.

23           6. One member who represents the public.

**BILL****SECTION 3**

1 (b) The governor shall seek to appoint members from different regions of the  
2 state who have demonstrated an ability to work in a cooperative and collaborative  
3 manner with individuals of diverse interests.

4 (c) All members of the committee shall be residents of this state at the time of  
5 appointment and at the time of performing any duties required of the committee.

6 (d) Five members shall constitute a quorum for the purpose of performing any  
7 duties required of the committee.

8 (e) The committee may request the services of any state agency to assist the  
9 committee in performing its duties.

10 (f) The committee shall submit any recommendations for additional legislation  
11 to further the purposes of promoting and maintaining capital retention and economic  
12 stability in this state, business continuity, job retention and creation, and the  
13 ownership of qualified businesses by residents of this state, including employee  
14 ownership of qualified businesses, to the governor and to the chief clerk of each house  
15 of the legislature, for distribution to the legislature under s. 13.172 (2).

16 (g) After the committee has organized the corporation and submitted any  
17 recommendations under par. (f), the committee ceases to exist.

18 **(3)** (a) The committee shall organize a corporation under ch. 180 to be called  
19 the Badger Fund. The corporation shall make investments in qualified businesses  
20 for the purposes of earning income and promoting and maintaining capital retention  
21 and economic stability in this state, business continuity, job retention and creation,  
22 and the ownership of qualified businesses by residents of this state, including  
23 employee ownership of qualified businesses. The corporation shall give preference  
24 to qualified businesses that are economically viable and that are seeking equity  
25 capital for expansion, modernization of equipment, or upgrading of employee skills



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1413/1  
RAC:lmk

SEN

2005 BILL

GenCat

1 AN ACT ...; relating to: covering certain private sector employers and their  
2 employees under the health care coverage plan for the state and its employees  
3 and making an appropriation. ✓

*Analysis by the Legislative Reference Bureau*

Under current law, the Group Insurance Board (GIB) ✓, which is attached to the Department of Employee Trust Funds, is required to contract on behalf of the state for the purpose of providing health care coverage to state employees. ✓ Many other public sector employers may also participate in programs offered by GIB to provide health care coverage for their employees. ✓

\* ✓ This bill provides that, beginning on the January 1 ✓ that first occurs after the bill's effective date, any small employer located in this state who employs at least two ✓ but not more than 25 individuals on a full-time, permanent basis, who employs at least 51 ✓ percent of its employees in this state, and who has net assets that do not exceed \$75,000,000 ✓ may elect to have its employees receive coverage under any health care coverage plan offered to state employees. ✓ The small employer may elect such coverage during any applicable enrollment period and subject to any conditions specified in the contract between GIB ✓ and the insurer and in rules promulgated for the administration of the state employee health care coverage program. ✓

**BILL**

✓ For further information see the *state* 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:*

1           SECTION 1. 20.515 (1) (g) of the statutes is created to read:

2           20.515 (1) (g) *Benefit and coverage payments; small employer health care*  
3 *coverage.* ✓ All moneys received from small employers under s. 40.515 who elect to  
4 provide coverage for their employees in a health care coverage plan under s. 40.51  
5 (6), for the payment of benefits and the cost of administering benefits under s. 40.515.

6           SECTION 2. 40.51 (1) of the statutes is amended to read:

7           40.51 (1) The procedures and provisions pertaining to enrollment, premium  
8 transmitted and coverage of eligible employees and employees eligible for health  
9 care coverage under s. 40.515 for health care benefits shall be established by contract  
10 or rule except as otherwise specifically provided by this chapter.

History: 1981 c. 96; 1983 a. 27; 1985 a. 29; 1987 a. 27, 107, 356; 1987 a. 403 s. 256; 1989 a. 31, 93, 121, 129, 182, 201, 336, 359; 1991 a. 39, 70, 113, 152, 269, 315, 1993 a. 450, 481; 1995 a. 289; 1997 a. 27, 155, 202, 237, 252; 1999 a. 32, 95, 115, 155; 2001 a. 16, 38, 104; 2003 a. 33.

11           SECTION 3. 40.515 of the statutes is created to read:

12           **40.515 Health care coverage for individuals employed by small**  
13 **employers.** (1) In this section, "small employer" means any person who is not an  
14 employer, as defined in s. 40.02 (28); who employs at least 2 individuals but not more  
15 than 25 individuals on a full-time, permanent basis; who employs at least 51 percent  
16 of its employees in this state; and who has net assets that do not exceed \$75,000,000.

17           (2) Beginning on the January 1 that first occurs after the effective date of this  
18 subsection .... [revisor inserts date], any small employer located in this state may  
19 elect coverage for its employees under any health care coverage plan offered to state

**BILL**

1 employees under s. 40.51 (6), during any applicable enrollment period, subject to any  
2 conditions established by contract or by rule under s. 40.51 (1).

3 (END)



## Emery, Lynn

---

**From:** Emery, Lynn  
**Sent:** Wednesday, January 12, 2005 9:39 AM  
**To:** Rep.Kreuser  
**Subject:** LRB 05-1413/1 (attached as requested)



05-1413/1

Lynn Emery  
Program Assistant  
Legislative Reference Bureau  
608-266-3561  
[lynn.emery@legis.state.wi.us](mailto:lynn.emery@legis.state.wi.us)

**Emery, Lynn**

---

**From:** Wilson, A.J.  
**Sent:** Thursday, January 20, 2005 2:36 PM  
**To:** Emery, Lynn  
**Subject:** LRB 1413

Please give Rep. Tom Nelson's office full access to this file.

Thanks very much,

AJ

**A.J. Wilson, Esq.**  
**Office of State Representative Jim Kreuser**  
**Assembly Democratic Leader**  
**201 West State Capitol**  
**Madison, WI 53708**  
**(608)266-5504**

1/25/05

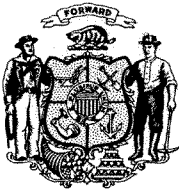
Per John,

Change criteria to

avg. annual receipts of

3-yr period or less

less 30,000,000



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRB-1413/1

RAC:lmk:fs

RMR

Today

2005 BILL

Releen

1 AN ACT *to amend* 40.51 (1); and *to create* 20.515 (1) (g) and 40.515 of the  
2 statutes; **relating to:** covering certain private sector employers and their  
3 employees under the health care coverage plan for the state and its employees  
4 and making an appropriation.

*Analysis by the Legislative Reference Bureau*

Under current law, the Group Insurance Board (GIB), which is attached to the Department of Employee Trust Funds, is required to contract on behalf of the state for the purpose of providing health care coverage to state employees. Many other public sector employers may also participate in programs offered by GIB to provide health care coverage for their employees.

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**BILL**

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Insert 2-16

**BILL**

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3 (END)

**2005-2006 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-1413/2ins  
RAC:lmk:rs

**Insert Analysis:**

whose average annual receipts, calculated over the most recent 3<sup>✓</sup>-year period, are less than \$30,000,000, including receipts of any affiliate or subsidiary<sup>✓</sup>

**Insert 2-16**

<sup>✓</sup>and whose average annual receipts, calculated over the most recent 3<sup>✓</sup>-year period, are less than \$30,000,000, including receipts of any affiliate or subsidiary

**Barman, Mike**

---

**From:** Champagne, Rick  
**Sent:** Thursday, February 03, 2005 11:40 AM  
**To:** Barman, Mike  
**Cc:** Grabel, John

Mike:

Can you start the fiscal estimate process for LRB 1413/2 for Rep. Nelson. Thanks.

Rick