

**2007 DRAFTING REQUEST**

**Senate Amendment (SA-SB471)**

Received: 02/28/2008

Received By: rchampag

Wanted: Today

Identical to LRB:

For: Robert Wirch (608) 267-8979

By/Representing: Tanya (Van Roy)

This file may be shown to any legislator: NO

Drafter: rchampag

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**

Extra Copies:

Submit via email: YES

Requester's email: **Sen.Wirch@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Operations funding for health insurance premiums from annuities

---

**Instructions:**

companion from a1382/2.

---

**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>
/?	rchampag 02/28/2008	bkraft 02/28/2008		_____			
/1			nmatzke 02/28/2008	_____	cduerst 02/28/2008	cduerst 02/28/2008	

FE Sent For:

<END>

**2007 DRAFTING REQUEST**

**Senate Amendment (SA-SB471)** ✓

Received: **02/28/2008**

Received By: **rchampag**

Wanted: **Today**

Identical to LRB:

For: **Robert Wirch (608) 267-8979**

By/Representing: **Tanya (Van Roy)**

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

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Wirch@legis.wisconsin.gov**

Carbon copy (CC:) to:

---

**Pre Topic:**

No specific pre topic given

---

**Topic:**

Operations funding for health insurance premiums from annuities

---

**Instructions:**

companion from a1382/2.

---

**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>
/?	rchampag	1 bjk 2/28	awn 2/28	<del>awn</del> <del>2/28</del>			

FE Sent For:

<END>

## 2007 SENATE BILL 471

February 12, 2008 – Introduced by Senators WIRCH, LEHMAN, LASSA, ROBSON, ROESSLER and SCHULTZ, cosponsored by Representatives VAN ROY, MUSSER, BOYLE, KAUFERT, A. OTT, KERKMAN, MONTGOMERY, NYGREN, GUNDERSON, MURSAU and HAHN. Referred to Joint Survey Committee on Retirement Systems.

1 AN ACT *to renumber* 40.08 (2); and *to create* 40.02 (48g), 40.05 (4r), 40.08 (2)  
2 (b) and 40.80 (2t) of the statutes; **relating to:** payment of premiums for health  
3 or long-term care insurance coverage from annuities under the Wisconsin  
4 Retirement System and distributions from deferred compensation accounts.

---

### *Analysis by the Legislative Reference Bureau*

Currently, under the Wisconsin Retirement System (WRS), annuitants may have insurance premiums for health care coverage paid directly from their WRS annuities. This program, however, only applies to health insurance plans offered under a program established by the Group Insurance Board (GIB). Similarly, state annuitants may currently have insurance premiums for long-term care coverage paid directly from their retirement annuities. Again, this option only applies to long-term care insurance plans offered under a program established by GIB. This bill permits annuitants who are public safety officers to have premiums for any health care coverage or long-term care coverage plan deducted from their annuities, even if the plan is not offered under the program established by GIB. Under the bill, “public safety officer” has the meaning given under a specific federal law and includes any individual serving in a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a fire fighter, as a chaplain, or as a member of a rescue squad or ambulance crew.

The Deferred Compensation Board (board), attached to the Department of Employee Trust Funds, currently selects and contracts with plan providers that are used by state agencies for providing deferred compensation plans to state employees.

**SENATE BILL 471**

These plans are also made available to public employers other than the state for their employees. This bill provides that the board may require a deferred compensation plan, upon election by a participant who is a public safety officer, to allow for the deduction of insurance premiums for health or long-term care insurance coverage for public safety officers from an amount distributed from a participant's account and for the payment of the premiums directly to an insurer.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the 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.** 40.02 (48g) of the statutes is created to read:

2           40.02 (**48g**) "Public safety officer" has the meaning given in 26 USC 402 (I) (4)  
3 (C).

4           **SECTION 2.** 40.05 (4r) of the statutes is created to read:

5           40.05 (**4r**) PAYMENT OF CERTAIN INSURANCE PREMIUMS. If an annuitant is a public  
6 safety officer and receives health care coverage or long-term care coverage under a  
7 plan other than one offered under subch. IV, and if the annuitant so elects by  
8 providing written notice to the department, the premium shall be paid as a deduction  
9 under s. 40.06 (1) (a) from the annuitant's annuity. If the annuitant receives an  
10 annuity that is not sufficient to cover premium payments, the annuitant shall make  
11 premium payments directly to the insurer. The department shall establish  
12 procedures to permit an annuitant who is a public safety officer to elect to have his  
13 or her premium paid as a deduction under s. 40.06 (1) (a) from his or her annuity.  
14 The annuitant shall provide the department with all necessary information to  
15 permit the department to make the payment in a timely manner.

16           **SECTION 3.** 40.08 (2) of the statutes is renumbered 40.08 (2) (a).

**SENATE BILL 471**

1           **SECTION 4.** 40.08 (2) (b) of the statutes is created to read:

2           40.08 (2) (b) If permitted under a deferred compensation plan established  
3 under subch. VII, insurance premiums for health or long-term care insurance  
4 coverage for a public safety officer may be deducted from an amount distributed  
5 under a deferred compensation plan and paid directly to an insurer.

6           **SECTION 5.** 40.80 (2t) of the statutes is created to read:

7           40.80 (2t) The deferred compensation board may require a deferred  
8 compensation plan under this subchapter, upon election by a participant who is a  
9 public safety officer, to allow for the deduction of insurance premiums for health or  
10 long-term care insurance coverage from an amount distributed from a participant's  
11 account and for the payment of the premiums directly to an insurer.

12

(END)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa138272  
RAC:bjk:jf

Teddy

LRBa146211  
RAC:bjk:

SENATE

~~ASSEMBLY~~ AMENDMENT,  
TO 2007 ~~ASSEMBLY~~ BILL 851

SENATE

47L

bh ✓

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13

At the locations indicated, amend the bill as follows:

1. Page 1, line 4: after "accounts" insert "and making an appropriation".

2. Page 2, line 1: before that line insert:

"SECTION 1e. 20.515 (1) (tm) of the statutes is created to read:

20.515 (1) (tm) *Annuity payments to public safety officers.* From the public employee trust fund, a sum sufficient for initial and ongoing administrative costs, and to reimburse any amounts expended under par. (w) for initial and ongoing administrative costs, associated with the payment and deduction of insurance premiums for health or long-term care insurance coverage under ss. 40.05 (4r) and 40.80 (2t)."

3. Page 2, line 1: delete "SECTION 1" and substitute "SECTION 1p".

4. Page 3, line 11: after that line insert:

"SECTION 6m. Nonstatutory provisions.

1           (1m) The authorized FTE positions for the department of employee trust funds  
2 are increased by 2.1 SEG positions to be funded from the appropriation under section  
3 20.515 (1) (w) of the statutes for the implementation of program changes under  
4 sections 40.05 (4r) and 40.80 (2t) of the statutes and by 1.1 SEG positions to be funded  
5 from the appropriation under section 20.515 (1) (w) of the statutes for the  
6 administration of the programs changes under sections 40.05 (4r) and 40.80 (2t) of  
7 the statutes.

8           **SECTION 7m. Effective date.**

9           (1m) This act takes effect on January 1, 2009.”

10

(END)