

2011 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-SB18)

Received: 12/23/2011

Received By: **mshovers**

Wanted: **As time permits**

Companion to LRB:

For: **Richard Spanbauer (608) 267-7990**

By/Representing: **Matt**

May Contact:

Drafter: **mshovers**

Subject: **Local Gov't - munis generally**

Addl. Drafters:

Extra Copies: **EVM**

Submit via email: **YES**

Requester's email: **Rep.Spanbauer@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Require municipalities to pay health insurance premiums for surviving spouse, dependents, of fallen law enforcement officers

Instructions:

See attached. Based on SSA 1 (s0099) and AA 1 to SSA 1 (a1015), as passed by the Senate, and also add AA 1 to ASA 1 (a1806), and place an overall time limit that the provisions of the bill may apply to a surviving spouse/dependent of 5 years (if they don't become ineligible before then).

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>
/?	mshovers 01/09/2012	wjackson 01/11/2012		_____			
	jkreye 01/09/2012			_____			
/1			phenry 01/11/2012	_____	mbarman 01/11/2012	mbarman 01/11/2012	

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/2	mshovers 01/12/2012	wjackson 01/12/2012	rschluet 01/12/2012	_____	sbasford 01/12/2012	sbasford 01/12/2012	
/3	mshovers 02/07/2012	wjackson 02/16/2012	jmurphy 02/16/2012	_____	sbasford 02/16/2012	sbasford 02/16/2012	

FE Sent For:

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/?	mshovers	1 wj	1/11 ph	ph gm			

FE Sent For:

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Shovers, Marc

From: Pulda, Matt
Sent: Wednesday, December 21, 2011 1:35 PM
To: Shovers, Marc
Cc: Kelly, Scott
Subject: SB 18 substitute amendment

Hi, Marc,

My boss has been talking with the Wanggaard office about preparing a substitute amendment to SB 18.

We would like to use SSA 1, as amended and passed by the Senate and as further amended by AA 1, as the basis. This substitute amendment would also incorporate the provisions of AA 1 to ASA 1, which changes the maximum age a child could be covered to 26.

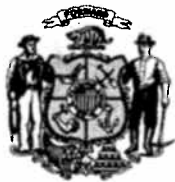
On top of all this, we would like to include a five-year limit on surviving family members' eligibility (if they don't otherwise become ineligible during that time).

Please let me know if you have any questions. I'll be out of the office through January 2, starting tomorrow afternoon, but I plan to check my work e-mail while I'm gone.

Thanks!

Matt Pulda
Research Assistant/Committee Clerk
Office of State Rep. Dick Spanbauer
Assembly Committee on Veterans and Military Affairs
(608) 267-7990

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PMNP



LRR#0099/4
MES/RAC/JK:wlj:rs

Assembly

~~SENATE~~ SUBSTITUTE AMENDMENT 1

stays

WANTED
Wed. a.m.

TO 2011 SENATE BILL 18

as shown by SSA1

May 12, 2011 - Offered by COMMITTEE ON INSURANCE AND HOUSING.

Re-gen

1 AN ACT *to repeal* 66.0137 (4m) (a); *to renumber and amend* 66.0137 (1) (ae);
 2 *to amend* 20.835 (1) (db), 66.0137 (3), 66.0137 (5) (c) 1., 66.0137 (5) (c) 2.,
 3 66.0137 (5) (c) 3. (intro.), 79.01 (2d) and 79.043 (6); and *to create* 16.14, 20.505
 4 (1) (cr), 66.0137 (1) (af), 66.0137 (1) (am), 66.0137 (1) (ap), 66.0137 (1) (c),
 5 66.0137 (5) (c) 1m. and 66.0137 (5) (c) 4. of the statutes; **relating to:** requiring
 6 the payment of health insurance premiums, and establishing a loan program,
 7 for survivors of a law enforcement officer or fire fighter who dies, or has died,
 8 in the line of duty and making appropriations.

Analysis by the Legislative Reference Bureau

Subject to a number of limitations, current law requires a city, village, or town (municipality) that pays health insurance premiums for its employees who are fire fighters to pay such premiums for the surviving spouse and dependent children of a fire fighter who dies, or has died, in the line of duty. This general current law requirement does not apply to a surviving spouse who remarries or reaches the age of 65, or to a dependent child who reaches the age of 18 and is not a full-time high school student. Current law does require premium payments to be made for a

five
years

for a maximum of 5 years

dependent child who is a full-time or part-time student in an accredited college or university until the close of the calendar year in which the individual reaches the age of 27.

This substitute amendment requires a municipality or county (political subdivision) that pays health insurance premiums for its employees who are law enforcement officers to pay such premiums for the surviving spouse and dependent children of a law enforcement officer who dies, or has died, in the line of duty. In addition, the substitute amendment requires the state to reimburse political subdivisions for premiums paid to cover the surviving spouses and dependents of fallen fire fighters and law enforcement officers that were paid by the political subdivisions and that were not otherwise required to be paid under an employment-related benefit provided to the fire fighter or law enforcement officer. The substitute amendment establishes a process whereby political subdivisions may seek reimbursement of the payment of premiums from the Department of Administration (DOA).

The substitute amendment also requires the state to pay health insurance premiums for the surviving spouse and dependent children of a law enforcement officer who was employed by the state and who dies, or has died, in the line of duty. The state is to pay these health insurance premiums only after any sick leave credits that may be used for the purchase of health insurance have been exhausted.

The substitute amendment further requires DOA to establish a loan program for surviving spouses of law enforcement officers and fire fighters who have died in the line of duty. The loan program must provide for the payment of a loan to a surviving spouse in an amount equal to the salary that would have been paid his or her deceased spouse had he or she not died in the line of duty. The loan must be disbursed to coincide with the pay period that applied to the deceased spouse, must be secured by the proceeds of any life insurance policy that covered the deceased spouse, and come due when a surviving spouse receives the proceeds from the life insurance policy that covered his or her deceased spouse. No loan may be made for any period after the proceeds of a life insurance policy have been disbursed to the surviving spouse. To qualify for a loan, a surviving spouse must apply for the loan on a form prepared by DOA; provide all documentation required by DOA to verify that his or her spouse died in the line of duty; provide all documentation required by DOA to verify the salary of the deceased spouse; and enter into an agreement with DOA that any loan must be secured by the proceeds of a life insurance policy that covered his or her deceased spouse.

Under the substitute amendment, the amounts that DOA disburses for premiums, reimbursements, and loans for surviving spouses of law enforcement officers and fire fighters employed by a political subdivision are paid from the county and municipal aid account (shared revenue), and the total amount of shared revenue payments is decreased by the amounts disbursed by DOA.

The substitute amendment first applies, retroactively, to a law enforcement officer or fire fighter who has died in the line of duty before the effective date of the

or fire fighter

Must

(NO#) The substitute amendment applies the 5 year maximum time for premium payments to the surviving spouse and dependent children of a fire fighter who falls in the line of duty

substitute amendment, but only with respect to the payment of health insurance premiums that come due on or after the effective date of this substitute amendment.

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

1 SECTION 1. 16.14 of the statutes is created to read:

2 16.14 Paying health insurance premiums, and establishing a loan
3 program, for dependents of law enforcement officers ^{or firefighters} who die in line of duty.

4 (1) In this section:

5 (a) "Dies in the line of duty" means a death that occurs, or occurred, as a direct
6 and proximate result of one or more of the following, sustained by a law enforcement
7 officer ^{or firefighter} while he or she was engaged in a line of duty activity, or that arose out of and
8 as a result of such an individual's performance of a line of duty activity:

- 9 1. A personal injury.
- 10 2. The contraction of an infectious disease.
- 11 3. Exposure to hazardous materials or conditions.

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12 (b) "Law enforcement officer" means any person employed by the state for the
13 purpose of detecting and preventing crime and enforcing laws and who is authorized
14 to make arrests for violations of the laws that the person is employed to enforce.

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15 (c) "Line of duty activity" means any employment-related action taken by a law
16 enforcement officer ^{or firefighter} that is required or authorized by law, rule, regulation, or
17 condition of employment and for which compensation is provided by his or her
18 employer or would have been eligible to have been provided by the employer if the
19 law enforcement officer ^{or firefighter} had been on duty when he or she took the action in question.

20 (d) "Political subdivision" has the meaning given in s. 66.0137 (1) (c).

Use 3* *or firefighter*

1

(2) (a) Except as provided in pars. (b) to (d), if a law enforcement officer dies in the line of duty the department shall pay the premiums for hospital, surgical, and other health insurance for the surviving spouse and dependent children of the law enforcement officer.

4

The department shall either reimburse the surviving spouse and dependent children for the payment of the premiums or shall pay the premiums directly to the department of employee trust funds for health care coverage under subch. IV of ch. 40, whichever the department considers appropriate. Premiums shall be paid from the appropriation under s. 20.505 (1) (cr).

9

(b) The department shall pay the premiums for the surviving spouse only until the spouse remarries or reaches the age of 65, *or for the first 5 years after the deceased spouse dies in the line of duty*, whichever occurs first.

11

(c) *Except as provided in par. (e)* The department shall pay the premiums for a surviving dependent child only until he or she reaches the age of 18 unless any of the following applies:

13

1. The individual is a full-time student in a secondary school.

14

2. The individual is a full-time or part-time student in an accredited college or university, except that this subdivision does not apply to such an individual after the close of the calendar year in which the individual reaches the age of 27.

17

(d) The department shall pay the premiums for the surviving spouse and dependent children of the law enforcement officer only after the exhaustion of any credits under ss. 40.05 (4) (b) and 40.95 (1).

18

(e) Notwithstanding the provisions of par. (c), the department may not pay the premiums for a surviving

20

(3) The department shall reimburse any political subdivision for health insurance premiums paid by the political subdivision under s. 66.0137 (5) (c) 1. and 1m., provided the political subdivision submits the form and certification under s. 66.0137 (5) (c) 4. The reimbursement shall be paid from the appropriation under s. 20.835 (1) (db).

24

dependent child for more than 5 years after his or her parent dies in the line of duty

1 (4) The department shall establish a loan program for surviving spouses of law
2 enforcement officers ^{or fire fighters} who have died in the line of duty and for surviving spouses ^{Use 2k}
3 identified in s. 66.0137 (5) (c) 1. or 1m. The loan program shall provide for the
4 payment of a loan to a surviving spouse in an amount equal to the salary that would
5 have been paid his or her deceased spouse had he or she not died in the line of duty.
6 The loan shall be disbursed to coincide with the pay period that applied to the
7 deceased spouse and shall be secured by the proceeds of any life insurance policy that
8 covered the deceased spouse. Loans made for surviving spouses of law enforcement
9 officers shall be paid from the appropriation under s. 20.505 (1) (cr), and loans made
10 for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. shall be paid from the
11 appropriation under s. 20.835 (1) (db). The repayment of loans shall be credited to
12 the general fund as general purpose revenue-earned. A loan shall come due when
13 a surviving spouse receives the proceeds from the life insurance policy that covered
14 his or her deceased spouse. No loan shall be made for any period after the proceeds
15 of a life insurance policy have been disbursed to the surviving spouse. To qualify for
16 a loan under this subsection, a surviving spouse shall do all of the following:

17 (a) Apply for the loan on a form prepared by the department.

18 (b) Provide all documentation required by the department to verify that his or
19 her spouse was a law enforcement officer ^{or fire fighter} who died in the line of duty or was an
20 individual identified in s. 66.0137 (5) (c) 1. or 1m.

21 (c) Provide all documentation required by the department to verify the salary
22 of the deceased spouse.

23 (d) Enter into an agreement with the department that any loan made under
24 this subsection shall be secured by the proceeds of a life insurance policy that covered
25 his or her deceased spouse.

1 SECTION 2. 20.505 (1) (cr) of the statutes is created to read:

2 20.505 (1) (cr) *Payment of health insurance premiums and loans for law*
3 *enforcement officers* [Ⓡ] *or firefighters* *who die in line of duty.* A sum sufficient to pay the premiums
4 and reimbursements and make loans for surviving spouses of law enforcement
5 officers *or firefighters* under s. 16.14.

6 SECTION 3. 20.835 (1) (db) of the statutes is amended to read:

7 20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make
8 payments to counties, towns, villages, and cities under s. 79.035, less the amount
9 paid from the appropriations under pars. [Ⓡ] (m), (q), and (r), *and to pay the premiums*
10 and reimbursements and make loans under s. 16.14 for surviving spouses identified
11 in s. 66.0137 (5) (c) 1. or 1m.

not affected by 2011 Wisconsin Act 32, Section 770A

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12 SECTION 4. 66.0137 (1) (ae) of the statutes is renumbered 66.0137 (1) (as) and
13 amended to read:

14 66.0137 (1) (as) "Local governmental unit" means a ~~municipality, county~~
15 political subdivision, school district (as enumerated in s. 67.01 (5)), sewerage district,
16 drainage district, and, without limitation because of enumeration, any other political
17 subdivision of the state.

18 SECTION 5. 66.0137 (1) (af) of the statutes is created to read:

19 66.0137 (1) (af) "Dies in the line of duty" means a death that occurs, or occurred,
20 as a direct and proximate result of one or more of the following, sustained by a law
21 enforcement officer or fire fighter while he or she was engaged in a line of duty
22 activity or that arose out of and as a result of such an individual's performance of a
23 line of duty activity:

- 24 1. A personal injury.
- 25 2. The contraction of an infectious disease.

1 3. Exposure to hazardous materials or conditions.

2 SECTION 6. 66.0137 (1) (am) of the statutes is created to read:

*all of the following:
#10 Any
Δ =*

3 66.0137 (1) (am) "Law enforcement officer" means ~~any~~ person employed by a
4 political subdivision for the purpose of detecting and preventing crime and enforcing
5 laws or ordinances and who is authorized to make arrests for violations of the laws
6 or ordinances that the person is employed to enforce.

*INA
7-6*

7 SECTION 7. 66.0137 (1) (ap) of the statutes is created to read:

8 66.0137 (1) (ap) "Line of duty activity" means any employment-related action
9 taken by a law enforcement officer or fire fighter that is required or authorized by
10 law, rule, regulation, or condition of employment and for which compensation is
11 provided by his or her employing agency or would have been eligible to have been
12 provided by the employing agency if the law enforcement officer or fire fighter had
13 been on duty when he or she took the action in question.

14 SECTION 8. 66.0137 (1) (c) of the statutes is created to read:

15 66.0137 (1) (c) "Political subdivision" means any municipality or county.

16 SECTION 9. 66.0137 (3) of the statutes is amended to read:

17 66.0137 (3) HEALTH INSURANCE FOR UNEMPLOYED PERSONS. Any ~~municipality or~~
18 ~~county~~ political subdivision may purchase health or dental insurance for
19 unemployed persons residing in the municipality or county who are not eligible for
20 medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) or (b).

21 SECTION 10. 66.0137 (4m) (a) of the statutes is repealed.

22 SECTION 11. 66.0137 (5) (c) 1. of the statutes is amended to read:

and 5.1 ✓

23 66.0137 (5) (c) 1. Except as provided in subds. 2. and 3., ~~and 4.~~ if a municipality
24 provides for the payment of premiums for hospital, surgical, and other health
25 insurance for its fire fighters, it shall continue to pay such premiums for the

1 surviving spouse and dependent children of ~~a~~ the fire fighter who dies in the line
2 of duty.

3 **SECTION 12.** 66.0137 (5) (c) 1m. of the statutes is created to read:

4 66.0137 (5) (c) 1m. Except as provided in subds. 2., 3., ~~and~~ 4., ^{and 5, ✓} if a political
5 subdivision provides for the payment of premiums for hospital, surgical, and other
6 health insurance for its law enforcement officers, it shall continue to pay such
7 premiums for the surviving spouse and dependent children of the law enforcement
8 officer who dies while in the line of duty.

9 **SECTION 13.** 66.0137 (5) (c) 2. of the statutes is amended to read:

10 66.0137 (5) (c) 2. A ~~municipality~~ political subdivision may not be required to
11 pay the premiums described in subd. 1. or 1m. for a surviving spouse upon the
12 remarriage of the surviving spouse or upon the surviving spouse reaching the age of
13 65.

14 **SECTION 14.** 66.0137 (5) (c) 3. (intro.) of the statutes is amended to read:

15 66.0137 (5) (c) 3. (intro.) An individual is not a dependent child for the purposes
16 of subd. 1. or 1m. after the individual reaches the age of 18 unless one of the following
17 applies:

18 **SECTION 15.** 66.0137 (5) (c) 4. of the statutes is created to read:

19 66.0137 (5) (c) 4. A political subdivision may seek reimbursement from the
20 department of administration under s. 16.14 (3) for the payment of any premiums
21 described in subd. 1. or 1m. that were paid by the political subdivision and that were
22 not otherwise required to be paid under an employment-related benefit provided to
23 the fire fighter or law enforcement officer if the political subdivision provides the
24 department of administration with written certification that the individual on whose
25 behalf the premiums are being paid died in the line of duty. The political subdivision

* 66.0137 (5)(c) 5. Notwithstanding the provisions of
 subd. 1, 1m, 2, or 3, a political subdivision may not pay the premiums for a
 surviving spouse or dependent child for more than 5 years after the deceased
 spouse or parent dies in the line of duty.

1 shall seek reimbursement from the department of administration, using a form
 2 provided by the department of administration that specifies the premium amounts
 3 paid by the political subdivision and the names, ages, and marital status of the
 4 individuals for whom the premiums were paid. The political subdivision shall also
 5 certify that the premiums could not be paid under a different employment-related
 6 benefit that was provided to the fire fighter or law enforcement officer.

SECTION 16 →

SECTION 16. 79.01 (2d) of the statutes is amended to read:

8 79.01 (2d) There is established an account in the general fund entitled the
 9 "County and Municipal Aid Account." Beginning with the distributions in 2011, the
 10 total amount to be distributed each year to counties and municipalities from the
 11 county and municipal aid account is \$824,825,715, less the amounts paid under s.
 12 16.14.

SECTION 17. 79.043 (6) of the statutes is amended to read:

14 79.043 (6) For the distribution in 2011 and subsequent years, each county and
 15 municipality shall receive a payment under this section and s. 79.035 that is equal
 16 to the amount of the payment determined for the county or municipality under s.
 17 79.02 (4) in 2010, except that each payment to a county or municipality shall be
 18 reduced, in proportion to the county's or municipality's share of total payments under
 19 this section and s. 79.035, to reflect the reduction in the county and municipal aid
 20 account as a result of payments made under s. 16.14 for surviving spouses identified
 21 in s. 66.0137 (5) (c) 1. or 1m.

SECTION 18. Initial applicability.

23 (1) This act first applies, retroactively, to a law enforcement officer or fire
 24 fighter who has died in the line of duty before the effective date of this subsection,

PCR: 66.0137
(5)(c) 5

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1 but only with respect to the payment of health insurance premiums that come due
2 on or after the effective date of this subsection.

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(END)



ASSEMBLY AMENDMENT 1,
TO 2011 SENATE BILL 18

September 13, 2011 – Offered by COMMITTEE ON URBAN AND LOCAL AFFAIRS.

1 At the locations indicated, amend the bill, as shown by senate substitute
2 amendment 1, as follows:

3 ~~1.~~ Page 3, line 3: after “**officers**” insert “**or fire fighters**”.

4 ~~2.~~ Page 3, line 7: on lines 7, 16 and 19, after “officer” insert “or fire fighter”.

5 ✓ ~~3.~~ Page 3, line 11: after that line insert:

6 ✓ (ae) “Fire fighter” means any individual employed by the state, including
7 forest rangers, foresters, and pilots, whose principal duties include fire fighting or
8 forest fire control”.

9 ~~4.~~ Page 4, line 1: on lines 1, 4 and 18, after “officer” insert “or fire fighter”.

10 ~~5.~~ Page 5, line 2: on lines 2 and 9, after “officers” insert “or fire fighters”.

11 ~~6.~~ Page 5, line 19: after “officer” insert “or fire fighter”.

12 ✓ ~~7.~~ Page 6, line 3: after “*officers*” insert “*or fire fighters*”.

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~~8.~~ Page 6, line 5: after "officers" insert "or fire fighters".

~~9.~~ Page 6, line 6: after "statutes" insert ", as affected by 2011 Wisconsin Act 32, section 770f,".

✓10. Page 6, line 9: delete "(m), (q)," and substitute "(q)".

✓11. Page 6, line 11: after that line insert:

INS
6-11

SECTION ~~31~~ 20.835 (1) (db) of the statutes, as affected by 2011 Wisconsin Act 32, section 770g, and 2011 Wisconsin Act ... (this act), is repealed and recreated to read:

20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make payments to counties, towns, villages, and cities under s. 79.035, less the amount paid from the appropriation under par. (r), and to pay the premiums and reimbursements and make loans under s. 16.14 for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m.".

12. Page 9, line 7: delete lines 7 to 21 and substitute:

INS
9-21
P.1040

SECTION ~~161~~ 79.01 (2d) of the statutes, as affected by 2011 Wisconsin Act 32, is amended to read:

79.01 (2d) There is established an account in the general fund entitled the "County and Municipal Aid Account." The total amount to be distributed in 2011 to counties and municipalities from the county and municipal aid account is \$824,825,715, less the amounts paid under s. 16.14, and the total amount to be distributed to counties and municipalities in 2012, and in each year thereafter, from the county and municipal aid account is \$748,075,715, less the amounts paid under s. 16.14.

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9-21
P. 2012

1 SECTION ~~161~~ 79.035 (3) of the statutes, as affected by 2011 Wisconsin Act 32,
2 is amended to read:

3 79.035 (3) For ~~Except as provided in s. 79.035~~ ^{Sub.} (6), for the distribution in 2011,
4 each county and municipality shall receive a payment under this section that is equal
5 to the amount of the payment determined for the county or municipality under s.
6 79.02 (4), 2009 stats., in 2010.

7 SECTION ~~161~~ 79.035 (4) (a) of the statutes, as created by 2011 Wisconsin Act
8 32, is amended to read:

9 79.035 (4) (a) For ~~Except as provided in s. 79.035~~ ^{Sub.} (6), for the distribution in
10 2012, the total amount of the payments to all municipalities under this section shall
11 be reduced by \$47,663,400 and the total amount of the payments to all counties under
12 this section shall be reduced by \$29,086,600.

13 SECTION ~~161~~ 79.035 (5) of the statutes, as created by 2011 Wisconsin Act 32,
14 is amended to read:

15 79.035 (5) For ~~Except as provided in s. 79.035~~ ^{Sub.} (6), for the distribution in 2013
16 and subsequent years, each county and municipality shall receive a payment under
17 this section that is equal to the amount of the payment determined for the county or
18 municipality under this section for 2012.

19 SECTION ~~161~~ 79.035 (6) of the statutes is created to read:

20 79.035 (6) For the distribution in 2011 and subsequent years, each county and
21 municipality's payment under this section shall be reduced, in proportion to the
22 county's or municipality's share of total payments under this section, to reflect the
23 reduction in the county and municipal aid account as a result of payments made
24 under s. 16.14 for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m."

END OF INS 9-21

INS
10-2

13. Page 10, line 2: after that line insert:

~~SECTION 131.~~ Effective date.

(1) The repeal and recreation of section 20.835 (1) (db) of the statutes takes effect on December 31, 2012.

END

1
2
3
4
5



**SENATE AMENDMENT 1,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO 2011 SENATE BILL 18**

May 17, 2011 - Offered by Senators HOPPER and WANGGAARD.

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

INS
3-M

2 ✓ 1. Page 3, line 14: after "enforce" insert "or any person who is a correctional
3 officer, as defined in s. 301.28 (1)".

4 ✓ 2. Page 7, line 3: delete "any" and substitute "all of the following:".

5 ✓ 3. Page 7, line 3: before "person" insert:

6 "1. Any".

7 ✓ 4. Page 7, line 6: after that line insert:

INS
7-6

8 ✓ 2. Any jailer who, under the direction of a sheriff under s. 59.27 (1), keeps
9 persons in a county jail".

10

AND

Shovers, Marc

From: Pulda, Matt
Sent: Thursday, January 12, 2012 12:34 PM
To: Shovers, Marc
Subject: RE: SB 18 substitute amendment

Since JFC passed an amendment saying to reduce it to 26, I think it's a good idea to include that change in the substitute amendment.

Thanks!

From: Shovers, Marc
Sent: Thursday, January 12, 2012 11:22 AM
To: Pulda, Matt
Subject: RE: SB 18 substitute amendment

Hi Matt:

I talked to Pam Kahler, who drafts in insurance, and here's what I found out. When the current law provision was drafted, which applies to the surviving spouse and children of local fire fighters, age 27 was selected because it was consistent with state law. See s. 66.0137 (5) (c) 3. b.:

66.0137(5)(c)3.b.

b. The individual is a full-time or part-time student in an accredited college or university, except that this subd. 3. b. does not apply to such an individual after the close of the calendar year in which the individual reaches the age of 27.

When the federal health care law was enacted, the age for children to continue being covered by their parents' insurance was set at 26. You are correct that the budget bill, 2011 Wisconsin Act 32, changed state insurance law provisions in ch. 632 from age 27 to age 26 to be consistent with federal law.

The provision in s. 66.0137 (5) (c) 3. b. was separate and independent from the chapter 632 provisions and was not changed. This is why the bill and your substitute amendment have age 27 in created s. 16.14 (2) (c) 2. on page 5, line 3 of s0277/1. It is consistent with the current law provision in s. 66.0137 (5) (c) 3. b.

There is nothing wrong with those provisions having age 27 instead of age 26 -- it's a separate issue. On the other hand, there is nothing wrong with changing current law and the substitute amendment to age 26 to be consistent with state insurance law and federal law. It's just a policy choice and whatever the representative would like to do is, of course, fine. He can either leave it as it is, or I can redraft the sub. to change current law and the provision on page 5, line 3 of the sub.

Just let me know how you'd like to proceed. Thanks, Matt.

Marc

1/12/2012

From: Pulda, Matt
Sent: Wednesday, January 11, 2012 11:38 AM
To: Shovers, Marc
Subject: RE: SB 18 substitute amendment

Thanks!

From: Shovers, Marc
Sent: Wednesday, January 11, 2012 11:28 AM
To: Pulda, Matt
Subject: RE: SB 18 substitute amendment

Hey, Matt:

You're welcome. It was an oversight on my part. I'll check w/ Pam Kahler, who drafts in insurance, to see if I need to redraft this to change "27" to "26", or if it's already been done in another bill that's already been enacted and therefore not needed. I'll let you know what I find out.

Marc

From: Pulda, Matt
Sent: Wednesday, January 11, 2012 11:25 AM
To: Shovers, Marc
Subject: RE: SB 18 substitute amendment

Hi, Marc,

Thanks for working on this! I do have one question, though – it doesn't look like the draft amendment incorporates the changes JFC made in AA 1 to ASA 1, changing the maximum age a child is eligible for coverage from 27 to 26 (I've bolded it in the copy of the original request below). Was this an oversight, or were the changes unnecessary given other statutes?

Thanks!

Matt

From: Shovers, Marc
Sent: Thursday, January 05, 2012 4:36 PM
To: Pulda, Matt
Subject: RE: SB 18 substitute amendment

Hi Matt:

I haven't gotten to it yet. I'll probably get to it early next week. Is that OK?

Marc

From: Pulda, Matt
Sent: Thursday, January 05, 2012 2:10 PM

1/12/2012

To: Shovers, Marc
Subject: FW: SB 18 substitute amendment

Hi, Marc,

What is the status of this draft? (I'm catching up on newspapers, and saw a "Year in Review" article in the *Fond du Lac Reporter* about the police shooting up there, so I thought I'd check while it's fresh in my mind.)

Thanks!

Matt

From: Pulda, Matt
Sent: Wednesday, December 21, 2011 1:35 PM
To: Shovers, Marc
Cc: Kelly, Scott
Subject: SB 18 substitute amendment

Hi, Marc,

My boss has been talking with the Wanggaard office about preparing a substitute amendment to SB 18.

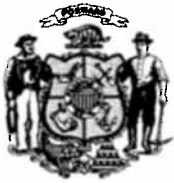
We would like to use SSA 1, as amended and passed by the Senate and as further amended by AA 1, as the basis. **This substitute amendment would also incorporate the provisions of AA 1 to ASA 1, which changes the maximum age a child could be covered to 26.**

On top of all this, we would like to include a five-year limit on surviving family members' eligibility (if they don't otherwise become ineligible during that time).

Please let me know if you have any questions. I'll be out of the office through January 2, starting tomorrow afternoon, but I plan to check my work e-mail while I'm gone.

Thanks!

Matt Pulda
Research Assistant/Committee Clerk
Office of State Rep. Dick Spanbauer
Assembly Committee on Veterans and Military Affairs
(608) 267-7990



State of Wisconsin
2011 - 2012 LEGISLATURE



LRBs02774
MES/RAC/JK:wlj:ph

stays

ASSEMBLY SUBSTITUTE AMENDMENT,
TO 2011 SENATE BILL 18

WANTED
FEBRUARY
today


repeal

1 AN ACT *to repeal* 66.0137 (4m) (a); *to renumber and amend* 66.0137 (1) (ae);
2 *to amend* 20.835 (1) (db), 66.0137 (3), 66.0137 (5) (c) 1., 66.0137 (5) (c) 2.,
3 66.0137 (5) (c) 3. (intro.), 79.01 (2d), 79.035 (3), 79.035 (4) (a) and 79.035 (5); *to*
4 *repeal and recreate* 20.835 (1) (db); and *to create* 16.14, 20.505 (1) (cr),
5 66.0137 (1) (af), 66.0137 (1) (am), 66.0137 (1) (ap), 66.0137 (1) (c), 66.0137 (5)
6 (c) 1m., 66.0137 (5) (c) 4., 66.0137 (5) (c) 5. and 79.035 (6) of the statutes;
7 **relating to:** requiring the payment of health insurance premiums, and
8 establishing a loan program, for survivors of a law enforcement officer or fire
9 fighter who dies, or has died, in the line of duty and making appropriations.

Analysis by the Legislative Reference Bureau

Subject to a number of limitations, current law requires a city, village, or town (municipality) that pays health insurance premiums for its employees who are fire fighters to pay such premiums for the surviving spouse and dependent children of a fire fighter who dies, or has died, in the line of duty. This general current law requirement does not apply to a surviving spouse who remarries or reaches the age

of 65, or to a dependent child who reaches the age of 18 and is not a full-time high school student. Current law does require premium payments to be made for a dependent child who is a full-time or part-time student in an accredited college or university until the close of the calendar year in which the individual reaches the age of 27. 26

 This substitute amendment requires a municipality or county (political subdivision) that pays health insurance premiums for its employees who are law enforcement officers to pay such premiums, for a maximum of five years, for the surviving spouse and dependent children of a law enforcement officer who dies, or has died, in the line of duty. The substitute amendment applies the five-year maximum time for premium payments to the surviving spouse and dependent children of a fire fighter who falls in the line of duty. In addition, the substitute amendment requires the state to reimburse political subdivisions for premiums paid to cover the surviving spouses and dependents of fallen fire fighters and law enforcement officers that were paid by the political subdivisions and that were not otherwise required to be paid under an employment-related benefit provided to the fire fighter or law enforcement officer. The substitute amendment establishes a process whereby political subdivisions may seek reimbursement of the payment of premiums from the Department of Administration (DOA).

The substitute amendment also requires the state to pay health insurance premiums, for a maximum of five years, for the surviving spouse and dependent children of a law enforcement officer or fire fighter who was employed by the state and who dies, or has died, in the line of duty. The state is to pay these health insurance premiums only after any sick leave credits that may be used for the purchase of health insurance have been exhausted.

The substitute amendment further requires DOA to establish a loan program for surviving spouses of law enforcement officers and fire fighters who have died in the line of duty. The loan program must provide for the payment of a loan to a surviving spouse in an amount equal to the salary that would have been paid his or her deceased spouse had he or she not died in the line of duty. The loan must be disbursed to coincide with the pay period that applied to the deceased spouse, must be secured by the proceeds of any life insurance policy that covered the deceased spouse, and must come due when a surviving spouse receives the proceeds from the life insurance policy that covered his or her deceased spouse. No loan may be made for any period after the proceeds of a life insurance policy have been disbursed to the surviving spouse. To qualify for a loan, a surviving spouse must apply for the loan on a form prepared by DOA; provide all documentation required by DOA to verify that his or her spouse died in the line of duty; provide all documentation required by DOA to verify the salary of the deceased spouse; and enter into an agreement with DOA that any loan must be secured by the proceeds of a life insurance policy that covered his or her deceased spouse.

Under the substitute amendment, the amounts that DOA disburses for premiums, reimbursements, and loans for surviving spouses of law enforcement officers and fire fighters employed by a political subdivision are paid from the county

and municipal aid account (shared revenue), and the total amount of shared revenue payments is decreased by the amounts disbursed by DOA.

The substitute amendment first applies, retroactively, to a law enforcement officer or fire fighter who has died in the line of duty before the effective date of the substitute amendment, but only with respect to the payment of health insurance premiums that come due on or after the effective date of this substitute amendment.

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

1 **SECTION 1.** 16.14 of the statutes is created to read:

2 **16.14 Paying health insurance premiums, and establishing a loan**
3 **program, for dependents of law enforcement officers or fire fighters who**
4 **die in line of duty. (1)** In this section:

5 (a) "Dies in the line of duty" means a death that occurs, or occurred, as a direct
6 and proximate result of one or more of the following, sustained by a law enforcement
7 officer or fire fighter while he or she was engaged in a line of duty activity, or that
8 arose out of and as a result of such an individual's performance of a line of duty
9 activity:

- 10 1. A personal injury.
11 2. The contraction of an infectious disease.
12 3. Exposure to hazardous materials or conditions.

13 (ae) "Fire fighter" means any individual employed by the state, including forest
14 rangers, foresters, and pilots, whose principal duties include fire fighting or forest
15 fire control.

16 (b) "Law enforcement officer" means any person employed by the state for the
17 purpose of detecting and preventing crime and enforcing laws and who is authorized
18 to make arrests for violations of the laws that the person is employed to enforce or
19 any person who is a correctional officer, as defined in s. 301.28 (1).

1 (c) "Line of duty activity" means any employment-related action taken by a law
2 enforcement officer or fire fighter that is required or authorized by law, rule,
3 regulation, or condition of employment and for which compensation is provided by
4 his or her employer or would have been eligible to have been provided by the
5 employer if the law enforcement officer or fire fighter had been on duty when he or
6 she took the action in question.

7 (d) "Political subdivision" has the meaning given in s. 66.0137 (1) (c).

8 (2) (a) Except as provided in pars. (b) to (d), if a law enforcement officer or fire
9 fighter dies in the line of duty the department shall pay the premiums for hospital,
10 surgical, and other health insurance for the surviving spouse and dependent
11 children of the law enforcement officer or fire fighter. The department shall either
12 reimburse the surviving spouse and dependent children for the payment of the
13 premiums or shall pay the premiums directly to the department of employee trust
14 funds for health care coverage under subch. IV of ch. 40, whichever the department
15 considers appropriate. Premiums shall be paid from the appropriation under s.
16 20.505 (1) (cr).

17 (b) The department shall pay the premiums for the surviving spouse only until
18 the spouse remarries or reaches the age of 65, or for the first 5 years after the
19 deceased spouse dies in the line of duty, whichever occurs first.

20 (c) Except as provided in par. (e), the department shall pay the premiums for
21 a surviving dependent child only until he or she reaches the age of 18 unless any of
22 the following applies:

23 1. The individual is a full-time student in a secondary school.

1 2. The individual is a full-time or part-time student in an accredited college
2 or university, except that this subdivision does not apply to such an individual after
3 the close of the calendar year in which the individual reaches the age of ~~27~~ 26

4 (d) The department shall pay the premiums for the surviving spouse and
5 dependent children of the law enforcement officer or fire fighter only after the
6 exhaustion of any credits under ss. 40.05 (4) (b) and 40.95 (1).

7 (e) Notwithstanding the provisions of par. (c), the department may not pay the
8 premiums for a surviving dependent child for more than 5 years after his or her
9 parent dies in the line of duty.

10 (3) The department shall reimburse any political subdivision for health
11 insurance premiums paid by the political subdivision under s. 66.0137 (5) (c) 1. and
12 1m., provided the political subdivision submits the form and certification under s.
13 66.0137 (5) (c) 4. The reimbursement shall be paid from the appropriation under s.
14 20.835 (1) (db).

15 (4) The department shall establish a loan program for surviving spouses of law
16 enforcement officers or fire fighters who have died in the line of duty and for
17 surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. The loan program shall
18 provide for the payment of a loan to a surviving spouse in an amount equal to the
19 salary that would have been paid his or her deceased spouse had he or she not died
20 in the line of duty. The loan shall be disbursed to coincide with the pay period that
21 applied to the deceased spouse and shall be secured by the proceeds of any life
22 insurance policy that covered the deceased spouse. Loans made for surviving
23 spouses of law enforcement officers or fire fighters shall be paid from the
24 appropriation under s. 20.505 (1) (cr), and loans made for surviving spouses
25 identified in s. 66.0137 (5) (c) 1. or 1m. shall be paid from the appropriation under

1 s. 20.835 (1) (db). The repayment of loans shall be credited to the general fund as
2 general purpose revenue-earned. A loan shall come due when a surviving spouse
3 receives the proceeds from the life insurance policy that covered his or her deceased
4 spouse. No loan shall be made for any period after the proceeds of a life insurance
5 policy have been disbursed to the surviving spouse. To qualify for a loan under this
6 subsection, a surviving spouse shall do all of the following:

7 (a) Apply for the loan on a form prepared by the department.

8 (b) Provide all documentation required by the department to verify that his or
9 her spouse was a law enforcement officer or fire fighter who died in the line of duty
10 or was an individual identified in s. 66.0137 (5) (c) 1. or 1m.

11 (c) Provide all documentation required by the department to verify the salary
12 of the deceased spouse.

13 (d) Enter into an agreement with the department that any loan made under
14 this subsection shall be secured by the proceeds of a life insurance policy that covered
15 his or her deceased spouse.

16 **SECTION 2.** 20.505 (1) (cr) of the statutes is created to read:

17 *20.505 (1) (cr) Payment of health insurance premiums and loans for law*
18 *enforcement officers or fire fighters who die in line of duty.* A sum sufficient to pay
19 the premiums and reimbursements and make loans for surviving spouses of law
20 enforcement officers or fire fighters under s. 16.14.

21 **SECTION 3.** 20.835 (1) (db) of the statutes, as affected by 2011 Wisconsin Act 32,
22 section 770f, is amended to read:

23 *20.835 (1) (db) County and municipal aid account.* A sum sufficient to make
24 payments to counties, towns, villages, and cities under s. 79.035, less the amount
25 paid from the appropriations under pars. (q) and (r), and to pay the premiums and

1 reimbursements and make loans under s. 16.14 for surviving spouses identified in
2 s. 66.0137 (5) (c) 1. or 1m.

3 **SECTION 4.** 20.835 (1) (db) of the statutes, as affected by 2011 Wisconsin Act 32,
4 section 770g, and 2011 Wisconsin Act ... (this act), is repealed and recreated to read:

5 20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make
6 payments to counties, towns, villages, and cities under s. 79.035, less the amount
7 paid from the appropriation under par. (r), and to pay the premiums and
8 reimbursements and make loans under s. 16.14 for surviving spouses identified in
9 s. 66.0137 (5) (c) 1. or 1m.

10 **SECTION 5.** 66.0137 (1) (ae) of the statutes is renumbered 66.0137 (1) (as) and
11 amended to read:

12 66.0137 (1) (as) "Local governmental unit" means a ~~municipality, county~~
13 political subdivision, school district (as enumerated in s. 67.01 (5)), sewerage district,
14 drainage district, and, without limitation because of enumeration, any other political
15 subdivision of the state.

16 **SECTION 6.** 66.0137 (1) (af) of the statutes is created to read:

17 66.0137 (1) (af) "Dies in the line of duty" means a death that occurs, or occurred,
18 as a direct and proximate result of one or more of the following, sustained by a law
19 enforcement officer or fire fighter while he or she was engaged in a line of duty
20 activity or that arose out of and as a result of such an individual's performance of a
21 line of duty activity:

- 22 1. A personal injury.
- 23 2. The contraction of an infectious disease.
- 24 3. Exposure to hazardous materials or conditions.

25 **SECTION 7.** 66.0137 (1) (am) of the statutes is created to read:

1 66.0137 (1) (am) "Law enforcement officer" means all of the following:

2 1. Any person employed by a political subdivision for the purpose of detecting
3 and preventing crime and enforcing laws or ordinances and who is authorized to
4 make arrests for violations of the laws or ordinances that the person is employed to
5 enforce.

6 2. Any jailer who, under the direction of a sheriff under s. 59.27 (1), keeps
7 persons in a county jail.

8 **SECTION 8.** 66.0137 (1) (ap) of the statutes is created to read:

9 66.0137 (1) (ap) "Line of duty activity" means any employment-related action
10 taken by a law enforcement officer or fire fighter that is required or authorized by
11 law, rule, regulation, or condition of employment and for which compensation is
12 provided by his or her employing agency or would have been eligible to have been
13 provided by the employing agency if the law enforcement officer or fire fighter had
14 been on duty when he or she took the action in question.

15 **SECTION 9.** 66.0137 (1) (c) of the statutes is created to read:

16 66.0137 (1) (c) "Political subdivision" means any municipality or county.

17 **SECTION 10.** 66.0137 (3) of the statutes is amended to read:

18 66.0137 (3) **HEALTH INSURANCE FOR UNEMPLOYED PERSONS.** Any ~~municipality or~~
19 ~~county~~ political subdivision may purchase health or dental insurance for
20 unemployed persons residing in the municipality or county who are not eligible for
21 medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) or (b).

22 **SECTION 11.** 66.0137 (4m) (a) of the statutes is repealed.

23 **SECTION 12.** 66.0137 (5) (c) 1. of the statutes is amended to read:

24 66.0137 (5) (c) 1. Except as provided in subds. 2. ~~and~~, 3., 4., and 5., if a
25 municipality provides for the payment of premiums for hospital, surgical, and other

1 health insurance for its fire fighters, it shall continue to pay such premiums for the
2 surviving spouse and dependent children of ~~a~~ the fire fighter who dies in the line
3 of duty.

4 SECTION 13. 66.0137 (5) (c) 1m. of the statutes is created to read:

5 66.0137 (5) (c) 1m. Except as provided in subds. 2., 3., 4., and 5., if a political
6 subdivision provides for the payment of premiums for hospital, surgical, and other
7 health insurance for its law enforcement officers, it shall continue to pay such
8 premiums for the surviving spouse and dependent children of the law enforcement
9 officer who dies while in the line of duty.

10 SECTION 14. 66.0137 (5) (c) 2. of the statutes is amended to read:

11 66.0137 (5) (c) 2. A ~~municipality~~ political subdivision may not be required to
12 pay the premiums described in subd. 1. or 1m. for a surviving spouse upon the
13 remarriage of the surviving spouse or upon the surviving spouse reaching the age of
14 65.

15 SECTION 15. 66.0137 (5) (c) 3. (intro.) of the statutes is amended to read:

16 66.0137 (5) (c) 3. (intro.) An individual is not a dependent child for the purposes
17 of subd. 1. or 1m. after the individual reaches the age of 18 unless one of the following
18 applies:

INS
9-16

19 SECTION 16. 66.0137 (5) (c) 4. of the statutes is created to read:

20 66.0137 (5) (c) 4. A political subdivision may seek reimbursement from the
21 department of administration under s. 16.14 (3) for the payment of any premiums
22 described in subd. 1. or 1m. that were paid by the political subdivision and that were
23 not otherwise required to be paid under an employment-related benefit provided to
24 the fire fighter or law enforcement officer if the political subdivision provides the
25 department of administration with written certification that the individual on whose

1 behalf the premiums are being paid died in the line of duty. The political subdivision
2 shall seek reimbursement from the department of administration, using a form
3 provided by the department of administration that specifies the premium amounts
4 paid by the political subdivision and the names, ages, and marital status of the
5 individuals for whom the premiums were paid. The political subdivision shall also
6 certify that the premiums could not be paid under a different employment-related
7 benefit that was provided to the fire fighter or law enforcement officer.

8 **SECTION 17.** 66.0137 (5) (c) 5. of the statutes is created to read:

9 66.0137 (5) (c) 5. Notwithstanding the provisions of subd. 1., 1m., 2., or 3., a
10 political subdivision may not pay the premiums for a surviving spouse or dependent
11 child for more than 5 years after the deceased spouse or parent dies in the line of duty.

12 **SECTION 18.** 79.01 (2d) of the statutes, as affected by 2011 Wisconsin Act 32,
13 is amended to read:

14 79.01 (2d) There is established an account in the general fund entitled the
15 "County and Municipal Aid Account." The total amount to be distributed in 2011 to
16 counties and municipalities from the county and municipal aid account is
17 \$824,825,715, less the amounts paid under s. 16.14, and the total amount to be
18 distributed to counties and municipalities in 2012, and in each year thereafter, from
19 the county and municipal aid account is \$748,075,715, less the amounts paid under
20 s. 16.14.

21 **SECTION 19.** 79.035 (3) of the statutes, as affected by 2011 Wisconsin Act 32,
22 is amended to read:

23 79.035 (3) ~~For~~ Except as provided in sub. (6), for the distribution in 2011, each
24 county and municipality shall receive a payment under this section that is equal to

1 the amount of the payment determined for the county or municipality under s. 79.02
2 (4), 2009 stats., in 2010.

3 **SECTION 20.** 79.035 (4) (a) of the statutes, as created by 2011 Wisconsin Act 32,
4 is amended to read:

5 79.035 (4) (a) ~~For~~ Except as provided in sub. (6), for the distribution in 2012,
6 the total amount of the payments to all municipalities under this section shall be
7 reduced by \$47,663,400 and the total amount of the payments to all counties under
8 this section shall be reduced by \$29,086,600.

9 **SECTION 21.** 79.035 (5) of the statutes, as created by 2011 Wisconsin Act 32, is
10 amended to read:

11 79.035 (5) ~~For~~ Except as provided in sub. (6), for the distribution in 2013 and
12 subsequent years, each county and municipality shall receive a payment under this
13 section that is equal to the amount of the payment determined for the county or
14 municipality under this section for 2012.

15 **SECTION 22.** 79.035 (6) of the statutes is created to read:

16 79.035 (6) For the distribution in 2011 and subsequent years, each county and
17 municipality's payment under this section shall be reduced, in proportion to the
18 county's or municipality's share of total payments under this section, to reflect the
19 reduction in the county and municipal aid account as a result of payments made
20 under s. 16.14 for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m.

21 **SECTION 23. Initial applicability.**

22 (1) This act first applies, retroactively, to a law enforcement officer or fire
23 fighter who has died in the line of duty before the effective date of this subsection,
24 but only with respect to the payment of health insurance premiums that come due
25 on or after the effective date of this subsection.

INS 9-18

Section #. 66.0137 (5) (c) 3. b. of the statutes is amended to read:

66.0137 (5) (c) 3. b. The individual is a full-time or part-time student in an accredited college or university, except that this subd. 3. b. does not apply to such an individual after the close of the calendar year in which the individual reaches the age of ~~27~~ 26

History: 1999 a. 9, 115; 1999 a. 150 ss. 34, 303 to 306; Stats. 1999 s. 66.0137; 1999 a. 186 s. 63; 2001 a. 16, 30; 2005 a. 194; 2005 a. 443 s. 265; 2007 a. 20, 36; 2009 a. 14, 28, 146, 180, 218, 276, 285; s. 13.92 (2) (i).

Shovers, Marc

From: Pulda, Matt
Sent: Tuesday, February 07, 2012 1:31 PM
To: Shovers, Marc
Cc: Kelly, Scott
Subject: LRBs0277/2 (ASA to SB 18)

Hi, Marc,

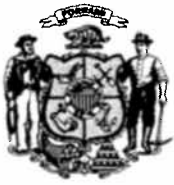
I have shared the amendment draft with Scott in Senator Wanggaard's office, and I also had Fiscal Bureau prepare a memo on the fiscal impact of LRBs0277/2, which I have also shared with the Wanggaard office.

After further discussing the amendment with Scott, he and I agreed that it would be best if the draft is revised so that it does not include a five-year cap on premiums for the survivors of *local firefighters*, either currently or in the future. Everything else in the /2 would stay the same, including the proposed funding mechanism for covered local employees and the five-year cap for state firefighters.

Please let me know if you have any questions.

Thanks!

Matt Pulda
Research Assistant/Committee Clerk
Office of State Rep. Dick Spanbauer
Assembly Committee on Veterans and Military Affairs
(608) 267-7990



State of Wisconsin
2011 - 2012 LEGISLATURE



LRBs0277/2

MES/RAC/JK:wlj:rs

TO DAY
per requester

stays (circled) *stays* (circled)

3 RMR

ASSEMBLY SUBSTITUTE AMENDMENT,
TO 2011 SENATE BILL 18

WANTED:
SOON-
AN 2/7

repeal

1 **AN ACT to repeal** 66.0137 (4m) (a); **to renumber and amend** 66.0137 (1) (ae);
2 **to amend** 20.835 (1) (db), 66.0137 (3), 66.0137 (5) (c) 1., 66.0137 (5) (c) 2.,
3 66.0137 (5) (c) 3. (intro.), 66.0137 (5) (c) 3. b., 79.01 (2d), 79.035 (3), 79.035 (4)
4 (a) and 79.035 (5); **to repeal and recreate** 20.835 (1) (db); and **to create** 16.14,
5 20.505 (1) (cr), 66.0137 (1) (af), 66.0137 (1) (am), 66.0137 (1) (ap), 66.0137 (1)
6 (c), 66.0137 (5) (c) 1m., 66.0137 (5) (c) 4., 66.0137 (5) (c) 5. and 79.035 (6) of the
7 statutes; **relating to:** requiring the payment of health insurance premiums,
8 and establishing a loan program, for survivors of a law enforcement officer or
9 fire fighter who dies, or has died, in the line of duty and making appropriations.

Analysis by the Legislative Reference Bureau

Subject to a number of limitations, current law requires a city, village, or town (municipality) that pays health insurance premiums for its employees who are fire fighters to pay such premiums for the surviving spouse and dependent children of a fire fighter who dies, or has died, in the line of duty. This general current law requirement does not apply to a surviving spouse who remarries or reaches the age

of 65, or to a dependent child who reaches the age of 18 and is not a full-time high school student. Current law does require premium payments to be made for a dependent child who is a full-time or part-time student in an accredited college or university until the close of the calendar year in which the individual reaches the age of 26.

The substitute amendment does not require such premium payments to be made after such an individual reaches the age of 26.

The ~~This~~ substitute amendment requires a municipality or county (political subdivision) that pays health insurance premiums for its employees who are law enforcement officers to pay such premiums, for a maximum of five years, for the surviving spouse and dependent children of a law enforcement officer who dies, or has died, in the line of duty. The substitute amendment ~~applies~~ *does not, however, apply* the five-year maximum time for premium payments to the surviving spouse and dependent children of a fire fighter who falls in the line of duty. In addition, the substitute amendment requires the state to reimburse political subdivisions for premiums paid to cover the surviving spouses and dependents of fallen fire fighters and law enforcement officers that were paid by the political subdivisions and that were not otherwise required to be paid under an employment-related benefit provided to the fire fighter or law enforcement officer. The substitute amendment establishes a process whereby political subdivisions may seek reimbursement of the payment of premiums from the Department of Administration (DOA).

No ff = this

local government

The substitute amendment also requires the state to pay health insurance premiums, for a maximum of five years, for the surviving spouse and dependent children of a law enforcement officer or fire fighter who was employed by the state and who dies, or has died, in the line of duty. The state is to pay these health insurance premiums only after any sick leave credits that may be used for the purchase of health insurance have been exhausted.

The substitute amendment further requires DOA to establish a loan program for surviving spouses of law enforcement officers and fire fighters who have died in the line of duty. The loan program must provide for the payment of a loan to a surviving spouse in an amount equal to the salary that would have been paid his or her deceased spouse had he or she not died in the line of duty. The loan must be disbursed to coincide with the pay period that applied to the deceased spouse, must be secured by the proceeds of any life insurance policy that covered the deceased spouse, and must come due when a surviving spouse receives the proceeds from the life insurance policy that covered his or her deceased spouse. No loan may be made for any period after the proceeds of a life insurance policy have been disbursed to the surviving spouse. To qualify for a loan, a surviving spouse must apply for the loan on a form prepared by DOA; provide all documentation required by DOA to verify that his or her spouse died in the line of duty; provide all documentation required by DOA to verify the salary of the deceased spouse; and enter into an agreement with DOA that any loan must be secured by the proceeds of a life insurance policy that covered his or her deceased spouse.

Under the substitute amendment, the amounts that DOA disburses for premiums, reimbursements, and loans for surviving spouses of law enforcement officers and fire fighters employed by a political subdivision are paid from the county

and municipal aid account (shared revenue), and the total amount of shared revenue payments is decreased by the amounts disbursed by DOA.

The substitute amendment first applies, retroactively, to a law enforcement officer or fire fighter who has died in the line of duty before the effective date of the substitute amendment, but only with respect to the payment of health insurance premiums that come due on or after the effective date of this substitute amendment.

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

1 **SECTION 1.** 16.14 of the statutes is created to read:

2 **16.14 Paying health insurance premiums, and establishing a loan**
3 **program, for dependents of law enforcement officers or fire fighters who**
4 **die in line of duty.** (1) In this section:

5 (a) "Dies in the line of duty" means a death that occurs, or occurred, as a direct
6 and proximate result of one or more of the following, sustained by a law enforcement
7 officer or fire fighter while he or she was engaged in a line of duty activity, or that
8 arose out of and as a result of such an individual's performance of a line of duty
9 activity:

- 10 1. A personal injury.
11 2. The contraction of an infectious disease.
12 3. Exposure to hazardous materials or conditions.

13 (ae) "Fire fighter" means any individual employed by the state, including forest
14 rangers, foresters, and pilots, whose principal duties include fire fighting or forest
15 fire control.

16 (b) "Law enforcement officer" means any person employed by the state for the
17 purpose of detecting and preventing crime and enforcing laws and who is authorized
18 to make arrests for violations of the laws that the person is employed to enforce or
19 any person who is a correctional officer, as defined in s. 301.28 (1).

1 (c) "Line of duty activity" means any employment-related action taken by a law
2 enforcement officer or fire fighter that is required or authorized by law, rule,
3 regulation, or condition of employment and for which compensation is provided by
4 his or her employer or would have been eligible to have been provided by the
5 employer if the law enforcement officer or fire fighter had been on duty when he or
6 she took the action in question.

7 (d) "Political subdivision" has the meaning given in s. 66.0137 (1) (c).

8 (2) (a) Except as provided in pars. (b) to (d), if a law enforcement officer or fire
9 fighter dies in the line of duty the department shall pay the premiums for hospital,
10 surgical, and other health insurance for the surviving spouse and dependent
11 children of the law enforcement officer or fire fighter. The department shall either
12 reimburse the surviving spouse and dependent children for the payment of the
13 premiums or shall pay the premiums directly to the department of employee trust
14 funds for health care coverage under subch. IV of ch. 40, whichever the department
15 considers appropriate. Premiums shall be paid from the appropriation under s.
16 20.505 (1) (cr).

17 (b) The department shall pay the premiums for the surviving spouse only until
18 the spouse remarries or reaches the age of 65, or for the first 5 years after the
19 deceased spouse dies in the line of duty, whichever occurs first.

20 (c) Except as provided in par. (e), the department shall pay the premiums for
21 a surviving dependent child only until he or she reaches the age of 18 unless any of
22 the following applies:

23 1. The individual is a full-time student in a secondary school.

1 2. The individual is a full-time or part-time student in an accredited college
2 or university, except that this subdivision does not apply to such an individual after
3 the ~~close of the calendar year in which the~~ individual reaches the age of 26.

4 (d) The department shall pay the premiums for the surviving spouse and
5 dependent children of the law enforcement officer or fire fighter only after the
6 exhaustion of any credits under ss. 40.05 (4) (b) and 40.95 (1).

7 (e) Notwithstanding the provisions of par. (c), the department may not pay the
8 premiums for a surviving dependent child for more than 5 years after his or her
9 parent dies in the line of duty.

10 **(3)** The department shall reimburse any political subdivision for health
11 insurance premiums paid by the political subdivision under s. 66.0137 (5) (c) 1. and
12 1m., provided the political subdivision submits the form and certification under s.
13 66.0137 (5) (c) 4. The reimbursement shall be paid from the appropriation under s.
14 20.835 (1) (db).

15 **(4)** The department shall establish a loan program for surviving spouses of law
16 enforcement officers or fire fighters who have died in the line of duty and for
17 surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. The loan program shall
18 provide for the payment of a loan to a surviving spouse in an amount equal to the
19 salary that would have been paid his or her deceased spouse had he or she not died
20 in the line of duty. The loan shall be disbursed to coincide with the pay period that
21 applied to the deceased spouse and shall be secured by the proceeds of any life
22 insurance policy that covered the deceased spouse. Loans made for surviving
23 spouses of law enforcement officers or fire fighters shall be paid from the
24 appropriation under s. 20.505 (1) (cr), and loans made for surviving spouses
25 identified in s. 66.0137 (5) (c) 1. or 1m. shall be paid from the appropriation under

1 s. 20.835 (1) (db). The repayment of loans shall be credited to the general fund as
2 general purpose revenue-earned. A loan shall come due when a surviving spouse
3 receives the proceeds from the life insurance policy that covered his or her deceased
4 spouse. No loan shall be made for any period after the proceeds of a life insurance
5 policy have been disbursed to the surviving spouse. To qualify for a loan under this
6 subsection, a surviving spouse shall do all of the following:

7 (a) Apply for the loan on a form prepared by the department.

8 (b) Provide all documentation required by the department to verify that his or
9 her spouse was a law enforcement officer or fire fighter who died in the line of duty
10 or was an individual identified in s. 66.0137 (5) (c) 1. or 1m.

11 (c) Provide all documentation required by the department to verify the salary
12 of the deceased spouse.

13 (d) Enter into an agreement with the department that any loan made under
14 this subsection shall be secured by the proceeds of a life insurance policy that covered
15 his or her deceased spouse.

16 **SECTION 2.** 20.505 (1) (cr) of the statutes is created to read:

17 20.505 (1) (cr) *Payment of health insurance premiums and loans for law*
18 *enforcement officers or fire fighters who die in line of duty.* A sum sufficient to pay
19 the premiums and reimbursements and make loans for surviving spouses of law
20 enforcement officers or fire fighters under s. 16.14.

21 **SECTION 3.** 20.835 (1) (db) of the statutes, as affected by 2011 Wisconsin Act 32,
22 section 770f, is amended to read:

23 20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make
24 payments to counties, towns, villages, and cities under s. 79.035, less the amount
25 paid from the appropriations under pars. (q) and (r), and to pay the premiums and

1 reimbursements and make loans under s. 16.14 for surviving spouses identified in
2 s. 66.0137 (5) (c) 1. or 1m.

3 **SECTION 4.** 20.835 (1) (db) of the statutes, as affected by 2011 Wisconsin Act 32,
4 section 770g, and 2011 Wisconsin Act ... (this act), is repealed and recreated to read:

5 20.835 (1) (db) *County and municipal aid account.* A sum sufficient to make
6 payments to counties, towns, villages, and cities under s. 79.035, less the amount
7 paid from the appropriation under par. (r), and to pay the premiums and
8 reimbursements and make loans under s. 16.14 for surviving spouses identified in
9 s. 66.0137 (5) (c) 1. or 1m.

10 **SECTION 5.** 66.0137 (1) (ae) of the statutes is renumbered 66.0137 (1) (as) and
11 amended to read:

12 66.0137 (1) (as) "Local governmental unit" means a ~~municipality, county~~
13 political subdivision, school district (as enumerated in s. 67.01 (5)), sewerage district,
14 drainage district, and, without limitation because of enumeration, any other political
15 subdivision of the state.

16 **SECTION 6.** 66.0137 (1) (af) of the statutes is created to read:

17 66.0137 (1) (af) "Dies in the line of duty" means a death that occurs, or occurred,
18 as a direct and proximate result of one or more of the following, sustained by a law
19 enforcement officer or fire fighter while he or she was engaged in a line of duty
20 activity or that arose out of and as a result of such an individual's performance of a
21 line of duty activity:

- 22 1. A personal injury.
- 23 2. The contraction of an infectious disease.
- 24 3. Exposure to hazardous materials or conditions.

25 **SECTION 7.** 66.0137 (1) (am) of the statutes is created to read:

1 66.0137 (1) (am) "Law enforcement officer" means all of the following:

2 1. Any person employed by a political subdivision for the purpose of detecting
3 and preventing crime and enforcing laws or ordinances and who is authorized to
4 make arrests for violations of the laws or ordinances that the person is employed to
5 enforce.

6 2. Any jailer who, under the direction of a sheriff under s. 59.27 (1), keeps
7 persons in a county jail.

8 **SECTION 8.** 66.0137 (1) (ap) of the statutes is created to read:

9 66.0137 (1) (ap) "Line of duty activity" means any employment-related action
10 taken by a law enforcement officer or fire fighter that is required or authorized by
11 law, rule, regulation, or condition of employment and for which compensation is
12 provided by his or her employing agency or would have been eligible to have been
13 provided by the employing agency if the law enforcement officer or fire fighter had
14 been on duty when he or she took the action in question.

15 **SECTION 9.** 66.0137 (1) (c) of the statutes is created to read:


16 66.0137 (1) (c) "Political subdivision" means any municipality or county.

17 **SECTION 10.** 66.0137 (3) of the statutes is amended to read:

18 66.0137 (3) HEALTH INSURANCE FOR UNEMPLOYED PERSONS. Any ~~municipality or~~
19 ~~county~~ political subdivision may purchase health or dental insurance for
20 unemployed persons residing in the municipality or county who are not eligible for
21 medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) or (b).

22 **SECTION 11.** 66.0137 (4m) (a) of the statutes is repealed.

23 **SECTION 12.** 66.0137 (5) (c) 1. of the statutes is amended to read:

24 66.0137 (5) (c) 1. Except as provided in subs. 2. and 3., ^{and 4.} 4. and 5. if a 
25 municipality provides for the payment of premiums for hospital, surgical, and other

1 health insurance for its fire fighters, it shall continue to pay such premiums for the
2 surviving spouse and dependent children of ~~a~~ the fire fighter who dies in the line
3 of duty.

4 **SECTION 13.** 66.0137 (5) (c) 1m. of the statutes is created to read:

5 66.0137 (5) (c) 1m. Except as provided in subds. 2., 3., 4., and 5., if a political
6 subdivision provides for the payment of premiums for hospital, surgical, and other
7 health insurance for its law enforcement officers, it shall continue to pay such
8 premiums for the surviving spouse and dependent children of the law enforcement
9 officer who dies while in the line of duty.

10 **SECTION 14.** 66.0137 (5) (c) 2. of the statutes is amended to read:

11 66.0137 (5) (c) 2. A ~~municipality~~ political subdivision may not be required to
12 pay the premiums described in subd. 1. or 1m. for a surviving spouse upon the
13 remarriage of the surviving spouse or upon the surviving spouse reaching the age of
14 65.

15 **SECTION 15.** 66.0137 (5) (c) 3. (intro.) of the statutes is amended to read:

16 66.0137 (5) (c) 3. (intro.) An individual is not a dependent child for the purposes
17 of subd. 1. or 1m. after the individual reaches the age of 18 unless one of the following
18 applies:

19 **SECTION 16.** 66.0137 (5) (c) 3. b. of the statutes is amended to read:

20 66.0137 (5) (c) 3. b. The individual is a full-time or part-time student in an
21 accredited college or university, except that this subd. 3. b. does not apply to such an
22 individual after the ~~close of the calendar year in which the~~ individual reaches the age
23 of ~~27~~ 26.

24 **SECTION 17.** 66.0137 (5) (c) 4. of the statutes is created to read:

1 66.0137 (5) (c) 4. A political subdivision may seek reimbursement from the
2 department of administration under s. 16.14 (3) for the payment of any premiums
3 described in subd. 1. or 1m. that were paid by the political subdivision and that were
4 not otherwise required to be paid under an employment-related benefit provided to
5 the fire fighter or law enforcement officer if the political subdivision provides the
6 department of administration with written certification that the individual on whose
7 behalf the premiums are being paid died in the line of duty. The political subdivision
8 shall seek reimbursement from the department of administration, using a form
9 provided by the department of administration that specifies the premium amounts
10 paid by the political subdivision and the names, ages, and marital status of the
11 individuals for whom the premiums were paid. The political subdivision shall also
12 certify that the premiums could not be paid under a different employment-related
13 benefit that was provided to the fire fighter or law enforcement officer.

14 **SECTION 18.** 66.0137 (5) (c) 5. of the statutes is created to read:

15 66.0137 (5) (c) 5. Notwithstanding the provisions of subd. 1., 1m., 2., or 3., a
16 political subdivision may not pay the premiums for a surviving spouse or dependent
17 child for more than 5 years after the deceased spouse or parent *who was a law enforcement officer,*
18 *dies in the line of duty.*

18 **SECTION 19.** 79.01 (2d) of the statutes, as affected by 2011 Wisconsin Act 32,
19 is amended to read:

20 79.01 (2d) There is established an account in the general fund entitled the
21 "County and Municipal Aid Account." The total amount to be distributed in 2011 to
22 counties and municipalities from the county and municipal aid account is
23 \$824,825,715, less the amounts paid under s. 16.14, and the total amount to be
24 distributed to counties and municipalities in 2012, and in each year thereafter, from

1 the county and municipal aid account is \$748,075,715, less the amounts paid under
2 s. 16.14.

3 **SECTION 20.** 79.035 (3) of the statutes, as affected by 2011 Wisconsin Act 32,
4 is amended to read:

5 79.035 (3) ~~For~~ Except as provided in sub. (6), for the distribution in 2011, each
6 county and municipality shall receive a payment under this section that is equal to
7 the amount of the payment determined for the county or municipality under s. 79.02
8 (4), 2009 stats., in 2010.

9 **SECTION 21.** 79.035 (4) (a) of the statutes, as created by 2011 Wisconsin Act 32,
10 is amended to read:

11 79.035 (4) (a) ~~For~~ Except as provided in sub. (6), for the distribution in 2012,
12 the total amount of the payments to all municipalities under this section shall be
13 reduced by \$47,663,400 and the total amount of the payments to all counties under
14 this section shall be reduced by \$29,086,600.

15 **SECTION 22.** 79.035 (5) of the statutes, as created by 2011 Wisconsin Act 32, is
16 amended to read:

17 79.035 (5) ~~For~~ Except as provided in sub. (6), for the distribution in 2013 and
18 subsequent years, each county and municipality shall receive a payment under this
19 section that is equal to the amount of the payment determined for the county or
20 municipality under this section for 2012.

21 **SECTION 23.** 79.035 (6) of the statutes is created to read:

22 79.035 (6) For the distribution in 2011 and subsequent years, each county and
23 municipality's payment under this section shall be reduced, in proportion to the
24 county's or municipality's share of total payments under this section, to reflect the

1 reduction in the county and municipal aid account as a result of payments made
2 under s. 16.14 for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m.

3 **SECTION 24. Initial applicability.**

4 (1) This act first applies, retroactively, to a law enforcement officer or fire
5 fighter who has died in the line of duty before the effective date of this subsection,
6 but only with respect to the payment of health insurance premiums that come due
7 on or after the effective date of this subsection.

8 **SECTION 25. Effective date.**

9 (1) The repeal and recreation of section 20.835 (1) (db) of the statutes takes
10 effect on December 31, 2012.

11 (END)