



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Senate Bill 48

**Senate Substitute
Amendment 1**

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Senate Bill 48 provides that if a city, village, town, county, technical college district, or school district provides any post-retirement health care benefits, including compensated absences but excluding the implicit rate subsidy, to any employee hired on or after January 1, 2014, the local government must ensure that the cost of those benefits is fully funded in a segregated account on an actuarial basis or other method that complies with generally accepted accounting principles.

Senate Substitute Amendment 1 does all of the following:

- Changes the bill to apply to any employee hired on or after January 1, 2015.
- Specifies that the cost of the post-retirement health care benefits be fully funded in a segregated account based on an actuarial study conducted at least once every four years or other method that complies with generally accepted accounting principles.
- Creates a new provision which specifies that if the local governmental unit dissolves a segregated account or any portion of a segregated account created under the bill that the local government unit must provide for the equitable distribution of the proceeds among the employees who are beneficiaries of the benefits funded from the dissolved account.

Bill History

Senate Substitute Amendment 1 was offered by Senator Vukmir on April 2, 2013. On April 23, 2013, the Senate Committee on Economic Development and Local Government recommended adoption of Senate Substitute Amendment 1 on a vote of Ayes, 5; Noes, 0; and recommended passage of the bill, as amended, on a vote of Ayes, 3; Noes, 2.

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