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# State of Misconsin 2015 - 2016 LEGISLATURE

LRB-2424/1 MES/RAC/JK:jld

# **2015 SENATE BILL 192**

June 2, 2015 – Introduced by Senators Wanggaard, Bewley, Carpenter, Lasee, Lassa, Gudex, Hansen, Marklein, Ringhand, Vinehout, Wirch and Olsen, cosponsored by Representatives Danou, Kulp, Kolste, Bernier, Vorpagel, Hesselbein, Meyers, Berceau, Subeck, Ohnstad, E. Brooks and Bowen. Referred to Committee on Elections and Local Government.

AN ACT to repeal 66.0137 (4m) (a); to renumber and amend 66.0137 (1) (ae); to amend 20.835 (1) (db), 59.23 (2) (s), 66.0137 (3), 66.0137 (5) (c) 1., 66.0137 (5) (c) 2., 79.01 (2d) and 79.035 (5); to repeal and recreate 66.0137 (5) (c) 3.; and to create 16.14, 20.505 (1) (cr), 66.0137 (1) (af), 66.0137 (1) (ag), 66.0137 (1) (am), 66.0137 (1) (ap), 66.0137 (1) (c), 66.0137 (5) (c) 1m., 66.0137 (5) (c) 4. and 79.035 (6) of the statutes; relating to: requiring the payment of health insurance premiums, and establishing a loan program, for survivors of a law enforcement officer, emergency medical technician, or fire fighter who dies, or has died, in the line of duty and making appropriations.

# Analysis by the Legislative Reference Bureau

The bill requires a municipality or county (political subdivision) that pays health insurance premiums for its employees who are law enforcement officers or emergency medical technicians (EMTs) to pay such premiums for the surviving spouse and certain children of a law enforcement officer or EMT who dies, or has died, in the line of duty.

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. This bill does not require such premium payments to be made after such an individual reaches the age of 26.

In addition to the new requirements to pay such premiums for law enforcement officers and EMT personnel, and surviving spouses and certain children who have not reached the age of 26, the bill requires the state to reimburse political subdivisions for premiums paid to cover the surviving spouses and children, until they reach the age of 26 or have insurance through their employer, of fallen fire fighters, law enforcement officers, and EMTs 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, law enforcement officer, or EMT. The bill establishes a process whereby political subdivisions may seek reimbursement of the payment of premiums from the Department of Administration (DOA). 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 bill 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 bill, the amounts that DOA disburses for premiums, reimbursements, and loans for surviving spouses of law enforcement officers, EMTs, 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 bill first applies, retroactively, to a law enforcement officer, EMT, or fire fighter who has died in the line of duty before the effective date of the bill, but only

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with respect to the payment of health insurance premiums that come due on or after the effective date of this bill.

For further information see the *state and local* 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:

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

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

- (a) "Dies in the line of duty" means a death that occurs, or occurred, as a direct and proximate result of one or more of the following, sustained by a law enforcement officer or fire fighter while he or she was engaged in a line of duty activity, or that arose out of and as a result of such an individual's performance of a line of duty activity:
  - 1. A personal injury.
    - 2. The contraction of an infectious disease.
- 12 3. Exposure to hazardous materials or conditions.
  - (ae) "Fire fighter" means any individual employed by the state, including forest rangers, foresters, and pilots, whose principal duties include fire fighting or forest fire control.
  - (b) "Law enforcement officer" means any person employed by the state for the purpose of detecting and preventing crime and enforcing laws and who is authorized to make arrests for violations of the laws that the person is employed to enforce or any person who is a correctional officer, as defined in s. 301.28 (1).

- (c) "Line of duty activity" means any employment-related action taken by a law enforcement officer or fire fighter that is required or authorized by law, rule, regulation, or condition of employment and for which compensation is provided by his or her employer or would have been eligible to have been provided by the employer if the law enforcement officer or fire fighter had been on duty when he or she took the action in question.
  - (d) "Political subdivision" has the meaning given in s. 66.0137 (1) (c).
- (2) (a) Except as provided in pars. (b) to (d), if a law enforcement officer or fire fighter 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 or fire fighter. 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).
- (b) The department shall pay the premiums for the surviving spouse only until the spouse remarries or reaches the age of 65, whichever occurs first.
- (c) The department shall pay the premiums for a surviving child only until he or she reaches the age of 26, unless the surviving child has insurance that is offered through his or her employer.
- (d) The department shall pay the premiums for the surviving spouse and children of the law enforcement officer or fire fighter only after the exhaustion of any credits under ss. 40.05 (4) (b) and 40.95 (1).

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- (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).
- (4) The department shall establish a loan program for surviving spouses of law enforcement officers or fire fighters who have died in the line of duty and for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. The loan program shall 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 shall be disbursed to coincide with the pay period that applied to the deceased spouse and shall be secured by the proceeds of any life insurance policy that covered the deceased spouse. Loans made for surviving spouses of law enforcement officers or fire fighters shall be paid from the appropriation under s. 20.505 (1) (cr), and loans made for surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. shall be paid from the appropriation under s. 20.835 (1) (db). The repayment of loans shall be credited to the general fund as general purpose revenue-earned. A loan shall come due when a surviving spouse receives the proceeds from the life insurance policy that covered his or her deceased spouse. No loan shall 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 under this subsection, a surviving spouse shall do all of the following:
  - (a) Apply for the loan on a form prepared by the department.

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

- (c) Provide all documentation required by the department to verify the salary of the deceased spouse.
- (d) Enter into an agreement with the department that any loan made under this subsection shall be secured by the proceeds of a life insurance policy that covered his or her deceased spouse.
  - **SECTION 2.** 20.505 (1) (cr) of the statutes is created to read:
- 20.505 (1) (cr) Payment of health insurance premiums and loans for law enforcement officers or fire fighters who die in line of duty. A sum sufficient to pay the premiums and reimbursements and make loans for surviving spouses of law enforcement officers or fire fighters under s. 16.14.
  - **SECTION 3.** 20.835 (1) (db) of the statutes is amended 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.
  - **SECTION 4.** 59.23 (2) (s) of the statutes is amended to read:
- 59.23 (2) (s) List of local officials. Annually, on the first Tuesday of June, transmit to the secretary of state a list showing the name, phone number, electronic mail address, and post–office address of local officials, including the chairperson, mayor, president, clerk, treasurer, council and board members, and assessor of each municipality, and of the elective or appointive officials of any other local

governmental unit, as defined in s. 66.0135 (1) (c), that is located wholly or partly
within the county. Such lists shall be placed on file for the information of the public.
The clerk, secretary, or other administrative officer of a local governmental unit, as
defined in s. 66.0137 (1) (ae) (as), shall provide the county clerk the information he
or she needs to complete the requirements of this paragraph.
<b>SECTION 5.</b> 66.0137 (1) (ae) of the statutes is renumbered 66.0137 (1) (as) and
amended to read:
66.0137 (1) (as) "Local governmental unit" means a municipality, county
political subdivision, school district (as enumerated in s. 67.01 (5)), sewerage district,
drainage district, and, without limitation because of enumeration, any other political
subdivision of the state.
<b>Section 6.</b> 66.0137 (1) (af) of the statutes is created to read:
66.0137 (1) (af) "Dies in the line of duty" means a death that occurs, or occurred,
as a direct and proximate result of one or more of the following, sustained by a law
enforcement officer, emergency medical technician, or fire fighter while he or she was
engaged in a line of duty activity or that arose out of and as a result of such an
individual's performance of a line of duty activity:
1. A personal injury.
2. The contraction of an infectious disease.
3. Exposure to hazardous materials or conditions.
<b>SECTION 7.</b> 66.0137 (1) (ag) of the statutes is created to read:
66.0137 (1) (ag) "Emergency medical technician" has the meaning given in s.
256.01 (5).
SECTION 8. 66.0137 (1) (am) of the statutes is created to read:

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

1. Any person employed by a political subdivision for the purpose of detecting								
and preventing crime and enforcing laws or ordinances and who is authorized to								
make arrests for violations of the laws or ordinances that the person is employed to								
enforce.								
2. Any jailer who, under the direction of a sheriff under s. 59.27 (1), keeps								
persons in a county jail.								
<b>SECTION 9.</b> 66.0137 (1) (ap) of the statutes is created to read:								
66.0137 (1) (ap) "Line of duty activity" means any employment-related action								
taken by a law enforcement officer, emergency medical technician, or fire fighter that								
is required or authorized by law, rule, regulation, or condition of employment and for								
which compensation is provided by his or her employing agency or would have been								
eligible to have been provided by the employing agency if the law enforcement officer,								
emergency medical technician, or fire fighter had been on duty when he or she took								
the action in question.								
SECTION 10. 66.0137 (1) (c) of the statutes is created to read:								
66.0137 (1) (c) "Political subdivision" means any municipality or county.								
<b>SECTION 11.</b> 66.0137 (3) of the statutes is amended to read:								
66.0137 (3) Health insurance for unemployed persons. Any municipality or								
county political subdivision may purchase health or dental insurance for								
unemployed persons residing in the municipality or county political subdivision who								
are not eligible for medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a).								
SECTION 12. 66.0137 (4m) (a) of the statutes is repealed.								

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

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

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

**SECTION 14.** 66.0137 (5) (c) 1m. of the statutes is created to read:

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

**SECTION 15.** 66.0137 (5) (c) 2. of the statutes is amended to read:

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

**SECTION 16.** 66.0137 (5) (c) 3. of the statutes is repealed and recreated to read: 66.0137 (5) (c) 3. An individual is not a dependent child for the purposes of subd. 1. or 1m. after the individual reaches the age of 26.

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

66.0137 (5) (c) 4. A political subdivision may seek reimbursement from the department of administration under s. 16.14 (3) for the payment of any premiums described in subd. 1. or 1m. that were paid by the political subdivision without regard to whether such payments were required to be paid under an employment–related benefit provided to the fire fighter, law enforcement officer, or emergency medical technician if the political subdivision provides the department of administration

with written certification that the individual on whose behalf the premiums are being paid died in the line of duty. The political subdivision shall seek reimbursement from the department of administration, using a form provided by the department of administration that specifies the premium amounts paid by the political subdivision and the names, ages, and marital status of the individuals for whom the premiums were paid. The political subdivision shall also certify that the premiums could not be paid under a different employment–related benefit that was provided to the fire fighter, law enforcement officer, or emergency medical technician.

**SECTION 18.** 79.01 (2d) of the statutes 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 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.

**Section 19.** 79.035 (5) of the statutes is amended to read:

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

**Section 20.** 79.035 (6) of the statutes is created to read:

79.035 (6) For the distribution in 2015 and subsequent years, each county and municipality's payment under this section shall be reduced, in proportion to the county's or municipality's share of total payments under this section, to reflect the

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reduction in the	e county and	municipal	aid accou	ınt as a	a result	of payments	made
under s. 16.14 f	or surviving	spouses ide	ntified in	s. 66.0	137 (5)	(c) 1. or 1m.	

## SECTION 21. Initial applicability.

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

8 (END)