

1989 Assembly Bill 522

Date of enactment: **April 27, 1990**

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1989 WISCONSIN ACT 355

AN ACT to repeal 40.05 (4) (bL); to amend 40.02 (25) (b) 10, 40.04 (10), 40.05 (4) (br) and 757.02 (5); and to repeal and recreate 40.02 (22) (f) of the statutes, relating to: allowing state employees, and certain local government employees, who are eligible for a disability annuity to avoid delay of the start of the annuity by converting accumulated unused sick leave to credits for the payment of health insurance premiums.

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

SECTION 1. 40.02 (22) (f) of the statutes is repealed and recreated to read:

40.02 (22) (f) Does not mean credits for payment of health insurance premiums converted from accumulated unused sick leave for a participating employee who qualifies for a disability benefit under s. 40.63 or 40.65, and who qualifies for the conversion of accumulated unused sick leave under s. 40.05 (4) (b) or as provided by a participating employer's compensation plan or contract.

SECTION 2. 40.02 (25) (b) 10. of the statutes is amended to read:

40.02 (25) (b) 10. Any participating employe who is an employe of this state and who qualifies for a duty disability benefit under s. 40.63 or 40.65; or

SECTION 3. 40.04 (10) of the statutes is amended to read:

40.04 (10) An accumulated sick leave conversion account shall be maintained within the fund, to which shall be credited all money received under s. 40.05 (4) (b), (bL) and (bm) for health insurance premiums, as dividends or premium credits arising from the operation of health insurance plans and from investment income on any reserves established in the fund for health insurance purposes for retired employes and their surviving dependents. Premium payments to health insurers authorized in s. 40.05 (4) (b), (bL) and (bm) shall be charged to this account. This subsection does not prohibit the direct pay-

ment of premiums to insurers when appropriate administrative procedures have been established for direct payments.

SECTION 4. 40.05 (4) (bL) of the statutes is repealed.

SECTION 5. 40.05 (4) (br) of the statutes is amended to read:

40.05 (4) (br) 1. Employers shall pay contributions that shall be sufficient to pay for the present value of the present and future benefits authorized under ~~pars. par.~~ (b) and (bL). Subject to subd. 2, the board shall annually determine the contribution rate upon certification by the actuary of the department. The contribution rates determined under this paragraph shall become effective on January 1 of the calendar year in which they are applicable and shall remain in effect during that year, except that in 1985 the contribution rates shall become effective on July 1 and shall remain in effect during the remainder of 1985.

2. Beginning in 1985, the initial contribution rate determined under subd. 1 may not exceed the employer's costs under ~~pars. par.~~ (b) and (bL) for the previous calendar year by more than 0.2% of covered payroll. Each subsequent contribution rate determined under subd. 1 may not exceed the employer's costs under this paragraph for the previous calendar year by more than 0.2% of covered payroll.

SECTION 6. 757.02 (5) of the statutes is amended to read:

757.02 (5) Except for retired judges appointed under s. 753.075, each supreme court justice, court of appeals

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judge and circuit court judge included under ch. 40 shall
accrue sick leave at the rate established under s. 230.35
(2) for the purpose of credits under s. 40.05 (4) (b) and

~~(bL)~~ and for premium payment determinations under s.
40.05 (4) and (5).
