



State of Wisconsin
2011 - 2012 LEGISLATURE



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MES&RAC:wlj:jf

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

October 26, 2011 – Offered by JOINT COMMITTEE ON FINANCE.

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

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.

This substitute amendment extends the current law requirement for continued health insurance premium payments to the surviving spouse and dependent children of a municipal or county law enforcement officer, including a county jailer, who dies, or has died, in the line of duty, subject to the same limitations that apply under current law.

The substitute amendment also requires the state to pay health insurance premiums for the surviving spouse and dependent children of a law enforcement officer, including a correctional officer, and a fire fighter, who was employed by the state and who dies, or has died, in the line of duty. The health care coverage must be provided under a plan offered by the Group Insurance Board. 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 local and state 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.

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:

1 (a) “Agency” has the meaning given in s. 16.417 (1) (a).

2 (ae) “Dies in the line of duty” means a death that occurs, or occurred, as a direct
3 and proximate result of one or more of the following, sustained by a law enforcement
4 officer or fire fighter while he or she was engaged in a line of duty activity, or that
5 arose out of and as a result of such an individual’s performance of a line of duty
6 activity:

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

10 (am) “Fire fighter” means any individual employed by the state, including
11 forest rangers, foresters, and pilots, whose principal duties include fire fighting or
12 forest fire control.

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

17 (c) “Line of duty activity” means any employment-related action taken by a law
18 enforcement officer or fire fighter that is required or authorized by law, rule,
19 regulation, or condition of employment and for which compensation is provided by
20 his or her employer or would have been eligible to have been provided by the
21 employer if the law enforcement officer or fire fighter had been on duty when he or
22 she took the action in question.

23 (d) “Political subdivision” has the meaning given in s. 66.0137 (1) (c).

24 **(2)** (a) Except as provided in pars. (b) to (d), if a law enforcement officer or fire
25 fighter dies in the line of duty the agency that employed the law enforcement officer

1 or fire fighter at the time of his or her death shall pay the premiums for hospital,
2 surgical, and other health insurance for the surviving spouse and dependent
3 children of the law enforcement officer or fire fighter. The agency shall pay the
4 premiums directly to the department of employee trust funds for health care
5 coverage under subch. IV of ch. 40. Health care coverage shall be provided through
6 a plan in the tier under s. 40.51 (6) under which health care coverage was provided
7 to the law enforcement officer or fire fighter at the time of his or her death. If a plan
8 is not available in that tier, the spouse or dependent children shall be provided health
9 care coverage in the available tier with the lowest premium cost.

10 (b) The agency shall pay the premiums for the surviving spouse only until the
11 spouse remarries or reaches the age of 65, whichever occurs first.

12 (c) The agency shall pay the premiums for a surviving dependent child only
13 until he or she reaches the age of 18 unless any of the following applies:

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

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

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

21 **(3)** The department shall establish a loan program for surviving spouses of law
22 enforcement officers or fire fighters who have died in the line of duty and for
23 surviving spouses identified in s. 66.0137 (5) (c) 1. or 1m. The loan program shall
24 provide for the payment of a loan to a surviving spouse in an amount equal to the
25 salary that would have been paid his or her deceased spouse had he or she not died

1 in the line of duty. The loan shall be disbursed to coincide with the pay period that
2 applied to the deceased spouse and shall be secured by the proceeds of any life
3 insurance policy that covered the deceased spouse. Loans made for surviving
4 spouses of law enforcement officers or fire fighters and loans made for surviving
5 spouses identified in s. 66.0137 (5) (c) 1. or 1m. shall be paid from the appropriation
6 under s. 20.505 (1) (cr). The repayment of loans shall be credited to the general fund
7 as general purpose revenue-earned. A loan shall come due when a surviving spouse
8 receives the proceeds from the life insurance policy that covered his or her deceased
9 spouse. No loan shall be made for any period after the proceeds of a life insurance
10 policy have been disbursed to the surviving spouse. To qualify for a loan under this
11 subsection, a surviving spouse shall do all of the following:

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

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

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

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

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

22 20.505 (1) (cr) *Payment of loans for law enforcement officers or fire fighters who*
23 *die in line of duty.* A sum sufficient to make loans for surviving spouses of law
24 enforcement officers or fire fighters under s. 16.14 and for surviving spouses
25 identified in s. 66.0137 (5) (c) 1. or 1m.

1 **SECTION 3.** 66.0137 (1) (ae) of the statutes is renumbered 66.0137 (1) (as) and
2 amended to read:

3 66.0137 (1) (as) “Local governmental unit” means a ~~municipality, county~~
4 political subdivision, school district (as enumerated in s. 67.01 (5)), sewerage district,
5 drainage district, and, without limitation because of enumeration, any other political
6 subdivision of the state.

7 **SECTION 4.** 66.0137 (1) (af) of the statutes is created to read:

8 66.0137 (1) (af) “Dies in the line of duty” means a death that occurs, or occurred,
9 as a direct and proximate result of one or more of the following, sustained by a law
10 enforcement officer or fire fighter while he or she was engaged in a line of duty
11 activity or that arose out of and as a result of such an individual’s performance of a
12 line of duty activity:

- 13 1. A personal injury.
- 14 2. The contraction of an infectious disease.
- 15 3. Exposure to hazardous materials or conditions.

16 **SECTION 5.** 66.0137 (1) (am) of the statutes is created to read:

17 66.0137 (1) (am) “Law enforcement officer” means all of the following:

18 1. Any person employed by a political subdivision for the purpose of detecting
19 and preventing crime and enforcing laws or ordinances and who is authorized to
20 make arrests for violations of the laws or ordinances that the person is employed to
21 enforce.

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

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

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

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

8 66.0137 (1) (c) “Political subdivision” means any municipality or county.

9 **SECTION 8.** 66.0137 (3) of the statutes is amended to read:

10 66.0137 (3) HEALTH INSURANCE FOR UNEMPLOYED PERSONS. Any ~~municipality or~~
11 ~~county~~ political subdivision may purchase health or dental insurance for
12 unemployed persons residing in the municipality or county who are not eligible for
13 medical assistance under s. 49.46, 49.468, 49.47, or 49.471 (4) (a) or (b).

14 **SECTION 9.** 66.0137 (4m) (a) of the statutes is repealed.

15 **SECTION 10.** 66.0137 (5) (c) 1. of the statutes is amended to read:

16 66.0137 (5) (c) 1. Except as provided in subds. 2. and 3., if a municipality
17 provides for the payment of premiums for hospital, surgical, and other health
18 insurance for its fire fighters, it shall continue to pay such premiums for the
19 surviving spouse and dependent children of ~~a~~ the fire fighter who dies in the line
20 of duty.

21 **SECTION 11.** 66.0137 (5) (c) 1m. of the statutes is created to read:

22 66.0137 (5) (c) 1m. Except as provided in subds. 2. and 3., if a political
23 subdivision provides for the payment of premiums for hospital, surgical, and other
24 health insurance for its law enforcement officers, it shall continue to pay such

1 premiums for the surviving spouse and dependent children of the law enforcement
2 officer who dies while in the line of duty.

3 **SECTION 12.** 66.0137 (5) (c) 2. of the statutes is amended to read:

4 66.0137 (5) (c) 2. A ~~municipality~~ political subdivision may not be required to
5 pay the premiums described in subd. 1. or 1m. for a surviving spouse upon the
6 remarriage of the surviving spouse or upon the surviving spouse reaching the age of
7 65.

8 **SECTION 13.** 66.0137 (5) (c) 3. (intro.) of the statutes is amended to read:

9 66.0137 (5) (c) 3. (intro.) An individual is not a dependent child for the purposes
10 of subd. 1. or 1m. after the individual reaches the age of 18 unless one of the following
11 applies:

12 **SECTION 14. Initial applicability.**

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

17 **(END)**