



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2007 Senate Bill 471

**Senate
Amendment 1**

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Currently, under the Wisconsin Retirement System (WRS), annuitants may have insurance premiums for health care coverage paid directly from their WRS annuities. However, this program only applies to health insurance plans offered by a program established by the Group Insurance Board (GIB). Currently, state annuitants may also have insurance premiums for long-term care coverage paid directly from their retirement annuities, if the insurance plans are offered under a program established by GIB.

Senate Bill 471 permits annuitants who are public safety officers to have premiums for any health care coverage or long-term care coverage plan deducted from their annuities, even if the plan is not offered under the program established under GIB. "Public safety officer" has the meaning given under a specific federal law and includes any individual serving in any public agency in an official capacity, with or without compensation, as a law enforcement officer, as a fire fighter, as a chaplain, or as a member of a rescue squad, or ambulance crew.

The Deferred Compensation Board (board) attached to the Department of Employee Trust Funds currently selects and contracts with plan providers that are used by state agencies for providing deferred compensation plans to state employees. These plans are also made available to public employees other than the state for their employees. Senate Bill 471 provides that the board may require a deferred compensation plan, upon election by a participant who is a public safety officer, to allow for the deduction of insurance premiums for health or long-term care insurance coverage for public safety officers from an amount distributed from a participant's account for the payment of the premiums directly to the insurer.

Senate Amendment 1

Senate Amendment 1 makes the following changes in the legislation:

1. Creates an appropriation for annuity payments to public safety officers to allow a sum sufficient payment from the public employee trust funds for the initial and ongoing costs for the programs authorized by the legislation.
2. Increases the authorized full-time equivalent positions in the Department of Employee Trust Funds by 3.2 positions to implement and administer the program changes under the legislation.
3. Creates an effective date for the Act of January 1, 2009.

Legislative History

Senate Bill 471 was introduced on February 12, 2008 by Senator Wirch and others; cosponsored by Representative Van Roy and others; and referred to the Joint Survey Committee on Retirement Systems. The bill was withdrawn from the Joint Survey Committee on Retirement Systems on February 25, 2008 and referred to the Senate Committee on Labor, Elections, and Urban Affairs. Senator Wirch offered Senate Amendment 1 on February 29, 2008. The Senate Committee on Labor, Elections, and Urban Affairs held a public hearing on the bill on March 5, 2008. At an executive session held the same day, the committee recommended adoption of Senate Amendment 1 on a vote of Ayes, 4; Noes, 0. The committee recommended passage of the bill, as amended, on a vote of Ayes, 4; Noes, 0.

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