

WISCONSIN STATE
LEGISLATURE COMMITTEE
HEARING RECORDS

1995-96

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on
Veterans and
Military Affairs
(AC-VMA)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **95hr_sb0033_AC-VMA_pt01**

➤ Miscellaneous ... Misc

➤

➤ Record of Comm. Proceedings ... RCP

➤ **



State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

P O BOX 8111
MADISON 53708-8111
TELEPHONE 608 242-3000
DSN 724-3000

January 31, 1995

Human Resources Office

Mr. Blair Testin
Director of Retirement Research
Dept. of Employee Trust Funds

Dear Mr. Testin:

The following information is provided as requested by state retiree Donald Erickson pertaining to 1995 Senate Bill 33 and Assembly Bill 16.

Your research on 1993-94 Senate Bill 489 indicated that 14 former National Guard Technicians were effected. This letter certifies only eight of the original 14 could benefit from SB33 and AB 16. Those not eligible are:

(1) Transferred their earned sick leave to federal civil service: Hugh Simonson (deceased), James C. Buccholtz, and Hugh R. Danforth.


(2) Melvin Lange had no earned sick leave remaining.

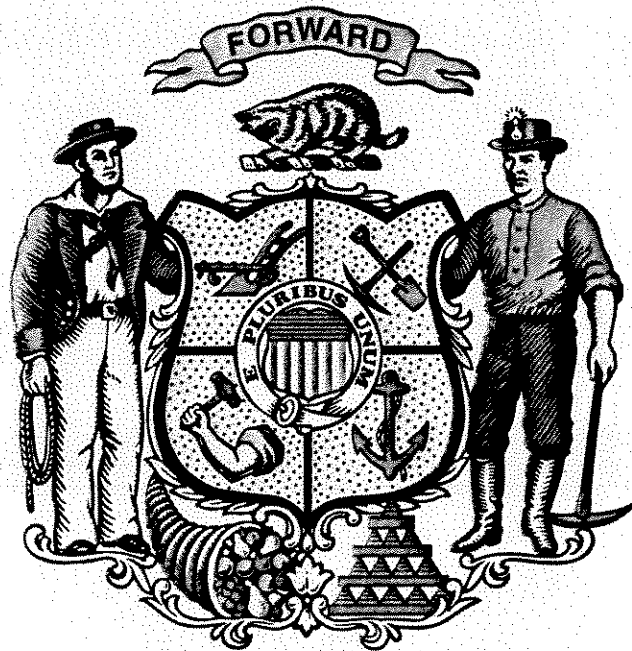
(3) No record of earned sick leave for Elwood Broughton available.

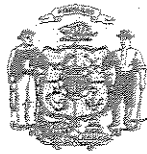
(4) Chris Nielsen converted to State Service in 1967. Federal sick leave record is incomplete. Left state service in 1984.

If further information is necessary, please contact Jerry Klongland, 608-242-3707 or Terry Yeazel, 608-242-3163.

Sincerely,


Roger L. Brill
Colonel
Human Resources Officer





State Representative
Judith A. Klusman
Assistant Majority Leader

January 18, 1996

Representative Terry M. Musser
State Capitol, Room 11 West
Madison, WI 53701

Dear Terry,

At the January 12th meeting of the Joint Survey Committee on Retirement Systems, the committee found that AB 16/ SB 33 represents good public policy and recommended its passage.

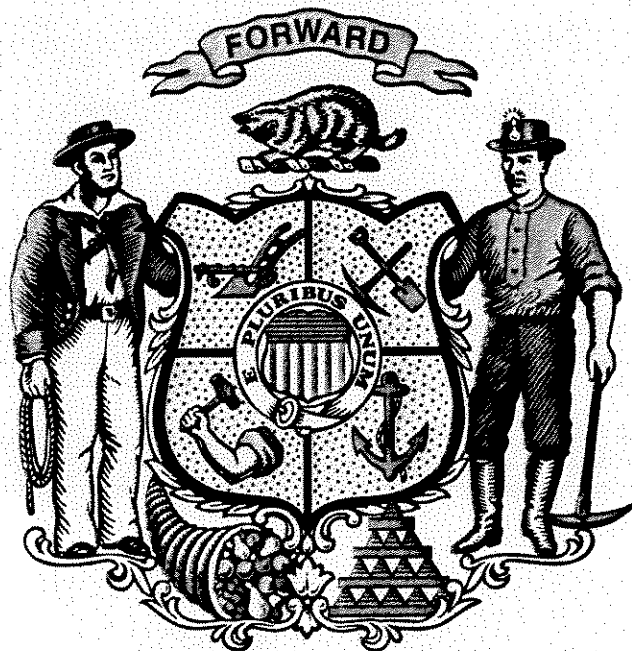
Regarding AB 99/SB 27 the Retirement Research Committee, at the suggestion of Blair Testin, has formed a sub-committee to review the protective classification. Enclosed for your review is Mr. Testin's outline for the protective classification study and a brief outline of the protective designation in past sessions.

I would appreciate *do we have any* any input you may have regarding this issue. Please contact me or any of the sub-committee members. Your office will be notified of the meetings and I encourage your insight.

Sincerely,


Judith A. Klusman
State Representative

Enclosures



111-W

February 22, 1996

MEMORANDUM FOR Joint Finance Committee Members

SUBJECT: Assembly Bill 16/Senate Bill 33

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716

Enclosed find background information on companion legislation, Assembly Bill 16 and Senate Bill 33. We thought this material would save you some time in preparing for a hearing on these bills.

This bipartisan legislation, which has a very small fiscal estimate, will correct an oversight from some years ago and will provide equity for this unique group of state employees.

On behalf of the eight former WI National Guard Technicians affected by AB 16 and SB 33, we look forward to meeting with you at the earliest possible hearing date.

Enclosures
Background Information

Info copies:
Representative Musser
Senator Zien

BACKGROUND INFORMATION

(Earned/Unused Sick Leave - NG Technicians)

- a. Reports of Joint Survey Committee on Retirement Systems, Assembly Veterans and Military Affairs Committee, and Senate State Government Operations and Corrections Committee, concerning hearings on Assembly Bill 16 and Senate Bill 33.
- b. Fiscal Estimate.
- c. Department of Military Affairs letter listing those former NG Technicians who would be eligible for this one-time sick leave conversion credit at time of state retirement.
- d. Chart showing current data on each of the former NG Technicians including state employment status.
- e. Chart showing the projected year and amount of conversion money needed, based on four of the eight retired and four still employed.
- f. Extract from Wisconsin Statutes previously granting retirement credit for those same technician years of state service.
- g. Extract from NG Technician Act of 1968 (90th Congress) verifying that NG Technicians were considered state employees.

STATE OF WISCONSIN

APPENDIX TO 1995 ASSEMBLY BILL 16

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter and Andrea.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

PURPOSE OF THE BILL

This bill relates to National Guard technicians who were employed in Wisconsin and became state employees on January 1, 1966. Such employees commenced earning creditable service under the Wisconsin Retirement Fund (WRF) and also sick leave credits as then provided by law. These technicians were later granted retroactive service credit under the WRF for service before January 1, 1966, but they were not granted their accumulated sick leave credits that had been earned while employed as a National Guard technician before that date.

The purpose of this bill is to grant credit for unused sick leave accumulated in National Guard employment within Wisconsin before the date of January 1, 1966. Such accumulated sick leave credits, if adequate evidence is provided to the Employee Trust Funds, could then be used to pay post-retirement health insurance premiums under the state's accumulated sick leave credit conversion (ASLCC) plan.

Some of the effected technicians have already terminated their covered employment, and the bill provides for an appropriation under s. 20.515, Stats. to presumably cover the costs of those participants who are no longer in covered employment.

- 2 -

ACTUARIAL EFFECT

This bill would increase the actuarial liabilities of the state's ASLCC plan. Funding for the additional accrued liabilities would presumably come from an appropriation under s. 20.515, Stats. for those technicians who have already terminated their employment, and the remaining costs would be added to the regular employer costs to fund the ASLCC plan.

PROBABLE COST

Based upon information furnished by the Dept. of Military Affairs, it is assumed that eight WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This report assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs presumably for affected "retired state employees".

PUBLIC POLICY

National Guard technicians who were employed in Wisconsin became state employees on January 1, 1966, pursuant to session law. As such, they became eligible for the various fringe benefit programs for state employees including the Wisconsin Retirement Fund (WRF) and sick leave credits. At a later date the legislature extended retroactive retirement service credit to such technicians for service performed before 1966. However, this retroactive legislative did not grant similar credits for unused sick leave that had been accumulated for service as National Guard technicians in the State of Wisconsin before January 1, 1966.

The State's accumulated sick leave credit conversion (ASLCC) plan became effective on July 1, 1972, and it provides that unused sick leave accumulations at the time of retirement may be converted under certain conditions to pay health insurance premiums after retirement until the account is exhausted. The credits are converted at retirement to a dollar value based upon the base salary at the time of termination.

The purpose of this legislation is to grant sick leave credits for sick leave that had been accumulated before 1/1/66, if adequate evidence of such accumulation is furnished to the DETF.

- 3 -

This legislation could effect about eight active or retired participants or the beneficiaries thereof, with a probable maximum cost of \$71,000 for accumulated sick leave credits. This legislation would establish equity for this unique group of state employees who have not received such recognition to this date.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

1/12/96

1995-96

LRB-0065/1

STATE OF WISCONSIN

APPENDIX TO 1995 SENATE BILL 33

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, A. Lasee, Andrea and C. Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh.) An Act to amend 40.02 (22) (f), 40.04 (10) and 40.05 (4) (b); and to create 20.515 (1) (b) and 40.05 (4) (bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Senate Bill 33 represents good public policy, and the Committee recommends its passage.

ASSEMBLY
COMMITTEE REPORT

The committee on Veterans and Military Affairs reports:

Assembly Bill 16

AN ACT relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation. Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop, and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter, and Andrea.

Moved by Representative Vander Loop, seconded by Representative Zukowski that Assembly Bill 16 be recommended for passage.

Ayes: (9) Representatives Musser, Zukowski, Dobyms, Skindrud, Lorge, Ryba, Boyle, Baldus, and Vander Loop.

Noes: (0) None.

Absent: (0) None.

Motion carried: Passage recommended.

Passage: Ayes (9), Noes (0), Absent (0)


Terry Musser, Committee Chair

Senate

Senate Bill 33

January 25, 1996

February 15, 1996

February 15, 1996

Record of Committee Proceedings

(Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, Lasee, Andrea and Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh by request of Don Erickson) AN ACT relating to granting credit for the payment of postretirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

Referred to the senate committee on State Government Operations and Corrections.

PUBLIC HEARING HELD

Present: (4) Senators Drzewiecki, Lasee, Moen, and Breske.

Absent: (1) Senator Fitzgerald.

Appearances for the Bill

- o Don Erickson, for himself, Madison, Wisconsin.
- o Andrew Schuster, Department of Military Affairs, Madison, Wisconsin.

Appearances against the Bill

None.

Appearances for Information Only

None.

Registrations for the Bill

- o James J. Lison, Jr., for himself, Madison, Wisconsin.
- o Leo Skille, for himself, Madison, Wisconsin.
- o Donald Boe, for himself, Madison, Wisconsin.
- o Mary Erickson, for herself, Madison, Wisconsin.
- o Donald Ross, for himself, Madison, Wisconsin.
- o Senator David Zien, 23rd Senate District.

Registrations against the Bill

None.

EXECUTIVE SESSION HELD

Present: (4) Senators Drzewiecki, Lasee, Moen and Breske.

Absent: (1) Senator Fitzgerald.

Moved by Senator Breske, seconded by Senator Moen that Senate Bill 33 be recommended for passage.

Ayes: (4) Senators Drzewiecki, Lasee, Moen and Breske.

Noes: (0) None.

Absent: (1) Senator Fitzgerald.

Motion carried: passage recommended.

PASSAGE: Ayes 4, Noes 0, Absent 1.

Sen. Zien

RCSER

1995 Session

FISCAL ESTIMATE
DOA-2048 N(R10/94)

- ORIGINAL
- UPDATED
- CORRECTED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
S.B. 33 0065
Amendment No. if Applicable

Subject

Unused Sick Leave Credits for National Guard Technician Service Before 1966

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:
- Towns
 - Villages
 - Cities
 - Counties
 - Others _____
 - School Districts
 - WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations
20.515

Assumptions Used in Arriving at Fiscal Estimate

This bill relates to National Guard technicians employed in Wisconsin who became state employees on January 1, 1966. The bill would grant credit for unused sick leave accumulated in such employment before 1966 for purposes of the state's conversion program at retirement to pay health insurance premiums. This bill requires the participants to furnish acceptable evidence of accumulated unused sick leave before 1966.

For purposes of this fiscal note, it is assumed that 8 WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This fiscal note assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs for affected "retired state employees".

Note: This bill should perhaps be clarified as to how, when, and to whom the s. 20.515 appropriation applies.

Long-Range Fiscal Implications

s. 20.515 sum sufficient appropriation.

Agency/Prepared by: (Name & Phone No.)
Jt. Survey Comm. on Retirement
Systems

Authorized Signature/Telephone No:

Blair Testin

Date

5/9/95

Blair Testin 6-3019

FISCAL ESTIMATE WORKSHEET

1995 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No. S.B. 33	Amendment No.
--	---------------

Subject
Inused Sick Leave Credits for National Guard Technician Service Before 1966

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$	\$ -

3. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	Under \$ 71,000	\$ -
FED	-	-
PRO/PRS		-
SEG/SEG-S		-

II. State Revenues -	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ Under 71,000	\$
NET CHANGE IN REVENUES	\$	\$



State of Wisconsin / DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

P O BOX 8111
MADISON 53708-8111

TELEPHONE 608 242-3000
DSN 724-3000

WING-HR

9 November 1994

MEMORANDUM FOR Donald D. Erickson, 203 W. Lakeview Avenue, Madison, WI 53716

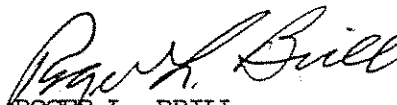
SUBJECT: Former National Guard Technicians

1. Listed below are the former National Guard Technicians who converted from Technician status to State of Wisconsin employment prior to 1 January 1969 and the hours of earned sick leave credited at the time of that conversion.

Donald D. Erickson	875 hours
Lewis C. Greenelsh	670 hours
Donald O. Ross	544 hours
James J. Lison	540 hours
Donald O. Boe	334 hours
James A. Maynard	237 hours
Leo M. Skille	72 hours
Vincent T. Fitzgerald	250 hours (est.)

2. Official records of this earned, unused sick leave as National Guard Technicians are on file at this office for any verification needed.

FOR THE ADJUTANT GENERAL:


ROGER L. BRILL
COL, GS, WIARNG
Dir, Human Resources

Name - Former National Guard Technicians	Years as Technician	Current Status	Actual or Projected Retirement Date	Current Age	Earned/Unused Sick Leave Hours	Estimated Conversion Dollars	Phone Number	Home Address/ Place of Employment
Donald D. Erickson	14	Retired	1/4/90	67	875	\$17,500	222- 5876	203 W. Lakeview Ave. Madison, WI 53716 Retired
Lewis C. Greenelsh	8	Retired	1/2/87	71	670	\$10,050	(307) 324-7038	162 El Rancho Dr. Rawlings, WY 82301 Retired
Donald O. Ross	8	State Employee	2000	61	544	\$10,880	222- 6808	5209 Academy Drive Madison, WI 53716 UW Madison, Engineering
James J. Lison	5	Retired	4/28/83	75	540	\$12,960	833- 1202	310 Yosemite Trail Madison, WI 53705 Retired
Donald O. Boe	5	State Employee	1997	64	334	\$7,682	271- 8629	1402 Winslow Lane Madison, WI 53711 UW Madison, Physical Plant
James A. Maynard	3	State Employee	2005	55	237	\$5,451	274- 2855	5770 Devoro Road Madison, WI 53711 UW Madison, Space Science
Leo M. Skille	1	Retired	3/19/93	67	72	\$1,440	271- 4780	5145 Loruth Terrace Madison, WI 53711 Retired
Vincent T. Fitzgerald	3	State Employee	2005	55	250 (est.)	\$5,000	271- 6328	1118 Starlight Drive Madison, WI 53711 UW Madison, Chemistry

Conversion Time-frame Data Chart

Four of the eight state employees have already retired. They would need the following amount of sick leave conversion dollars in the year indicated (year is based on when other accumulated hours of converted sick leave will be used up).

Name	No. Hours	Hourly Rate	Total Dollars	Projected Year Dollars Needed
Erickson	875	\$20	\$17,500	1996
Greenelsh	670	\$15	\$10,050	1999
Lison	540	\$24	\$12,960	2001
Skille	72	\$20	\$1,440	2009
Total Dollars			\$41,950	

Four have not yet retired. They would be converting the following hours of earned sick leave to pay for health insurance premiums at about the time-frames shown.

Name	No. Hours	Hourly Rate	Total Dollars	Planned Retirement Year
Boe	334	\$23 (est.)	\$7,682 (est.)	1997
Fitzgerald	250 (est.)	\$20 (est.)	\$5,000 (est.)	2005
Ross	544	\$20 (est.)	\$10,880 (est.)	2000
Maynard	237	\$23 (est.)	\$5,451 (est.)	2005
Total Dollars			\$29,013 (est.)	

Total Conversion Dollars Needed \$70,963 (est.)

1. Eighty hours each year for a full year of service during the first 5 years of service;

2. One hundred twenty hours each year for a full year of service during the next 5 years of service;

2m. One hundred thirty-six hours each year for a full year of service during the next 5 years of service;

3. One hundred sixty hours each year for a full year of service during the next 5 years of service;

3m. One hundred seventy-six hours each year for a full year of service during the next 5 years of service;

4. Two hundred hours each year for a full year of service after 25 years of service.

(b) An employee, with the approval of his or her appointing authority, may anticipate the annual leave which he or she could earn during the current calendar year except that no employee shall be eligible to take annual leave until he or she has completed the first 6 months of a probationary period for an original appointment.

(c) When the rate of annual leave changes during the 5th, 10th, 15th, 20th or 25th calendar year, the annual leave for that year shall be prorated.

(d) Annual leaves of absence shall not be cumulative except under sub. (1p) and except that unused annual leave shall, subject to the rules of the secretary, be used in the year following the one in which it was earned, but no employee shall lose any unused annual leave because the employee's work responsibilities prevented the usage of the unused annual leave during the first 6 months of the year following the year in which it was earned.

(e) Permanent classified employees, permanent part-time employees and seasonal employees with permanent seasonal status in class who are regularly employed for less than 12 months out of a year shall be granted proportional annual leave consistent with par. (a). These employees, with the approval of their appointing authority, may anticipate the vacation which they will earn during their current period of employment.

(f) An employee under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(g) The continuous service of an employee eligible for annual leave shall not be considered interrupted if the employee either:

1. Was on an approved leave of absence, including but not limited to military leave, leave to serve in the unclassified service, leave for absence due to injury or illness arising out of state employment and covered by ch. 102; or

2. Left the service through resignation or layoff and is reemployed or recalled within 3 years.

(gm) Each employee of the state on October 17, 1971 shall be granted credit towards accumulated continuous service for all service in Wisconsin as a national guard technician which has not been credited under any other provision of this section.

(h) The length of time between an employee's resignation and reemployment under par. (g) 2. shall not be counted in computing years of continuous service under this subsection. Employees subject to par. (e) shall be deemed to have completed one full year of service for each such seasonal, sessional or other part-time annual period of service in computing years of continuous service under this subsection.

(j) The appointing authority shall respect the wishes of the eligible employees as to the time of taking their annual leave insofar as the needs of the service will permit.

(m) Payment for any unused authorized leave to which an employee is entitled upon termination, shall be made in a separate and distinct amount.

(1m) (a) Employees appointed to any of the following positions shall be entitled to annual leave of absence at the rate provided under par. (bt):

1. A career executive position under the program established under s. 230.24.

2. A position designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9).

3. A position authorized under s. 230.08 (2) (e).

4. A position designated as an attorney position in which the employee is employed and acts as an attorney, unless the attorney position is a limited term appointment under s. 230.26.

(bt) An employee appointed to a position listed under par. (a) shall be entitled to annual leave of absence without loss of pay based upon accumulated continuous state service at the rate of:

1. 120 hours each year for a full year of service during the first 5 years of service;

2. 160 hours each year for a full year of service during the next 5 years of service;

3. 176 hours each year for a full year of service during the next 5 years of service;

4. 200 hours each year for a full year of service during the next 5 years of service;

5. 216 hours each year for a full year of service after 20 years of service.

(e) Employees who previously were covered under sub. (1) (a), or other statutory provision regarding annual leave, who become subject to this subsection shall have their present continuous service credits for annual leave purposes applied to the career executive schedule at the appropriate rate. In no case shall the employee receive a reduction in annual leave hours earned by such change in schedules.

(eb) An employee under this subsection earns annual leave any time he or she is on temporary layoff for a period not to exceed 20 working days.

(f) The continuous service of an employee eligible for annual leave under this subsection shall not be considered interrupted if the employee leaves the service and is reemployed by the state in another position covered under this subsection. If reemployed in a position not covered under this subsection the employee shall be required to meet the continuous service requirements of sub. (1) (g). This paragraph applies to all persons who are employees covered under this subsection on or after July 1, 1973.

(g) This paragraph applies to all persons who are employees covered under this subsection on or after July 1, 1973.

(1p) (a) Employees at the 160-hour or 176-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 40 of those hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave.

(b) Employees at the 200-hour or 216-hour rate under sub. (1) or (1m) may, in the year earned, elect to receive not more than 80 of those hours of earned annual leave among one or more of these options:

1. Not to exceed 40 hours in cash;

3. As credit for termination leave;

4. As accumulated sabbatical leave.

(c) Employees with less than the 160-hour rate under sub. (1) or (1m) who have accumulated, at any time during the employee's continuous state service, a minimum of 520 hours of sick leave may elect to receive not more than 40 hours of earned annual leave as credit for termination leave or as accumulated sabbatical leave or both. An election under this paragraph shall be made in the year in which the annual leave is earned.

(1r) A state officer elected by the people may take vacation without loss of pay. No such state officer is entitled to payment for unused annual leave.

(2) Leave of absence with pay owing to sickness and leave of absence without pay, other than annual leave and leave under s. 103.10, shall be regulated by rules of the secretary, except that unused sick leave shall accumulate from year to year. After July 1, 1973, employees appointed to career executive positions under the program established under s. 230.24 or positions designated in s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and (9) or authorized under s. 230.08 (2) (e) shall have any unused sick leave credits restored if they are reemployed in a career executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (4m), (8) and

Calendar No. 1426

90TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ No. 1446

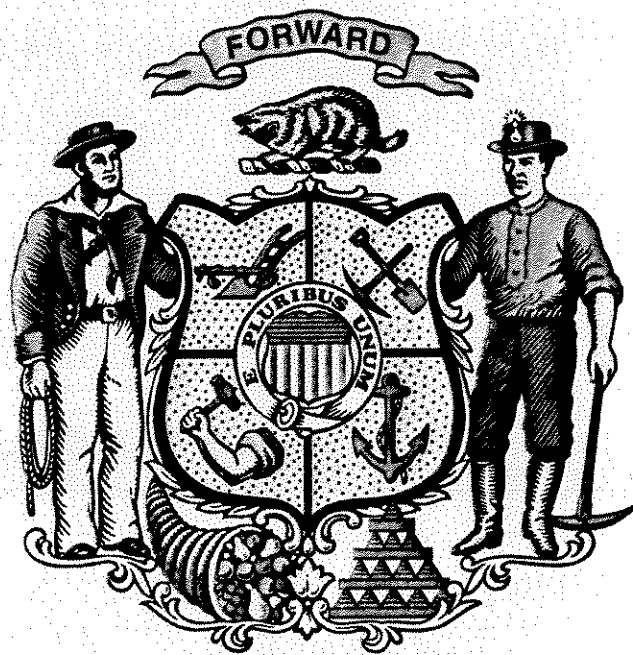
NATIONAL GUARD TECHNICIAN ACT OF 1968

PRESENT TECHNICIAN EMPLOYMENT AND RETIREMENT PROGRAM

Legal status

Except for those in the District of Columbia National Guard, technicians are considered employees of the State. Their salaries, however, are paid from Federal funds based on comparable classified and blue-collar Federal rates.

By regulations about 95 percent of the technicians are required to be military members of the National Guard as a condition for their civilian technician employment.



March 11, 1996

MEMORANDUM FOR *(Delivered to all Co-Sponsors)*

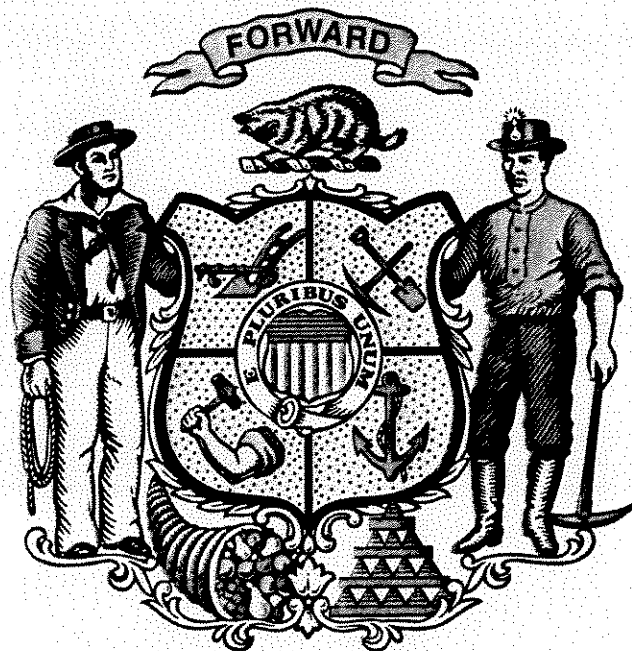
SUBJECT: Assembly Bill 16

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716

The following bill, which you have co-sponsored, has been approved by the Joint Survey Committee on Retirement Systems, and the Assembly Committee on Veterans and Military Affairs voted 9-0 approval. It is now at Joint Finance.

AB 16, relating to granting credit for the payment of post-retirement health insurance premiums for accumulated unused sick leave earned by National Guard Technicians prior to 1966.

On behalf of the eight former WI National Guard Technicians affected by AB 16, along with companion bill SB 33, we respectfully urge you to contact the co-chairs of Joint Finance to get them to act on this legislation now.



March 25, 1996

MEMORANDUM FOR

SUBJECT: Assembly Bill 16
(Companion Bill SB 33)

FROM: Donald Erickson (Retired State Employee)
Former WI National Guard Technician
203 W. Lakeview Ave.
Madison, WI 53716
(608) 222-5876

The following bill, which has been approved by the Joint Survey Committee on Retirement Systems, the Assembly Committee on Veterans and Military Affairs (9-0), and the Joint Finance Committee (13-0), should be scheduled for floor debate this week.

AB 16 (Companion Bill SB 33), relating to granting credit for the payment of post-retirement health insurance premiums for accumulated unused sick leave earned by National Guard Technicians prior to 1966.

On behalf of the eight former WI National Guard Technicians affected by AB 16 (Companion Bill SB 33), we respectfully ask for your support in passing this legislation which represents good public policy and establishes equity for this unique group of state employees.

Enclosure
Report of Joint Survey Committee
on Retirement Systems

STATE OF WISCONSIN

APPENDIX TO 1995 ASSEMBLY BILL 16

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Representatives Musser, Dobyms, Hanson, Boyle, Lehman, Schneider, Johnsrud, Ladwig, Owens, Turner, Hahn, Gard, Silbaugh, Kreibich, Vander Loop and Gronemus; cosponsored by Senators Zien, Risser, Drzewiecki, Breske, C. Potter and Andrea.) An Act to amend 40.02 (22)(f), 40.04 (10) and 40.05 (4)(b); and to create 20.515 (1)(b) and 40.05 (4)(bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

PURPOSE OF THE BILL

This bill relates to National Guard technicians who were employed in Wisconsin and became state employees on January 1, 1966. Such employees commenced earning creditable service under the Wisconsin Retirement Fund (WRF) and also sick leave credits as then provided by law. These technicians were later granted retroactive service credit under the WRF for service before January 1, 1966, but they were not granted their accumulated sick leave credits that had been earned while employed as a National Guard technician before that date.

The purpose of this bill is to grant credit for unused sick leave accumulated in National Guard employment within Wisconsin before the date of January 1, 1966. Such accumulated sick leave credits, if adequate evidence is provided to the Employee Trust Funds, could then be used to pay post-retirement health insurance premiums under the state's accumulated sick leave credit conversion (ASLCC) plan.

Some of the effected technicians have already terminated their covered employment, and the bill provides for an appropriation under s. 20.515, Stats. to presumably cover the costs of those participants who are no longer in covered employment.

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ACTUARIAL EFFECT

This bill would increase the actuarial liabilities of the state's ASLCC plan. Funding for the additional accrued liabilities would presumably come from an appropriation under s. 20.515, Stats. for those technicians who have already terminated their employment, and the remaining costs would be added to the regular employer costs to fund the ASLCC plan.

PROBABLE COST

Based upon information furnished by the Dept. of Military Affairs, it is assumed that eight WRS participants or their beneficiaries may be effected by this legislation, of which four are presumed to be still employed. It is further assumed that about 3,522 hours of accumulated sick leave credits would newly qualify for possible conversion to pay health insurance premiums after retirement. Of this total, about 1,365 hours relate to active employees and 2,165 hours to annuitants.

The value of the converted sick leave credits would be determined based on the hourly pay rates in effect at retirement. This report assumes that the total value for active and annuitant participants would not exceed \$71,000. The bill provides for a sum sufficient appropriation under s. 20.515 (1)(b) to cover the conversion costs presumably for affected "retired state employees".

PUBLIC POLICY

National Guard technicians who were employed in Wisconsin became state employees on January 1, 1966, pursuant to session law. As such, they became eligible for the various fringe benefit programs for state employees including the Wisconsin Retirement Fund (WRF) and sick leave credits. At a later date the legislature extended retroactive retirement service credit to such technicians for service performed before 1966. However, this retroactive legislative did not grant similar credits for unused sick leave that had been accumulated for service as National Guard technicians in the State of Wisconsin before January 1, 1966.

The State's accumulated sick leave credit conversion (ASLCC) plan became effective on July 1, 1972, and it provides that unused sick leave accumulations at the time of retirement may be converted under certain conditions to pay health insurance premiums after retirement until the account is exhausted. The credits are converted at retirement to a dollar value based upon the base salary at the time of termination.

The purpose of this legislation is to grant sick leave credits for sick leave that had been accumulated before 1/1/66, if adequate evidence of such accumulation is furnished to the DETF.

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This legislation could effect about eight active or retired participants or the beneficiaries thereof, with a probable maximum cost of \$71,000 for accumulated sick leave credits. This legislation would establish equity for this unique group of state employees who have not received such recognition to this date.

RECOMMENDATION

The Joint Survey Committee on Retirement Systems finds that Assembly Bill 16 represents good public policy, and the Committee recommends its passage.

1/12/96

1995-96

LRB-0065/1

STATE OF WISCONSIN

APPENDIX TO 1995 SENATE BILL 33

REPORT OF JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS

(Introduced by Senators Zien, Risser, Drzewiecki, Breske, Schultz, Helbach, A. Lasee, Andrea and C. Potter; cosponsored by Representatives Musser, Schneider, Johnsrud, Owens, Boyle, Dobyms, Hanson, Lehman, Turner, Hahn, Gard, Kreibich, Vander Loop and Silbaugh.) An Act to amend 40.02 (22) (f), 40.04 (10) and 40.05 (4) (b); and to create 20.515 (1) (b) and 40.05 (4) (bf) of the statutes; relating to granting credit for the payment of post-retirement health insurance premiums under the state group health insurance program for accumulated unused sick leave earned for service in Wisconsin as a national guard technician prior to 1966 and making an appropriation.

EXTRACT OF COMMITTEE'S RECOMMENDATION ON THIS BILL

The Joint Survey Committee on Retirement Systems finds that Senate Bill 33 represents good public policy, and the Committee recommends its passage.