

State of Wisconsin



1995 Assembly Bill 683

Date of enactment: **November 22, 1995**

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1995 WISCONSIN ACT 88

AN ACT to amend 20.515 (1) (c); and to create 40.02 (22) (g), 40.04 (11), 40.05 (4) (by), subchapter IX of chapter 40 [precedes 40.95] and 230.12 (9) of the statutes; relating to: a program for awarding credits for the payment of health insurance premiums by retired nonrepresented state employes and elected officials and making an appropriation.

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

SECTION 1. 20.515 (1) (c) of the statutes is amended to read:

20.515 (1) (c) *Contingencies.* A sum sufficient to make all payments due other parties under subchs. III to VI and VIII and IX of ch. 40 when the moneys for the payment have not yet been received by the public employe trust fund. The public employe trust fund shall reimburse this appropriation as soon as moneys are received for the cost of the payments.

SECTION 2. 40.02 (22) (g) of the statutes is created to read:

40.02 (22) (g) Does not include credits for the payment of health insurance premiums provided under subch. IX.

SECTION 3. 40.04 (11) of the statutes is created to read:

40.04 (11) A health insurance premium credit account shall be maintained within the fund, to which shall be credited all moneys received under s. 40.05 (4) (by) for the payment of 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 pur-

poses for retired employes and their surviving dependents. Premium payments to health insurers authorized in subch. IX may only be charged to this account after all other health insurance premium credits under s. 40.05 (4) (b), (bc) and (bm) are exhausted. This subsection does not prohibit the direct payment of premiums to insurers when appropriate administrative procedures have been established for direct payments.

SECTION 4. 40.05 (4) (by) of the statutes is created to read:

40.05 (4) (by) 1. Employers shall pay contributions that are sufficient to pay for the present value of the present and future benefits authorized under subch. IX. Except as provided in 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.

2. Beginning on the effective date of this subdivision ... [revisor inserts date], and ending on June 30, 1997, each employer shall pay contributions equal to the dollar value of the credits awarded to its retired employes under subch. IX, as determined and directed by the department. The board, upon certification by the actuary, shall determine the contribution rate to be paid by employers for the

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

period beginning on July 1, 1997, and ending on December 31, 1997. In determining the contribution rate for this period, the board shall consider any remaining unfunded present and future liability for any benefits arising under subch. IX before July 1, 1997.

SECTION 5. Subchapter IX of chapter 40 [precedes 40.95] of the statutes is created to read:

CHAPTER 40
SUBCHAPTER IX
HEALTH INSURANCE PREMIUM
CREDITS

40.95 Health insurance premium credits. (1) Subject to sub. (2), the department shall administer a program that provides health insurance premium credits for the purchase of health insurance for a retired employe, or the retired employe's surviving insured dependents, to eligible employes whose compensation includes such health insurance premium credits and who accrue accumulated unused sick leave under s. 13.121 (4), 36.30, 230.35 (2) or 757.02 (5). The health insurance premium credits shall be based on the employe's years of continuous service, accumulated unused sick leave and any other factor specified as part of the employe's compensation.

(2) The department is not required to administer any program that provides health insurance premium credits for the purchase of health insurance for a retired employe, or the retired employe's surviving insured dependents, if the department determines that the program does not conform to the program approved by the joint committee on employment relations under s. 230.12 (9).

SECTION 6. 230.12 (9) of the statutes is created to read:

230.12 (9) HEALTH INSURANCE PREMIUM CREDITS. The secretary may recommend to the joint committee on employment relations a program, administered by the department of employe trust funds, that provides health insurance premium credits to employes whose compensation is established under this section or s. 20.923 (2) or (3). The health insurance premium credits shall be used for the purchase of health insurance for a retired employe, or the retired employe's surviving insured dependents, and shall be based on the employe's years of continuous service, accumulated unused sick leave and any other factor recommended by the secretary. The approval process for the program is the same as that provided under sub. (3) (b) and the program shall be incorporated into the compensation plan under sub. (1).