



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2013 Assembly Bill 23**

**Assembly Substitute  
Amendment 1**

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**Assembly Bill 23** provides that if a city, village, town, county, technical college district, or school district (“local government”) provides any post-retirement health care benefits, including compensated absences but excluding the implicit rate subsidy, to any employee hired on or after January 1, 2014, the local government must ensure that the cost of those benefits is fully funded in a segregated account on an actuarial basis or other method that complies with generally accepted accounting principles.

**Assembly Substitute Amendment 1** does all of the following:

- Changes the bill to apply to any employee hired on or after January 1, 2015.
- Specifies that the cost of the post-retirement health care benefits be fully funded in a segregated account *based on an actuarial study conducted at least once every four years* or other method that complies with generally accepted accounting principles.
- Creates a new provision which specifies that if the local government dissolves a segregated account or any portion of a segregated account created under the bill that the local government must provide for the equitable distribution of the proceeds among the employees who are beneficiaries of the benefits funded from the dissolved account.

### **Bill History**

Assembly Substitute Amendment 1 was offered by Representative Thiesfeldt on March 20, 2013. On April 23, 2013, the Assembly Committee on Urban and Local Affairs recommended adoption of Assembly Substitute Amendment 1 on a vote of Ayes, 6; Noes, 3; and recommended passage of the bill, as amended, by the same vote.

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