



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-3910/1

RAC:kjf:rs

## 2003 SENATE BILL 362

December 23, 2003 – Introduced by JOINT COMMITTEE ON EMPLOYMENT RELATIONS.  
Referred to Committee on Senate Organization.

1     **AN ACT** *to renumber* 20.916 (9) (a) 1.; *to amend* 16.53 (1) (cm), 20.916 (1), 20.916  
2           (1m), 20.916 (4) (title), 20.916 (4) (a), 20.916 (4) (b), 20.916 (4) (c), 20.916 (4) (d),  
3           20.916 (4) (e), 20.916 (4m) (title), 20.916 (4m) (b), 20.916 (5) (title), 20.916 (5)  
4           (a), 20.916 (5) (b), 20.916 (7), 20.916 (8) (a), 20.916 (9) (b), 20.916 (9) (c), 20.916  
5           (9) (e), 20.916 (9) (f) 2., 20.916 (9) (f) 3., 20.917 (1) (a), 20.917 (1) (b), 20.917 (1)  
6           (c), 20.917 (1) (d), 20.917 (1) (e), 20.917 (2) (a), 20.917 (2) (b), 20.917 (2m), 20.917  
7           (3) (a) 3., 40.05 (4) (by) 1., 40.95 (1) (a) (intro.), 40.95 (2), 230.12 (9), 230.35 (1p)  
8           (b) (intro.) and 230.35 (4) (d) (intro.); **to repeal and recreate** 20.916 (9) (d); and  
9           **to create** 20.916 (9) (a) 1d. and 230.35 (1p) (bm) of the statutes; **relating to:**  
10          state employee travel and expense reimbursement; supplemental credits for  
11          the purchase of health insurance for dependents of state employees who die  
12          while employed by the state and state employees who are laid off and their  
13          surviving insured dependents; and use of earned annual leave under the state

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1 civil service system and granting an additional paid personal holiday for  
2 nonrepresented state employees.

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***Analysis by the Legislative Reference Bureau***

This bill is introduced under s. 230.12, stats., which requires that it be put on the calendar. The bill accomplishes certain statutory changes necessary to implement the nonrepresented state employee compensation plan, as modified and approved by the Joint Committee on Employment Relations. The bill does all of the following:

***Health insurance premium credits***

Current law requires the Department of Employee Trust Funds to administer a program that provides health insurance premium credits for the purchase of health insurance by state employees who are retired under the Wisconsin Retirement System (WRS) or who have attained 20 years of creditable service under the WRS and have terminated state employment. The program is also available for the surviving dependents of these individuals, provided they are insured at the time of the individual's death. This bill provides that this program is available to the surviving insured dependents of any state employee who dies while employed by the state and to state employees who are laid off and their surviving insured dependents.

***Earned annual leave***

Under current law, nonrepresented state employees who are entitled to receive either 200 hours or 216 hours of paid annual leave may elect to receive not more than 80 of those hours among the following options: 1) an amount not to exceed 40 hours in cash; 2) as credit for termination leave; or 3) as accumulated sabbatical leave. (Represented state employees may receive this benefit only if so provided in their collective bargaining agreements.) This bill provides that nonrepresented state employees who are entitled to receive 216 hours of paid annual leave may elect to receive not more than 120 of those hours among the aforementioned options.

***State employee travel and expense reimbursement***

This bill makes minor and technical revisions to statutes governing state employee travel expenses and reimbursements. Among the many changes are the following:

1. The bill eliminates a \$50 cap on the amount of moneys that a state agency may advance a state employee for travel expenses and, instead, provides that any travel expense advance may not exceed 80 percent of the estimated expense.

2. The bill makes consistent the requirement that a state employee may receive payment only for actual, reasonable, and necessary travel expenses.

3. The bill provides that the director of the Office of State Employment Relations must set, *at least* biennially, certain reimbursement rates for state employees' use of privately owned automobiles or aircraft for state business.

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Currently, these rates must be set every two years. The effect of this change is to permit the director to set the reimbursement rates at any time, or at numerous times, provided the rates are set at least every two years.

4. The bill requires that any state employee who uses his or her privately owned airplane for state business must adhere to any license and insurance requirements prescribed by the Department of Administration.

5. The bill clarifies that all travel by train for state business shall be by coach, but only if coach is available.

6. The bill provides for direct payment of authorized moving expenses for state employees instead of reimbursement. This change will permit the state to pay the moving expenses directly instead of reimbursing the state employee for his or her payment of the moving expenses.

7. The bill eliminates a \$600 cap for certain stipends for state employees for moving preparation and, instead, provides that this cap is to be established in the state compensation plan.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 16.53 (1) (cm) of the statutes is amended to read:

2           16.53 (1) (cm) *Advancement of travel expenses.* The head of a state agency may,  
3           ~~by presenting proper vouchers to the department of administration,~~ advance money  
4           for travel expenses to employees. ~~Travel expenses shall be advanced only when the~~  
5           ~~estimated expense is expected to exceed \$50 and the Any travel advance shall not~~  
6           exceed 80% of the estimated expense.

7           **SECTION 2.** 20.916 (1) of the statutes is amended to read:

8           20.916 (1) **EMPLOYEES TO BE REIMBURSED.** State officers and employees shall be  
9           reimbursed for actual, reasonable, and necessary traveling expenses incurred in the  
10          discharge of their duties in accordance with sub. (9). The officers and employees of  
11          any state agency shall, when for reasons of economy or efficiency they are stationed  
12          at any other place than an official location of such state agency, receive their actual,

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1 reasonable, and necessary traveling and other expenses when called to such official  
2 location for temporary service.

3 **SECTION 3.** 20.916 (1m) of the statutes is amended to read:

4 20.916 (1m) REIMBURSEMENT OF VOLUNTEERS. Except where reimbursement is  
5 required by law, an individual who volunteers his or her services to a state agency  
6 may, at the discretion of the appointing authority of the state agency receiving the  
7 services, be reimbursed by the state agency for actual, reasonable, and necessary  
8 travel expenses incurred in the performance of the services. Reimbursement shall  
9 not exceed the maximum amounts established for state officers and employees under  
10 sub. (8).

11 **SECTION 4.** 20.916 (4) (title) of the statutes is amended to read:

12 20.916 (4) (title) USE OF ~~PRIVATE~~ PRIVATELY OWNED AUTOMOBILES.

13 **SECTION 5.** 20.916 (4) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
14 is amended to read:

15 20.916 (4) (a) If any state agency determines that the duties of any employee  
16 require the use of an automobile, it may authorize such employee to use a ~~personal~~  
17 privately owned automobile in the employee's work for the state, and reimburse the  
18 employee for such use at a rate which is set at least biennially by the office of state  
19 employment relations under sub. (8), subject to the approval of the joint committee  
20 on employment relations.

21 **SECTION 6.** 20.916 (4) (b) of the statutes is amended to read:

22 20.916 (4) (b) Upon recommendation of the head of the state agency and  
23 approval by the secretary of administration, an additional reimbursement at the rate  
24 of one cent per mile may be paid to any employee for the use of the employee's  
25 ~~personal~~ privately owned automobile when used as an emergency vehicle or under

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1 conditions ~~which~~ that may cause excessive wear or depreciation, including pulling  
2 trailers or ~~which~~ under conditions that require the installation of special equipment.

3 **SECTION 7.** 20.916 (4) (c) of the statutes is amended to read:

4 20.916 (4) (c) For travel between points ~~convenient to be~~ that are conveniently  
5 reached by railroad, bus, or commercial airplane without unreasonable loss of time,  
6 the allowance for the use of a ~~personal~~ privately owned automobile shall not exceed  
7 the lowest cost of the most practical means of public transportation between such  
8 points. The department of administration shall ~~give due consideration to the~~  
9 ~~circumstances on each case when determining~~ establish guidelines for the most  
10 practical means of public transportation. The cost of meals and lodging paid by the  
11 state and the cost of the use of a state-owned automobile not chargeable to an  
12 employee may not exceed the cost ~~which~~ that would have been incurred had the most  
13 practical form of public transportation been used, at the most appropriate time, if a  
14 practical form of public transportation is available.

15 **SECTION 8.** 20.916 (4) (d) of the statutes is amended to read:

16 20.916 (4) (d) All allowances for the use of a ~~personal~~ privately owned  
17 automobile shall be paid upon the certification of the amounts payable by the head  
18 of the state agency to the department of administration.

19 **SECTION 9.** 20.916 (4) (e) of the statutes is amended to read:

20 20.916 (4) (e) When an assigned or pool state-owned automobile is available  
21 and tendered to an employee, and the employee exercises the option to ~~utilize~~ use the  
22 employee's ~~personal~~ privately owned automobile on state business, the mileage  
23 allowance shall be at a rate equal to the approximate cost per mile of operation of  
24 state automobiles, including depreciation, as determined by the secretary of  
25 administration.

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1           **SECTION 10.** 20.916 (4m) (title) of the statutes is amended to read:

2           20.916 (**4m**) (title) USE OF ~~PRIVATE~~ PRIVATELY OWNED MOTORCYCLES.

3           **SECTION 11.** 20.916 (4m) (b) of the statutes, as affected by 2003 Wisconsin Act  
4 33, is amended to read:

5           20.916 (**4m**) (b) Except as otherwise provided in this paragraph, if any state  
6 agency determines that an employee's duties require the use of a motor vehicle, and  
7 use of a ~~personal~~ privately owned motor vehicle is authorized by the agency under  
8 similar circumstances, the agency shall authorize the employee to use a ~~personal~~  
9 privately owned motorcycle for the employee's duties and shall reimburse the  
10 employee for the use of the motorcycle at rates determined at least biennially by the  
11 director of the office of state employment relations under sub. (8), subject to the  
12 approval of the joint committee on employment relations. No state agency may  
13 authorize an employee to use or reimburse an employee for the use of a ~~personal~~  
14 privately owned motorcycle under this paragraph if more than one individual is  
15 transported on the motorcycle. All allowances for the use of a motorcycle shall be  
16 paid upon approval and certification of the amounts payable by the head of the state  
17 agency for which the employee performs duties to the department of administration.

18           **SECTION 12.** 20.916 (5) (title) of the statutes is amended to read:

19           20.916 (**5**) (title) USE OF ~~PRIVATE AIRPLANES~~ PRIVATELY OWNED AIRCRAFT.

20           **SECTION 13.** 20.916 (5) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
21 is amended to read:

22           20.916 (**5**) (a) ~~Whenever any state agency determines that the duties of any~~  
23 ~~member or employee require the use of an airplane, it~~ If the use of a privately owned  
24 or chartered aircraft is more efficient and economical for the conduct of state  
25 business than commercial transportation, the head of a state agency may authorize

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1 ~~him or her~~ an employee to charter ~~such airplane~~ an aircraft with or without a pilot;  
2 and it may authorize any member or employee to use ~~his or her personal airplane~~ a  
3 privately owned aircraft and reimburse ~~him or her~~ the member or employee for such  
4 use of a privately owned aircraft at a rate set at least biennially by the office of state  
5 employment relations under sub. (8), subject to the approval of the joint committee  
6 on employment relations. ~~Such reimbursement shall be made upon the certification~~  
7 ~~of the amount by the head of the state agency to the department of administration.~~

8 **SECTION 14.** 20.916 (5) (b) of the statutes is amended to read:

9 20.916 (5) (b) The head of the state agency whose members or employees are  
10 authorized to use their own ~~airplanes~~ aircraft in their work for the state shall ~~file~~  
11 ~~with~~ ensure that employees adhere to any license and insurance requirements  
12 prescribed by the department of administration ~~a list of all persons so authorized~~  
13 ~~and the airplanes so to be used with a statement of the passenger capacity of each~~  
14 ~~such airplane.~~

15 **SECTION 15.** 20.916 (7) of the statutes is amended to read:

16 20.916 (7) PERSONAL USE OF STATE VEHICLES AND AIRCRAFT. With the approval of  
17 the secretary of administration, a state officer or employee may use a state-owned  
18 motor vehicle or state-owned aircraft for personal use. An officer or employee shall  
19 reimburse the state for personal use of a state-owned motor vehicle at the same  
20 reimbursement rate provided an employee by the state for the use of his or her  
21 ~~personal~~ privately owned automobile on state business as approved in the schedule  
22 under sub. (8). An officer or employee shall reimburse the state for personal use of  
23 a state-owned aircraft at a rate determined by the secretary of administration ~~which~~  
24 that covers all costs associated with the operation of the aircraft.

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1           **SECTION 16.** 20.916 (8) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
2 is amended to read:

3           20.916 (8) (a) The director of the office of state employment relations shall  
4 recommend to the joint committee on employment relations uniform travel schedule  
5 amounts for travel by state officers and employees whose compensation is  
6 established under s. 20.923 or 230.12. Such amounts shall include maximum  
7 permitted amounts for meal and lodging costs, ~~special allowance expenses~~ other  
8 allowable travel expenses under sub. (9) (d), and portorage tips, except as authorized  
9 under s. 16.53 (12) (c). In lieu of the maximum permitted amounts for expenses  
10 under sub. (9) (b), (c), and (d), the secretary may recommend to the committee a per  
11 diem amount and method of reimbursement for any or all expenses under sub. (9) (b),  
12 (c), and (d).

13           **SECTION 17.** 20.916 (9) (a) 1. of the statutes is renumbered 20.916 (9) (a) 1m.

14           **SECTION 18.** 20.916 (9) (a) 1d. of the statutes is created to read:

15           20.916 (9) (a) 1d. "Appointing authority" has the meaning given in s. 230.03 (4).

16           **SECTION 19.** 20.916 (9) (b) of the statutes is amended to read:

17           20.916 (9) (b) *Lodging.* ~~All~~ Subject to the limitations under sub. (8) and s. 16.53  
18 (12) (c), all reimbursement claims for lodging must be accompanied by a receipt.

19           **SECTION 20.** 20.916 (9) (c) of the statutes is amended to read:

20           20.916 (9) (c) *Meals.* Subject to the ~~limitation prescribed in~~ limitations under  
21 sub. (8) and s. 16.53 (12) (c), employees shall be reimbursed for all reasonable  
22 amounts expended for their own meals incurred in the performance of their official  
23 duties. Receipts for meals are not required except for ~~any unusual~~ claims in excess  
24 of the maximum amount, which must be accompanied by a receipt and full  
25 explanation of the reasonableness of such expense.



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1           **SECTION 21.** 20.916 (9) (d) of the statutes is repealed and recreated to read:

2           20.916 (9) (d) *Other allowable travel expenses.* Employees shall be reimbursed  
3 for actual, reasonable, and necessary expenses, including specifically laundry,  
4 telephone, facsimile, portage, and tips, when traveling on state business, but not  
5 to exceed any limitations or maximums established by the director of the office of  
6 state employment relations under sub. (8) and s. 16.53 (12) (c).

7           **SECTION 22.** 20.916 (9) (e) of the statutes is amended to read:

8           20.916 (9) (e) *Expenses in an employee's headquarters city, village, or town.*  
9 Employees who are headquartered in a city, village, or town in which the expense  
10 occurs shall be reimbursed for their actual, reasonable, and necessary expenses  
11 incurred in the discharge of official duties only on the approval of the head of the  
12 employee's agency appointing authority of the state agency at which the employee  
13 is employed. This does not apply to travel between an employee's residence and the  
14 city, village, or town in which the employee is headquartered, which shall not be  
15 reimbursable.

16           **SECTION 23.** 20.916 (9) (f) 2. of the statutes is amended to read:

17           20.916 (9) (f) 2. 'Train.' Travel by train shall be limited to coach, if available,  
18 unless overnight, where accommodations should be limited to roomette.

19           **SECTION 24.** 20.916 (9) (f) 3. of the statutes is amended to read:

20           20.916 (9) (f) 3. 'Reimbursement.' All Receipt limits for all claims for  
21 reimbursement of transportation expense, ~~except for taxicabs and airport~~  
22 ~~limousines, must be accompanied by a receipt~~ shall be established by the director of  
23 the office of state employment relations in the compensation plan under s. 230.12.

24           **SECTION 25.** 20.917 (1) (a) of the statutes is amended to read:

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1           20.917 (1) (a) Whenever an employee currently employed in a position in the  
2 civil service, other than on a limited term basis, is ordered to relocate or is promoted  
3 to a different position in the civil service and the new place of employment requires  
4 in the judgment of the new appointing authority at the new place of employment, or  
5 in the judgment of the appointing authority in an intra-agency relocation or  
6 promotion, a change in location of residence, the appointing authority shall  
7 authorize the employee to be reimbursed for the payment of the employee's actual  
8 and necessary expense of transporting the employee and the immediate members of  
9 the employee's family to the new place of residence and for the transportation of the  
10 employee's household effects to the new place of residence.

11           **SECTION 26.** 20.917 (1) (b) of the statutes is amended to read:

12           20.917 (1) (b) ~~Reimbursement~~ Payment under this section for an employee who  
13 relocates as a result of transfer or demotion made at the employee's request is at the  
14 discretion of the new appointing authority, or in an intra-agency transfer or  
15 demotion at the employee's request, at the discretion of the appointing authority of  
16 the state agency by at which the employee is employed.

17           **SECTION 27.** 20.917 (1) (c) of the statutes, as affected by 2003 Wisconsin Act 33,  
18 is amended to read:

19           20.917 (1) (c) ~~Reimbursement~~ Payment for moving expenses may be granted  
20 to a person reporting to his or her first place of employment or reporting upon  
21 reemployment after leaving the civil service, if ~~reimbursement~~ payment is  
22 recommended by the appointing authority and approved in writing by the director  
23 of the office of state employment relations prior to the time when the move is made.

24           **SECTION 28.** 20.917 (1) (d) of the statutes is amended to read:

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1           20.917 (1) (d) Reimbursement Payment may not be granted if the distance  
2           between the old and new residences of the employee is less than a minimum distance  
3           established ~~for reimbursement of moving expenses in the compensation plan under~~  
4           ~~s. 230.12 (1) by the director of the office of state employment relations for payment~~  
5           of moving expenses.

6           **SECTION 29.** 20.917 (1) (e) of the statutes is amended to read:

7           20.917 (1) (e) In addition to other costs payable under this subsection, an  
8           employee who is eligible for ~~reimbursement payment of moving expenses~~ under par.  
9           (a) shall be paid a stipend of ~~\$600~~ in an amount established in the compensation plan  
10          under s. 230.12 for preparation of household effects incident to moving and other  
11          moving expenses not otherwise reimbursable under this section. An employee who  
12          is eligible for ~~reimbursement payment~~ under par. (b) may, at the discretion of the  
13          appointing authority, be paid a stipend of not more than ~~\$600~~ the amount established  
14          in the compensation plan under s. 230.12 for preparation of household effects  
15          incident to moving and other moving expenses not otherwise reimbursable under  
16          this section. An appointee who receives ~~reimbursement a payment~~ under par. (c)  
17          may, at the discretion of the appointing authority, be paid a stipend of not more than  
18          ~~\$600~~ the amount established in the compensation plan under s. 230.12 for  
19          preparation of household effects incident to moving and other moving expenses not  
20          otherwise reimbursable under this section.

21          **SECTION 30.** 20.917 (2) (a) of the statutes, as affected by 2003 Wisconsin Act 33,  
22          is amended to read:

23          20.917 (2) (a) The director of the office of state employment relations ~~shall~~  
24          ~~recommend~~ may establish a maximum dollar amount ~~which may be permitted for~~  
25          ~~reimbursement for payment~~ of any employee moving costs under sub. (1) (a) to (c),

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1 subject to the limitations prescribed in par. (b). This amount shall be submitted for  
2 the approval of the joint committee on employment relations in the manner provided  
3 in s. 20.916 (8), and upon approval shall become a part of the compensation plan  
4 under s. 230.12 (1).

5 **SECTION 31.** 20.917 (2) (b) of the statutes is amended to read:

6 20.917 (2) (b) ~~The amount of reimbursement for moving household effects~~  
7 ~~interstate may not exceed the maximum amount as set forth in the rate tables of the~~  
8 ~~major household goods tariff publishing bureaus, as determined by the department~~  
9 ~~of administration. The amount of reimbursement for moving household effects~~  
10 ~~intrastate may not exceed the maximum amount established by the department of~~  
11 ~~administration for the weight of goods moved and the distance involved. In any~~  
12 ~~instance, the amount of reimbursement for moving household effects may not exceed~~  
13 ~~the amount required to move household effects with a weight of 15,000 pounds at the~~  
14 ~~maximum rates for transporting household effects established by the department of~~  
15 ~~administration. The amount of reimbursement for transporting the employee and~~  
16 ~~his or her immediate family to the new place of residence may not exceed the cost of~~  
17 ~~automobile travel at the rate determined under s. 20.916 (4).~~

18 **SECTION 32.** 20.917 (2m) of the statutes is amended to read:

19 20.917 (2m) An individual who is living outside the contiguous 48 states and  
20 the District of Columbia and who incurs ~~travel~~ moving and transportation expenses  
21 for the purpose of reporting to his or her first place of employment or reporting upon  
22 reemployment after leaving the civil service to a location within the contiguous 48  
23 states or District of Columbia may be ~~reimbursed~~ paid for actual, necessary and  
24 reasonable expenses incurred, if the reimbursement is recommended and approved  
25 in the manner prescribed in sub. (1) (c). ~~In no case may the reimbursement~~ Any such

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1 payment may not exceed the maximum reimbursement rate amounts available for  
2 an individual who incurs such expenses upon appointment to a position in the federal  
3 government, as prescribed by applicable federal regulation. The reimbursement  
4 payable payments under this subsection is are in lieu of the reimbursement those  
5 otherwise payable under subs. (1) and (2).

6 **SECTION 33.** 20.917 (3) (a) 3. of the statutes is amended to read:

7 20.917 (3) (a) 3. Claims for lodging ~~allowance payments~~ allowances shall be  
8 approved and paid in the same manner as travel expenses.

9 **SECTION 34.** 40.05 (4) (by) 1. of the statutes is amended to read:

10 40.05 (4) (by) 1. Employers shall pay contributions that are sufficient to pay  
11 for the present value of the present and future benefits authorized under subch. IX  
12 for all employees eligible to receive the benefits under that subchapter, other than  
13 state employees who are eligible to receive the benefits as a result of layoff. Except  
14 as provided in subd. 2., the board shall annually determine the contribution rate  
15 upon certification by the actuary of the department. The contribution rates  
16 determined under this paragraph shall become effective on January 1 of the calendar  
17 year in which they are applicable and shall remain in effect during that year.

18 **SECTION 35.** 40.95 (1) (a) (intro.) of the statutes, as affected by 2003 Wisconsin  
19 Act 33, is amended to read:

20 40.95 (1) (a) (intro.) Subject to sub. (2), the department shall administer a  
21 program that provides health insurance premium credits for the purchase of health  
22 insurance for a retired employee, or the retired employee's surviving insured  
23 dependents, ~~and;~~ for an eligible employee under s. 40.02 (25) (b) 6e., or the eligible  
24 employee's surviving insured dependents; for an employee who is laid off, but who  
25 is not on a temporary, school year, seasonal, or sessional layoff, and his or her

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1 surviving insured dependents; and for the surviving insured dependents of an  
2 employee who dies while employed by the state, for the benefit of an eligible employee  
3 whose compensation includes such health insurance premium credits and who  
4 satisfies at least one of the following:

5 **SECTION 36.** 40.95 (2) of the statutes is amended to read:

6 40.95 (2) The department is not required to administer any program that  
7 provides health insurance premium credits for the purchase of health insurance for  
8 a retired employee or the retired employee's surviving insured dependents; for an  
9 eligible employee under s. 40.02 (25) (b) 6e., or the eligible employee's surviving  
10 insured dependents; for an employee who is laid off, but who is not on a temporary,  
11 school year, seasonal, or sessional layoff, and his or her surviving insured  
12 dependents; and for the surviving insured dependents of an employee who dies while  
13 employed by the state, if the department determines that the program does not  
14 conform to the program approved by the joint committee on employment relations  
15 under s. 230.12 (9).

16 **SECTION 37.** 230.12 (9) of the statutes, as affected by 2003 Wisconsin Act 33,  
17 is amended to read:

18 230.12 (9) HEALTH INSURANCE PREMIUM CREDITS. The director may recommend  
19 to the joint committee on employment relations a program, administered by the  
20 department of employee trust funds, that provides health insurance premium  
21 credits to employees whose compensation is established under this section or s.  
22 20.923 (2) or (3). The health insurance premium credits shall be used for the  
23 purchase of health insurance for a retired employee, or the retired employee's  
24 surviving insured dependents, ~~and~~; for an eligible employee under s. 40.02 (25) (b)  
25 6e., or the eligible employee's surviving insured dependents; for an employee who is

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1 laid off, but who is not on a temporary, school year, seasonal, or sessional layoff, and  
2 his or her surviving insured dependents; and for the surviving insured dependents  
3 of an employee who dies while employed by the state, and shall be based on the  
4 employee's years of continuous service, accumulated unused sick leave and any other  
5 factor recommended by the director. Credits granted under the program to an  
6 employee who is laid off shall be available until the credits are exhausted, the  
7 employee is reemployed by the state, or 5 years have elapsed from the date of layoff,  
8 whichever occurs first. The approval process for the program is the same as that  
9 provided under sub. (3) (b) and the program shall be incorporated into the  
10 compensation plan under sub. (1).

11 **SECTION 38.** 230.35 (1p) (b) (intro.) of the statutes is amended to read:

12 230.35 (1p) (b) (intro.) Employees at the 200-hour ~~or 216-hour~~ rate under sub.  
13 (1) or (1m) may, in the year earned, elect to receive not more than 80 of those hours  
14 of earned annual leave among one or more of these options:

15 **SECTION 39.** 230.35 (1p) (bm) of the statutes is created to read:

16 230.35 (1p) (bm) Employees at the 216-hour rate under sub. (1) or (1m) may,  
17 in the year earned, elect to receive not more than 120 of those hours of earned annual  
18 leave among one or more of these options:

- 19 1. Not to exceed 40 hours in cash.
- 20 2. As credit for termination leave.
- 21 3. As accumulated sabbatical leave.

22 **SECTION 40.** 230.35 (4) (d) (intro.) of the statutes is amended to read:

23 230.35 (4) (d) (intro.) In addition to the holidays granted under par. (c), all  
24 employees except limited term employees shall earn 3.5 paid personal holidays each  
25 calendar year, plus one additional paid personal holiday each calendar year in

**SENATE BILL 362****SECTION 40**

1 recognition of Veterans Day. Eligibility to take the personal holidays during the year  
2 earned is subject to the following:

3 **SECTION 41. Initial applicability.**

4 (1) The treatment of sections 40.05 (4) (by) 1., 40.95 (1) (a) (intro.) and (2), and  
5 230.12 (9) of the statutes first applies to the provision of health insurance premium  
6 credits under subchapter IX of chapter 40 of the statutes for surviving insured  
7 dependents of a state employee who dies on the effective date of this subsection and  
8 for state employees who are laid off on the effective date of this subsection.

9 **SECTION 42. Effective date.**

10 (1) This act takes effect on January 1, 2004, or the day after publication,  
11 whichever is later.

12 (END)