

JOHN SPIROS

State Representative • 86th Assembly District

Senate Bill 97

March 6, 2018

Testimony from Rep. Spiros

Hello, and thank you Chairman Craig and members of the Senate Committee on Insurance, Financial Services, Constitution, and Federalism for allowing me to have the opportunity to share my testimony with you today regarding Senate Bill 97, which would create a much needed benefit for law enforcement officers in our state.

In 2009, the Wisconsin legislature passed a bill requiring municipalities to provide health insurance coverage to the surviving spouses and children of fire fighters who died in the line of duty. Unfortunately, in a grave oversight, law enforcement and EMTs were left out of this legislation.

This bill seeks to correct that oversight by including law enforcement and EMTs in this benefits, as well as establishing a loan program for those spouses and dependents.

Under this bill, the Department of Administration would cover the costs of health insurance premiums for the spouses and children of law enforcement officers or fire fighters killed in the line of duty. For the surviving families of those employed by the state, the premiums would be funded from the general fund. For those employed by local governments, the premiums would be funded through reduced shared revenue payments to the local government in question.

The health insurance premiums required under this bill will only be paid until the spouse remarries or reaches the age of 65, and for the children, only until they reach the age of 26 or until the child has insurance that is offered under his or her employer. On average, about two law enforcement officers in Wisconsin are killed each year. Of those killed in the last ten years, about 70% had spouses, dependent children, or both. According to DOR, the cost for these premiums would range from \$18,800 to \$42,600 per family. Based on the data available on the number of families receiving payment of health insurance premiums under the current benefit for fallen fire fighters, we estimate this bill would result in coverage of premiums for about 8 families. This would result in a costs ranging from \$150,400 to \$340,800.

The loan program under the bill requires DOA to provide a loan to a surviving spouse in an amount equal to the salary that would have been paid had the spouse not died in the line of duty. The loan must be repaid when a surviving spouse receives the proceeds from the life insurance policy of the deceased spouse. This loan program will help to alleviate some of the financial burden these families will face when their loved ones are killed in the line of duty.

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Every single day, law enforcement officers put their lives on the line to protect and serve the people of Wisconsin. Many of these individuals have spouses and children at home who simply don't know whether their loved ones will be coming home at the end of their shift. In addition to the risk those law enforcement officers put themselves at, they have to worry what will happen to their families should they be killed in the line of duty, and whether their families will be financially okay. With the countless dangers law enforcement officers face each and every day, this is one we can do something about. We can give them the assurance that if something happens to them, their families will be cared for and will still have access to health insurance.

You'll notice this bill is retroactive, meaning it also applies to the surviving spouses and children of law enforcement officers, fire fighters, and EMTs who have previously died in the line of duty. These individuals made the ultimate sacrifice for us, yet some of their families still struggle financially. Making this bill retroactive will give us the ability to ease some of the financial burden of those families.

Thank you again for allowing me the opportunity to share testimony in support of this bill, and I welcome any questions.



Van H. Wanggaard

Wisconsin State Senator

TESTIMONY ON SENATE BILL 97

Thank you Mr. Chairman and committee members, for this hearing on Senate Bill 97. This is a bipartisan bill that will provide health insurance protection for the immediate family of police officers killed in the line of duty. The bill is modeled on a similar bill for the immediate family of firefighters, which passed the Senate and Assembly on a voice vote several years ago.

Police officers are the first line of defense in Wisconsin. They work tirelessly to ensure the safety of Wisconsin citizens. They risk their lives every day. They are expected to be pillars of our community, and they deserve to be treated as such.

We are fortunate in this state that we have had few police officers killed in the line of duty in the last several years. Every day, most of us walk past the Police Memorial outside the North Wing. These men and women who give their lives are heroes, and they deserve our recognition, our thanks and our support.

I was a former Racine police officer for almost thirty years and I know firsthand the dangers that many officers face. When an officer enters a situation, they have many thoughts going through their mind. Evaluating the tactical situation, considering public safety, and negotiation strategies are all of critical importance. The last thing an officer needs to be worrying about is whether or not their family will be protected by health insurance coverage if something bad should happen to them.

When I first introduced this bill in 2011, the bill simply required local communities to provide health insurance to a fallen officer's family going forward until the spouse remarries, and/or children are grown. Some people were skeptical of this plan, as it could devastate local governments' budgets, and that it only addressed one issue, health insurance, and not others. Thanks to the efforts of others, including then-Senator Frank Lasee, the bill before you today is frankly a much better bill than was introduced 7 years ago.

The core of the bill remains the same – to provide ongoing health insurance to the family members of police officers that die in the line of duty. Coverage would continue for the officer's family until the spouse reaches age 65, or remarries. If children were covered at the time of death, they would continue to be covered until they "age out" of coverage.

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To prevent the continuing coverage from burdening just one local community, the bill is funded through a first draw on shared revenue. This is appropriate because when one community loses an officer, it is a loss felt by the entire state not just the community the officer served. For state law enforcement officers, a new appropriation in Chapter 20 is created. The Department of Revenue estimates the cost of this bill roughly between five hundred thousand to two million dollars statewide annually. The fiscal estimate also notes that the impact on municipalities' shared revenue payments would be "minimal."

Another aspect of the bill addresses what occurs when the officer dies. Because the officer ceases to be an employee upon his or her death, they no longer receive a paycheck. Too often, salary and vacation payments will be exhausted before life insurance benefits are received. This concern is addressed by a new state loan program. State loans will be available to survivors equal to salary that would have been paid and will be secured by the life insurance policy. This will help families bridge any financial gap that may occur after the tragic event.

Finally, the bill includes firefighters and EMTs. For firefighters, this simply updates their existing protection law into this new framework. EMTs were included because they also put their lives on the line to protect others.

Senate Bill 97 gives us a great opportunity to give back to the families of those who serve. I am grateful that very few Wisconsinites have had their lives taken in the line of duty. For those who give the ultimate sacrifice, the least we can do is to help insure their surviving family members are taken care of. I ask for your support in passing this bill to protect the families of the heroes who give everything so that others may live. Thank you.



March 6, 2018

Senate Committee on Insurance, Financial Services, Constitution and Federalism
Senate Bill 97
Representative Peter Barca

Chairman Craig and members of the Senate Committee on Insurance, Financial Services, Constitution and Federalism; thank you for holding a public hearing on Senate Bill 97, which will extend a health insurance benefit and loan program to the surviving spouses and dependent children of law enforcement officers, fire fighters, and emergency responders killed in the line of duty.

This is common-sense, bipartisan legislation that will protect the loved ones of the men and women who risk their lives protecting our loved ones. As you likely know, the state acted to require these critical benefits be paid for the surviving family of local fire fighters on a broad bipartisan basis in 2009-10. While law enforcement and EMTs were not included at that time, this legislation ensures these key groups are able to seek the same benefits, as well as providing a loan program to the spouses of all.

The proposal enjoys broad legislative support. It has passed the State Senate in each session since 2011 with unanimous or nearly unanimous support, including a 31-1 vote in 2016. Despite the inability of the Assembly to concur on this action in the past, it would easily pass in our chamber as well because a majority of State Representatives have signed on to the bill.

This proposal has received strong support from groups representing police, emergency response personnel, and firefighters such as the Wisconsin Professional Police Association, Wisconsin Sheriffs and Deputy Sheriffs Association, Badger State Sheriffs' Association, WI Chiefs of Police Association, Wisconsin County Police Association, Wisconsin Troopers Association, AFSCME, Milwaukee Professional Fire Fighters Association, and the Professional Fire Fighters of Wisconsin

Nothing should be more bipartisan than ensuring the spouse or children of those who serve their communities in these capacities are protected after their family member makes the ultimate sacrifice. If the legislature could take meaningful action to enact this bill into law here in final weeks of the scheduled legislative session it would be a tremendous victory for the state and send the clear message that we stand with these brave men and women.

Thank you for your time today and I ask that this committee will act swiftly to hold a vote to advance Senate Bill 97.



Written Testimony of:

Jim Palmer, Executive Director
WISCONSIN PROFESSIONAL POLICE ASSOCIATION

Before the:

Senate Committee on Insurance, Constitution and Federalism
WISCONSIN STATE LEGISLATURE

March 6, 2018

With nearly 10,000 members, the Wisconsin Professional Police Association (WPPA) is the state's largest law enforcement group. Our mission is to protect and promote public safety, as well as the interests of the dedicated men and women who serve to provide it. The WPPA genuinely appreciates this opportunity to offer our ardent **SUPPORT to 2017 Senate Bill 97**, which would provide for the payment of the health insurance premiums for the spouses and dependents of law enforcement officers killed in the line of duty.

Though infrequent, some officers make the ultimate sacrifice in their efforts to keep Wisconsin safe. In the wake of a tragedy like this, a family can be left to grieve and to fend for themselves with respect to their health insurance needs that are no longer provided to them. Senate Bill 97 would cover these rare and tragic circumstances, and recognizes that, ***while an officer wears a badge; their service to Wisconsin is not a solitary endeavor***. Indeed, the law enforcement profession is one that requires the extraordinary support of loved ones who share a dedication and commitment to our common security.

We as a society should do everything we can to care for those that have lost the support of a loved one who died while working to keep our neighborhoods, communities, and roadways safe. Senate Bill 97 would not only give officers some measure of peace in knowing that their loved ones will have health insurance, but it recognizes that the safety of our communities not only requires dedicated men and women in uniform, but also the families who watch them depart each day to fulfill their duty.

For these simple reasons, the WPPA respectfully requests that this committee approve this measure as soon as possible.

Thank you for your consideration.



To: Members, Senate Committee on Insurance, Financial Services, Constitution and Federalism
From: Badger State Sheriffs' Association (BSSA)
Wisconsin Sheriffs and Deputy Sheriffs Association (WS&DSA)
Date: March 6, 2018
RE: Testimony in Support for Senate Bill 97

Good morning, I am Sheriff Dave Mahoney from Dane County. I am here today speaking on behalf of Badger State Sheriffs' Association and Wisconsin Sheriffs and Deputy Sheriffs Association in support of Senate Bill 97.

Under current law, a municipality that provides the payment for hospital, surgical, and other health insurance for fire fighters must continue to pay those premiums for the surviving spouse and dependent children of a fire fighter that dies in the line of duty. Enacted in 2009, this law provides Wisconsin fire fighters and their families with a level of security if the unfortunate occurs. However, this important benefit is NOT extended to other law enforcement officers, including, sheriffs, sheriff deputies or police officers.

Although infrequent and tragic, some law enforcement officers make the ultimate sacrifice in their efforts to keep Wisconsin residents safe. In the wake of a tragedy like this, family can be left to grieve and to fend for themselves with respect to their health insurance needs that are no longer provided to them. Extending the benefits that are already granted to fire fighters to the rest of law enforcement will provide these families with security and peace of mind.

Senate Bill 97 will provide these benefits to those families of fallen law enforcement officers and emergency medical technicians. The legislation also establishes a loan program, secured by life insurance policies, at the Department of Administration, to provide the surviving spouse a salary equal to what would have been paid to their deceased spouse.

This legislation, in some form, has passed the state Senate in the past three legislative sessions. The continued bipartisan support of this legislation highlights the importance to make the law equitable between all those that sacrifice their safety for others. One barrier this bill has faced in past sessions is concerns with the fiscal impact.

For SB 97, the Department of Revenue (DOR) updated their original estimate to include several potential cost brackets depending on how many beneficiaries emerge. Working with the authors and stakeholders, we also looked at data from the Wisconsin Law Enforcement Memorial Fallen Officers list. Going back four decades using this data, it is estimated only 10 beneficiaries would currently be eligible to receive benefits. Therefore, according to the updated DOR estimate, costs would be in the lowest bracket, between \$187,800-\$455,200 annually. Given the infrequency of these tragic events, additional future costs will likely be minimal to local governments.

The nature of policing has now become more stressful and dangerous as ever. This policy will provide peace of mind for those families, at a minimal cost to the state and local governments.

Thank you for your time and consideration.



March 6, 2018

To: Chairman Senator David Craig and Members of the Senate Committee on Insurance, Financial Services, Constitution, and Federalism
From: The Wisconsin Chiefs of Police Association
Re: Support for Senate Bill 97

Thank you, Senator Craig and Committee members for scheduling Senate Bill 97 for this public hearing today. We also thank Sen. Van Wanggaard and Rep. John Spiros for their tireless efforts to move this bill forward. We hope the Committee Chair will schedule SB 97 for a vote out of committee in time for the Senate floor period March 20th.

The Wisconsin Chiefs of Police Association represent nearly 700 Wisconsin law enforcement leaders across the State of Wisconsin.

SB 97 establishes a health insurance benefit and loan program for the surviving spouses and dependent children of local law enforcement officers who die in the line of duty. The loan program is administered by the Department of Administration that equals the salary that would have been paid to the deceased employee. The loan comes due when proceeds of a life insurance policy is paid.

This bill helps a family in crisis, traumatized when their loved one is killed in the line of duty. It eliminates some of the sudden financial devastation the surviving spouse faces. Currently, if the law enforcement officer is carrying the insurance for his or her family, it is cut off at the end of the month that the officer dies and has just been buried.

This bill covers health insurance costs for the surviving spouse until he or she remarries or reaches the age of 65 and, surviving dependent children until they reach the age of 26. Although infrequent and tragic, for young families with young children this policy can provide peace of mind at a minimal cost to the state and local governments.

This bill is retroactive for spouses and dependent children of officers that have fallen in the line of duty. However, they only become eligible to be reimbursed for *future* health insurance premiums and are not be eligible for past premiums.

Since firefighters have had this benefit since 2009, policymakers could convey that the lives of law enforcement officers killed in the line of duty and their loved ones are equally important.

We appreciate the state Senate has passed a variation of this bill three previous times, only to be blocked in the state Assembly each time.

We are thankful for years when there are no officers killed in the line of duty. Unfortunately, the reality is that police work is more dangerous and difficult now than it has been in recent memory. Officer

deaths do occur, and it is our responsibility to at least take care of the families of those that lay down their lives for us.

Since 1977, 82 law enforcement officers have lost their life in the line of duty in Wisconsin, or about 2 officers per year. Some officers have left behind no spouses or dependents. Others have left behind spouses with their own insurance plans. Eventually, some spouses remarry, and some have children over the age of 26. The Wisconsin Chiefs of Police Association collected information from 1977 to date to look at actual estimated costs.

This information on fallen officers includes:

- Facts about spouses and their age
- If the spouse had separate insurance or needed insurance
- If the spouse remarried or was Medicare eligible
- The ages of the officer's children at the time of death

Based on this information, the WCPA identified 9 spouses and 1 child from the last 41 years as current potential beneficiaries of this bill. This means the projected high impact in the updated Department of Revenue Fiscal note is never likely to reach the suggested \$2.1 million dollar annual impact.

Based on 2017 costs from health insurance plans administered by the Department of Employee Trust Funds (ETF) for local governments, premiums range in cost from \$18,800 to \$42,600 annually" for individual and family plans. Accordingly, the potential fiscal impact of this bill would range from \$188,000 to \$426,000 based on current figures.

The passage of this bill would signal a desire to treat fallen police officers the same as fallen firefighters. We urge this committee to vote "yes" on SB 97 in time for a floor vote March 20.

Thank you for your time and consideration of this important legislation.