

State of Misconsin 2019 - 2020 LEGISLATURE

LRB-4043/1 MIM:ahe

2019 BILL

1	AN ACT to renumber 40.86 (1), 40.86 (2), 40.86 (3) and 40.86 (4); and to create
2	$40.86\ (1)\ (intro.)$ of the statutes; relating to: employee-funded reimbursement
3	accounts (suggested as remedial legislation by the Department of Employee
1	Trust Funds)

Analysis by the Legislative Reference Bureau

Under current law, the Employee Trust Funds Board contracts with employee-funded reimbursement account plan providers to provide accounts to be used by state agencies. Employee-funded reimbursement accounts are governed by provisions of the Internal Revenue Code. This bill aligns the statutory language with the language in the IRC.

For further information, see the Notes provided by the Law Revision Committee of the Joint Legislative Council.

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

Law Revision Committee prefatory note: This bill is a remedial legislation proposal, requested by the Department of Employee Trust Funds and introduced by the Law Revision Committee under s. $13.83\,(1)\,(c)$ 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

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BILL SECTION 1

1	SECTION 1. 40.86 (1) (intro.) of the statutes is created to read:
2	40.86 (1) (intro.) Expenses authorized under section 125 of the Internal
3	Revenue Code, which may include any of the following:
4	Section 2. $40.86(1)$ of the statutes is renumbered $40.86(1)(a)$.
5	Section 3. 40.86 (2) of the statutes is renumbered 40.86 (1) (b).
6	Section 4. 40.86 (3) of the statutes is renumbered 40.86 (1) (c).
7	Section 5. 40.86 (4) of the statutes is renumbered 40.86 (2m).
	Note: Sections 1 and 5 align statutory language with the Internal Revenue Code by distinguishing between expenses reimbursable under two different plan types. Sections 1 to 4 address expenses authorized under section 125 plans, and Section 5 addresses expenses authorized under section 132 plans

(END)