



**SENATE AMENDMENT 5,
TO 1995 SENATE BILL 449**

March 26, 1996 - Offered by Senators GROBSCHMIDT, WINEKE, ANDREA, MOORE,
CHVALA, SHIBILSKI and JAUCH.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 13: after "system" insert: "the 5-year vesting requirement to
3 receive an annuity under the Wisconsin retirement system,".

4 **2.** Page 3, line 21: after that line insert:

5 "SECTION 3m. 40.02 (17) (j) of the statutes is repealed."

6 **3.** Page 6, line 16: after that line insert:

7 "SECTION 9m. 40.02 (45) of the statutes is amended to read:

8 40.02 (45) "Participant" means any person included within the provisions of
9 the Wisconsin retirement system by virtue of being or having been a participating
10 employe whose account has not been closed under s. 40.25 (1), or (2) ~~or (2m)~~."

11 **4.** Page 6, line 25: after that line insert:

12 "SECTION 11m. 40.04 (4) (a) 2m. of the statutes is amended to read:

13 40.04 (4) (a) 2m. Debited, if a participant terminates covered employment on
14 or after January 1, 1990, and applies for a benefit under s. 40.25 (2) ~~or (2m)~~, with an
15 amount equal to the amount by which the fixed annuity division interest credited on

1 or after January 1, 1990, to employe required contributions, exceeds the interest
2 crediting at an annual rate of 3% on each prior year's closing balance.".

3 **5.** Page 13, line 15: after that line insert:

4 **"SECTION 23m.** 40.22 (3m) of the statutes is amended to read:

5 40.22 **(3m)** Any employe who becomes a participating employe shall continue
6 to be a participating employe notwithstanding sub. (2) (a) or (b) for periods of
7 subsequent employment with that state agency or other participating employer
8 unless the employment with the state agency or other participating employer is
9 terminated for 12 or more consecutive calendar months or unless the employe
10 receives a benefit under s. 40.23, 40.25 (1), or (2) ~~or (2m)~~ or 40.63.".

11 **6.** Page 13, line 21: after that line insert:

12 **"SECTION 24g.** 40.23 (1) (a) 3. of the statutes is repealed.

13 **SECTION 24r.** 40.23 (1) (am) 2. of the statutes is amended to read:

14 40.23 **(1)** (am) 2. Any participant who has attained age 55 and who is a
15 participant because of employment other than part-time service as an elected official
16 and who is also a participating employe because of part-time service as an elected
17 official may, after termination of all covered employment other than service as a
18 part-time elected official, waive further participation under the fund for his or her
19 current, and any future, part-time service as an elected official. Any election under
20 this paragraph is irrevocable and is effective beginning the day after the date of
21 election. Notwithstanding par. (a), any participant ~~initially employed before~~
22 ~~January 1, 1990,~~ who elects under this paragraph may receive a retirement annuity
23 for all service under the fund credited to the participant to the date he or she elects.
24 ~~Notwithstanding par. (a), any participant initially employed on or after January 1,~~

1 1990, who elects under this paragraph may receive a retirement annuity for all
2 service under the fund credited to the participant to the date he or she elects only if
3 the participant has creditable service in at least 5 calendar years. The date a
4 participant elects under this paragraph is deemed to be the date of separation from
5 the last participating employer by which that participant was employed.”.

6 **7.** Page 18, line 22: after that line insert:

7 “**SECTION 32g.** 40.25 (2m) of the statutes is repealed.

8 **SECTION 32r.** 40.25 (3) of the statutes is amended to read:

9 40.25 (3) Upon administrative approval of payment of an amount under either
10 sub. (1), or (2) ~~or (2m)~~, the participant’s account shall be closed and there shall be no
11 further right, interest or claim on the part of the former participant to any benefit
12 from the Wisconsin retirement system except as provided by subs. (5) and (6). Any
13 former participant who is subsequently employed by any participating employer
14 shall be treated as a new participating employe for all purposes of this chapter. New
15 accumulations of contributions and credits and the computation of any future
16 benefits shall bear no relationship to any accumulations and credits paid as single
17 sums under sub. (1), or (2) ~~or (2m)~~.”.

18 **8.** Page 20, line 3: after that line insert:

19 “**SECTION 35m.** 40.25 (6) (b) 1. of the statutes is amended to read:

20 40.25 (6) (b) 1. Forfeited because of payment of an amount under sub. (2) ~~or~~
21 ~~(2m)~~; or”.

22 **9.** Page 25, line 13: after that line insert:

23 “**SECTION 44m.** 40.63 (1) (intro.) of the statutes is amended to read:

