



1995 ASSEMBLY BILL 501

August 7, 1995 - Introduced by Representatives WIRCH, KREUSER, GROBSCHMIDT, GRONEMUS, LORGE, MEYER and BALDWIN, cosponsored by Senators ANDREA, RISSER, MOEN, WINEKE and GEORGE. Referred to Joint survey committee on Retirement Systems.

1 **AN ACT to amend** 40.23 (2m) (fm) of the statutes; **relating to:** changing the
2 qualifications for converting a partial year of creditable service to a full year of
3 creditable service under the Wisconsin retirement system for the purpose of
4 determining an annuity reduction.

Analysis by the Legislative Reference Bureau

Under current law, a participant, other than a teacher, in the Wisconsin retirement system (WRS) who has at least 0.75 of a year of creditable service in any annual earnings period may treat that 0.75 of a year as one year of creditable service for the purpose of determining the amount of annuity reduction that the participant will incur if he or she terminates covered employment in the WRS before the normal retirement date. To qualify for this treatment, this participant must have earned only a partial year of creditable service in at least 5 of the 10 annual earnings periods immediately preceding the annual earnings period in which the participant terminated covered employment in the WRS.

This bill eliminates this qualification for the treatment of such partial years of creditable service for determining the annuity reduction.

This bill will be referred to the joint survey committee on retirement systems for a detailed analysis, which will be printed as an appendix to the bill.

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

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

5 **SECTION 1.** 40.23 (2m) (fm) of the statutes is amended to read:

