



**1999 DRAFTING REQUEST**

**Bill**

Received: **11/13/98**

Received By: **champra**

Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **Himself**

This file may be shown to any legislator: **NO**

Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **Employ Pub - retirement**

Extra Copies:

**Topic:**

Creditable military service under the WRS

**Instructions:**

See Attached.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/2	champra 11/30/98 champra 12/3/98	wjackson 11/30/98 wjackson 12/3/98	martykr 12/1/98	_____	lrb_docadmin 12/1/98		S&L Retire
/3			jfrantze 12/4/98	_____	lrb_docadmin 12/4/98	lrb_docadmin 12/7/98	

FE Sent For:

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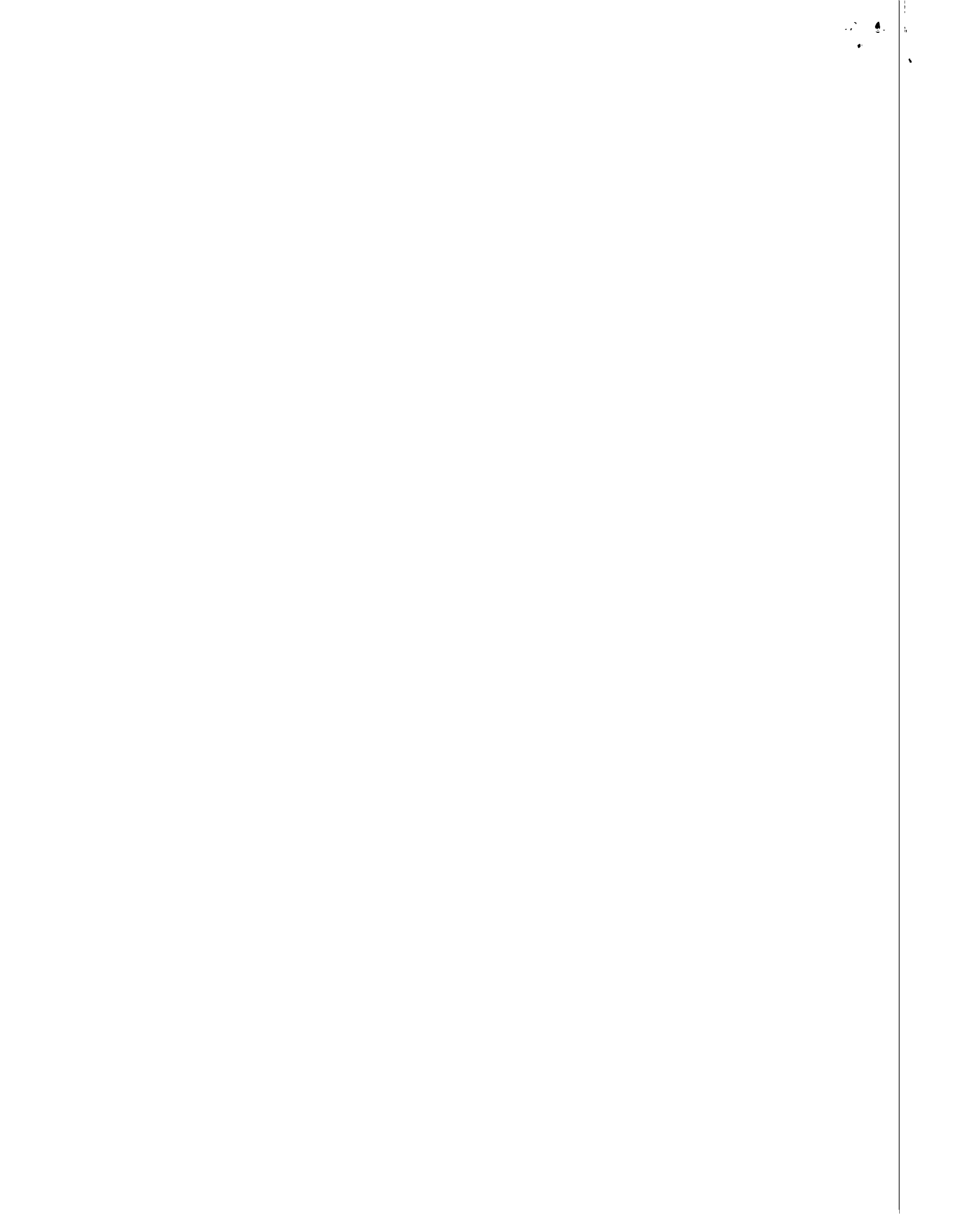
See Attached.

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|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| 1?           | champra        | 1-11-24-98 JLG  | Km/24        | 23<br>Km/25    |                  |                 |                 |

FE Sent For:

<END>

**State Representative**  
**Spencer Black**

---



State Capitol  
P.O. Box 8952  
Madison, WI 53708  
(608) 266-7521

November 12, 1998

TO: Richard Champagne

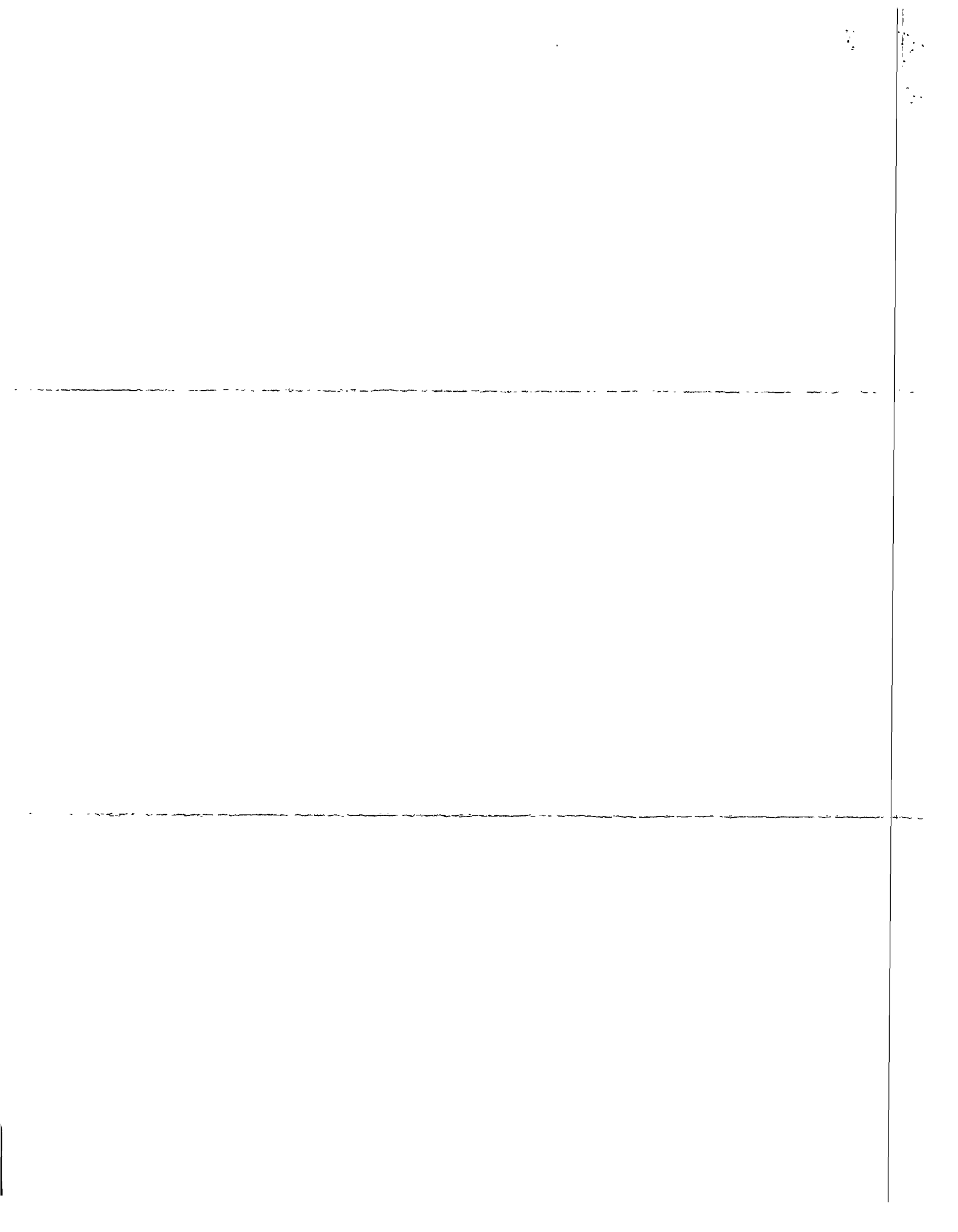
FR: Spencer Black

RE: Request for legislative draft

Please draft a bill for me to amend s. 40.02(57m) stats. to include service in the United States Public Health Service.

The intent to this bill is to allow service in the United States Public Health Service to count as creditable military service similar to other categories of uniformed service currently enumerated in s. 40.02(57m) stats.

Thank you for your assistance.





1997 ASSEMBLY BILL 43

1999

February 3, 1997 - Introduced by Representatives SCHNEIDER, MURAT, TURNER, NOTESTEIN, BOYLE, SPRINGER and BALDWIN, cosponsored by Senator SHIBILSKI. Referred to Joint survey committee on Retirement Systems.

regr. cat

1 AN ACT *to amend* 40.02 (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1.  
 2 to 3. , 40.02 (17) (intro.), 40.02 (40), 40.02 (48m) (f), 40.05 (2) (b), 40.25 (7) (a)  
 3 (intro.), 40.25 (7) (b), 40.30 (3) and 40.71 (1) (c); and *to create* 40.02 (59) and  
 4 40.05 (2) (bx) of the statutes; **relating to:** granting creditable service under the  
 5 Wisconsin retirement system for service in the federal peace corps or VISTA  
 6 ~~public service programs or in any national service program under the federal~~  
 7 ~~National and Community Service Act of 1990.~~ public health service

four

**Analysis by the Legislative Reference Bureau**

Under current law, a participating employe under the Wisconsin retirement system (WRS) may receive one year of creditable service under WRS for each year of military service, up to a maximum of ~~4~~ years of military service credit, at the time of retirement in either of the following ways:

1. If the participant left employment covered under WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).

2. If the participant's military service was performed before 1974 and the participant terminates employment covered under WRS on or after March 9, 1984, the participant may receive up to 1, 2, 3 or 4 years of military service credit if the

one two three four

ASSEMBLY BILL 43

public health service

five ten fifteen twenty

participant has at least ~~5~~<sup>3</sup>, ~~10~~<sup>10</sup>, ~~15~~<sup>15</sup> or ~~20~~<sup>20</sup> years, respectively, of creditable service (not counting previously granted military service credit).

This bill provides for similar granting of creditable service under WRS for service in the federal ~~peace corps or VISTA public service programs or in any national service program under the federal National and Community Service Act of 1990.~~

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 this 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:*

SECTION 1. 40.02 (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1. to 3.

of the statutes are amended to read:

40.02 (15) (a) (intro.) "Creditable military or ~~volunteer~~ service" means active service in the U.S. armed forces or ~~volunteer services~~, based on the total period of service in the U.S. armed forces or ~~volunteer services~~, provided:

1. The participant enlisted or was ordered or inducted into active service in the U.S. armed forces or ~~joined the volunteer services~~;

2. The participant left the employment of a participating employer to enter the U.S. armed forces or ~~the volunteer services~~;

3. The participant returns to the employment of the employer whose employment the participant left to enter the U.S. armed forces or ~~the volunteer services~~ within 180 days of release or discharge from the armed forces or resignation from ~~the volunteer services~~, or within 180 days of release from hospitalization because of injury or sickness resulting from service in the armed forces or ~~volunteer services~~;

4. The period of service in the U.S. armed forces or ~~volunteer services~~ is not more than 4 years, unless involuntarily extended for a longer period;

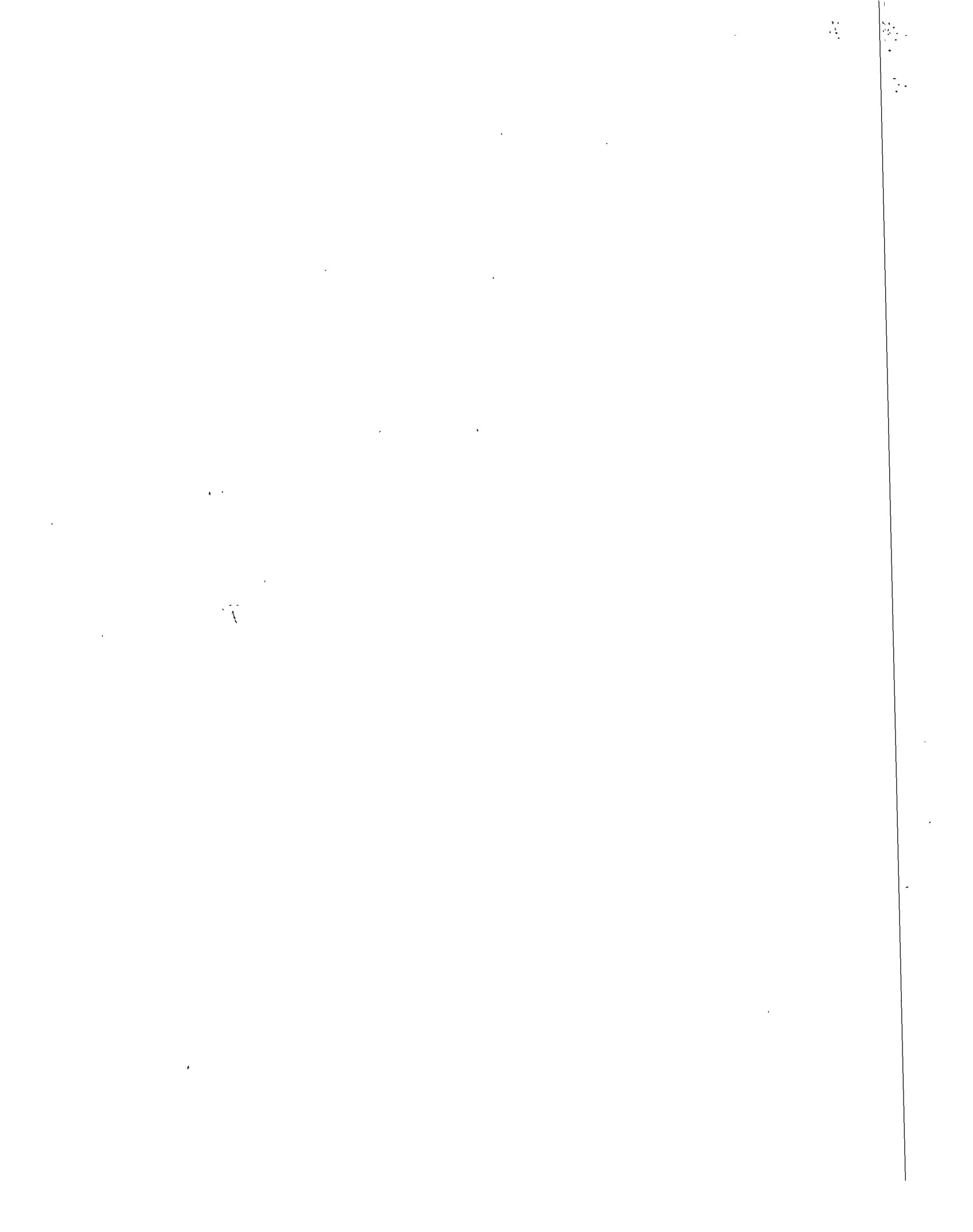
Please proof w/stats.

federal public health

STET

Score federal public health service

Score



ASSEMBLY BILL 43

1 6. The participant upon return from service in the U.S. armed forces or  
2 ~~volunteer services~~ furnishes evidence required to establish the participant's rights  
3 under this chapter; and

*Federal public health*

4 (b) The creditable military or ~~volunteer~~ service under par. (a) shall be the same  
5 type, as set forth in s. 40.23 (2m) (e), as the participant was receiving prior to entry  
6 into the U.S. armed forces or ~~volunteer services~~.

7 (c) (intro.) Notwithstanding sub. (17) (intro.) and any other law, any person who  
8 is credited with 5, 10, 15 or 20 or more years of creditable service, not counting any  
9 previously granted creditable military or ~~volunteer~~ service, may receive creditable  
10 military or ~~volunteer~~ service at the time of retirement for not more than 1, 2, 3 or 4  
11 years, respectively, of active service which meets the standards under par. (a) 5., if  
12 applicable, provided:

13 1. This paragraph applies only to active military or ~~volunteer~~ service served  
14 prior to January 1, 1974.

15 2. Any creditable military or ~~volunteer~~ service otherwise granted shall be  
16 included in determining the maximum years to be granted under this paragraph.

17 3. Creditable military or ~~volunteer~~ service under this paragraph shall be  
18 allocated at the time of retirement in proportion to the amount of the participant's  
19 creditable service for each of the types of creditable service set forth in s. 40.23 (2m)  
20 (e) on the date the participant attains 5, 10, 15 or 20 years of creditable service.

21 SECTION 2. 40.02 (17) (intro.) of the statutes is amended to read:

22 40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
23 service, expressed in years and fractions of a year to the nearest one-hundredth, for  
24 which a participating employe receives or is considered to receive earnings under  
25 sub. (22) (e) or (em) and for which contributions have been made as required by s.

*the federal public health service*

*Please Proof w/ stats.*

1. Introduction

2. Methodology



**ASSEMBLY BILL 43**

**SECTION 2**

*Federal public health* ✓

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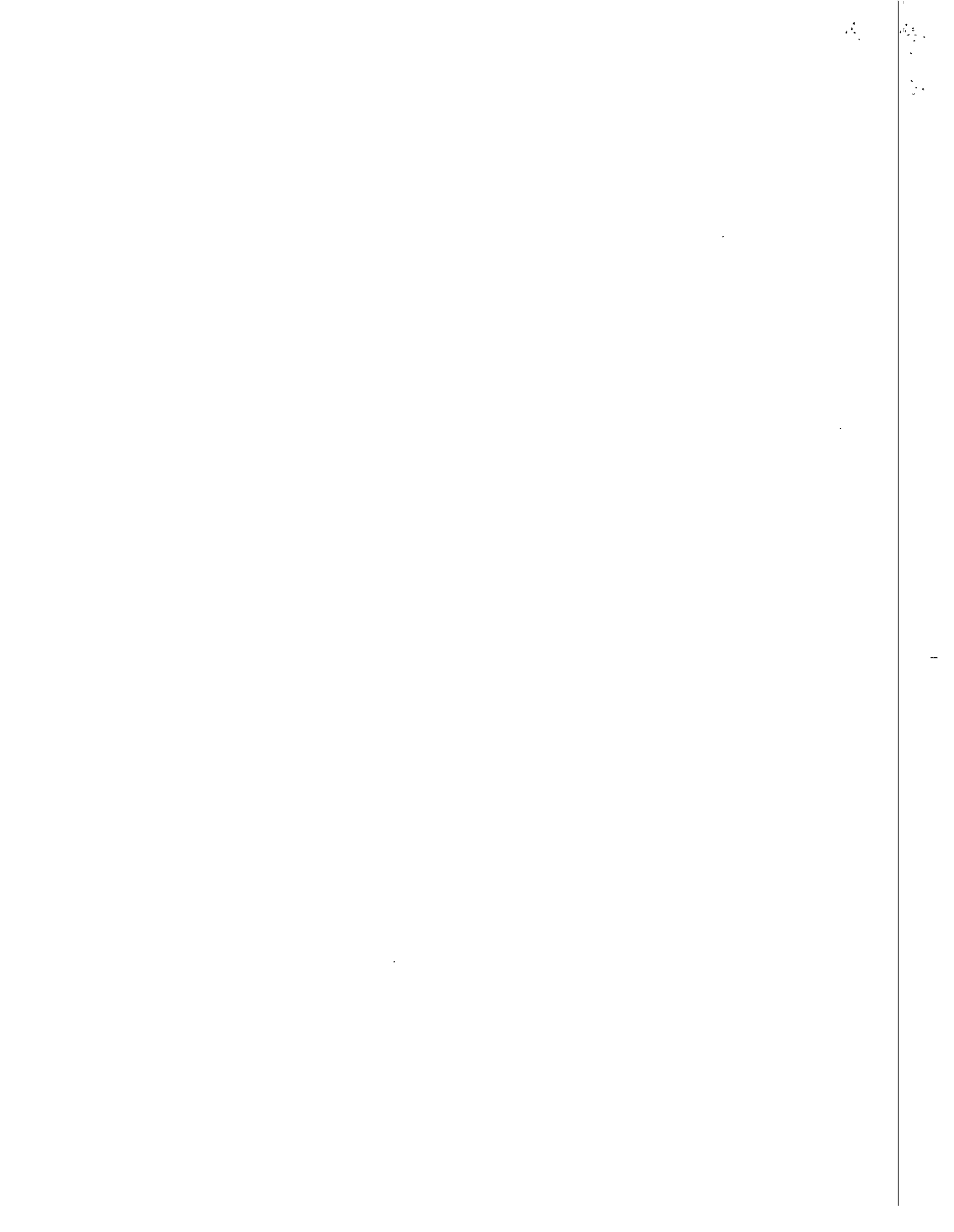
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40.05 (1) and (2) and creditable military ~~or volunteer~~ service, service credited under s. 40.25 (7) and service credited under s. 40.29, expressed in years and fractions of years to the nearest one-hundredth. How much service in any annual earnings period is the full-time equivalent of one year of creditable service shall be determined by rule by the department and the rules may provide for differing equivalents for different types of employment. Except as provided under pars. (i) and (k), the amount of creditable service for periods prior to January 1, 1982, shall be the amount for which the participant was eligible under the applicable laws and rules in effect prior to January 1, 1982. No more than one year of creditable service shall be granted for any annual earnings period. Creditable service is determined in the following manner for the following persons:

**SECTION 3.** 40.02 (40) of the statutes is amended to read:

40.02 (40) "Leave of absence" means any period during which an employe has ceased to render services for a participating employer and receive earnings and there has been no formal termination of the employer-employe relationship. For purposes of the fund every leave of absence, except a military ~~or volunteer service~~ leave or union service leave, shall terminate 3 years after it begins or, if earlier, upon the date specified by the employer in a notification to the department that the employer-employe relationship has terminated. A leave of absence is not deemed ended or interrupted by reason of resumption of active duty until the employe has resumed active performance of duty for 30 consecutive calendar days for at least 50% of what is considered that employe's normal work time with that employer. For the purpose of group health insurance coverage, every leave of absence due to employe layoff which has not been terminated before 3 years have elapsed shall continue for affected insured employes until an additional 2 years elapse or until sick leave

*Federal public health service*



ASSEMBLY BILL 43

1 credits used to pay health insurance premiums are exhausted, whichever occurs  
2 first.

3 SECTION 4. 40.02 (48m) (f) of the statutes is amended to read:

4 40.02 (48m) (f) The judgment, decree or order requires the participant to  
5 certify, in a form prescribed by the department, all of the participant's active military  
6 or ~~volunteer~~ <sup>federal public health</sup> service, as described in sub. (15) (a).

7 SECTION 5. 40.02 (59) of the statutes is created to read:

8 40.02 (59) "Volunteer services" means the federal peace corps or VISTA public  
9 service programs or a national service program described in 42 USC 12572 (a).

10 SECTION 6. 40.05 (2) (b) of the statutes is amended to read:

11 40.05 (2) (b) Contributions shall be made by each participating employer for  
12 unfunded prior service liability in a percentage of the earnings of each participating  
13 employe. A separate percentage rate shall be determined for the employe  
14 occupational categories under s. 40.23 (2m) as of the employer's effective date of  
15 participation. The rates shall be sufficient to amortize as a level percent of payroll  
16 over a period of 40 years from the later of that date or January 1, 1986, the unfunded  
17 prior service liability for the categories of employes of each employer determined  
18 under s. 40.05 (2) (b), 1981 stats., increased to reflect any creditable prior service  
19 granted on or after January 1, 1986, increased to reflect the effect of 1983 Wisconsin  
20 Act 141, increased at the end of each calendar year after January 1, 1986, by interest  
21 at the assumed rate on the unpaid balance at the end of the year and adjusted under  
22 pars. (bv) and (bw) and (bx).

23 SECTION 7. 40.05 (2) (bx) of the statutes is created to read:

24 40.05 (2) (bx) The employer contribution rate determined under par. (b) for  
25 participating employes who served in the ~~volunteer services~~ shall be adjusted to

federal public health service

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Insert 5-23



ASSEMBLY BILL 43

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40.30 (3) The sum of all service credited to the individual under each retirement system specified in sub. (2) shall be used in determining whether the individual has met any vesting period required for retirement benefit eligibility during any subsequent employment covered by any retirement system specified in sub. (2), but shall not be used in determining the amount of the benefit nor in determining credit for military ~~or volunteer~~ service.

of ~~any service in any federal public health service~~

~~SECTION 11.~~ 40.71 (1) (c) of the statutes is amended to read:

40.71 (1) (c) If the death of a participating employe on leave of absence, other than a leave for purposes of military ~~or volunteer~~ service, arises from employment by any employer other than a participating employer, employment is deemed to have terminated and the participant shall not be considered a participating employe on the date of his or her death.

SECTION 12. Effective dates. This act takes effect on the day after publication, except as follows:

(1) The treatment of section 40.05 (2) (b) and (bx) of the statutes takes effect on the January 1 after publication.

(END) ✓

Section #. 40.05 (2) (b) <sup>x</sup> of the statutes is amended to read:

40.05 (2) (b) Contributions shall be made by each participating employer for unfunded prior service liability in a percentage of the earnings of each participating employe. A separate percentage rate shall be determined for the employe occupational categories under s. 40.23 (2m) as of the employer's effective date of participation. The rates shall be sufficient to amortize as a level percent of payroll over a period of 40 years from the later of that date or January 1, 1986, the unfunded prior service liability for the categories of employes of each employer determined under s. 40.05 (2) (b), 1981 stats., increased to reflect any creditable prior service granted on or after January 1, 1986, increased to reflect the effect of 1983 Wisconsin Act 141, increased at the end of each calendar year after January 1, 1986, by interest at the assumed rate on the unpaid balance at the end of the year and adjusted under pars. (bu), (bv) and (bw) and (bx) ✓

**History:** 1981 c. 96, 274, 278, 386; 1983 a. 9 s. 6; 1983 a. 27, 30; 1983 a. 46 ss. 2 to 4, 7; 1983 a. 140; 1983 a. 141 ss. 7 to 12, 20; 1983 a. 290, 504, 538; 1985 a. 29, 119, 135, 225; 1987 a. 27, 83, 107, 309, 356, 363; 1987 a. 403 s. 256; 1989 a. 13, 14, 31, 119, 122, 166, 182, 189, 230, 336, 355, 359; 1991 a. 32, 39, 107, 113, 141, 152, 189, 269; 1995 a. 27, 81, 88, 89, 240, 302; 1997 a. 35, 58, 149.

**SUBMITTAL  
FORM**

**LEGISLATIVE REFERENCE BUREAU**  
**Legal Section Telephone: 266-3561**  
**5th Floor, 100 N. Hamilton Street**

RAC  
2

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

**Date:** 11/25/98

**To:** Representative Black

**Relating to LRB drafting number:** LRB-0865

**Topic**

Creditable military service under the WRS

**Subject(s)**

Employ Pub - retirement

1. **JACKET** the draft for introduction \_\_\_\_\_

in the **Senate** \_\_\_\_ or the **Assembly** \_\_\_\_ (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached As discussed.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction \_\_\_\_\_.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Richard A. Champagne, Legislative Attorney  
Telephone: (608) 266-9930



*Redraft matter has  
been run*

# 1999 BILL

*REGEN*

1 AN ACT to amend ~~40.02~~ (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1.  
 2 to 3. , 40.02 (17) (intro.), 40.02 (40), 40.02 (48m) (f), 40.05 (2) (b), 40.25 (7) (a)  
 3 (intro.), 40.25 (7) (b), 40.30 (3) and 40.71 (1) (c); and to create 40.05 (2) (bx) of  
 4 the statutes; relating to: granting creditable service under the Wisconsin  
 5 retirement system for service in the federal public health service.

### *Analysis by the Legislative Reference Bureau*

Under current law, a participating employe under the Wisconsin retirement system (WRS) may receive one year of creditable service under WRS for each year of military service, up to a maximum of four years of military service credit, at the time of retirement in either of the following ways:

1. If the participant left employment covered under WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).

2. If the participant's military service was performed before 1974 and the participant terminates employment covered under WRS on or after March 9, 1984, the participant may receive up to one, two, three or four years of military service credit if the participant has at least five, ten, fifteen or twenty years, respectively, of creditable service (not counting previously granted military service credit).

This bill provides for similar granting of creditable service under WRS for service in the federal public health service.



**BILL**

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 this bill.

For further information see the *state and local* 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.** 40.02 (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1. to 3.  
2 of the statutes are amended to read:

3        40.02 (15) (a) (intro.) "Creditable military or the federal public health service"  
4 means active service in the U.S. armed forces or federal public health service, based  
5 on the total period of service in the U.S. armed forces or the federal public health  
6 service, provided:

7            1. The participant enlisted or was ordered or inducted into active service in the  
8 U.S. armed forces or joined the federal public health service;

9            2. The participant left the employment of a participating employer to enter the  
10 U.S. armed forces or the federal public health service;

11           3. The participant returns to the employment of the employer whose  
12 employment the participant left to enter the U.S. armed forces or the federal public  
13 health service within 180 days of release or discharge from the armed forces or  
14 resignation from the federal public health service, or within 180 days of release from  
15 hospitalization because of injury or sickness resulting from service in the armed  
16 forces or the federal public health service;

17           4. The period of service in the U.S. armed forces or the federal public health  
18 service is not more than 4 years, unless involuntarily extended for a longer period;

**BILL**

1           6. The participant upon return from service in the U.S. armed forces or the  
2 federal public health service furnishes evidence required to establish the  
3 participant's rights under this chapter; and

4           (b) The creditable military or federal public health service under par. (a) shall  
5 be the same type, as set forth in s. 40.23 (2m) (e), as the participant was receiving  
6 prior to entry into the U.S. armed forces or the federal public health service.

7           (c) (intro.) Notwithstanding sub. (17) (intro.) and any other law, any person who  
8 is credited with 5, 10, 15 or 20 or more years of creditable service, not counting any  
9 previously granted creditable military or federal public health service, may receive  
10 creditable military or federal public health service at the time of retirement for not  
11 more than 1, 2, 3 or 4 years, respectively, of active service which meets the standards  
12 under par. (a) 5., if applicable, provided:

13           1. This paragraph applies only to active military or federal public health service  
14 served prior to January 1, 1974.

15           2. Any creditable military or federal public health service otherwise granted  
16 shall be included in determining the maximum years to be granted under this  
17 paragraph.

18           3. Creditable military or federal public health service under this paragraph  
19 shall be allocated at the time of retirement in proportion to the amount of the  
20 participant's creditable service for each of the types of creditable service set forth in  
21 s. 40.23 (2m) (e) on the date the participant attains 5, 10, 15 or 20 years of creditable  
22 service.

23           **SECTION 2.** 40.02 (17) (intro.) of the statutes is amended to read:

24           40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
25 service, expressed in years and fractions of a year to the nearest one-hundredth, for

**BILL**

1 which a participating employe receives or is considered to receive earnings under  
2 sub. (22) (e) or (em) and for which contributions have been made as required by s.  
3 40.05 (1) and (2) and creditable military or federal public health service, service  
4 credited under s. 40.25 (7) and service credited under s. 40.29, expressed in years and  
5 fractions of years to the nearest one-hundredth. How much service in any annual  
6 earnings period is the full-time equivalent of one year of creditable service shall be  
7 determined by rule by the department and the rules may provide for differing  
8 equivalents for different types of employment. Except as provided under pars. (i) and  
9 (k), the amount of creditable service for periods prior to January 1, 1982, shall be the  
10 amount for which the participant was eligible under the applicable laws and rules  
11 in effect prior to January 1, 1982. No more than one year of creditable service shall  
12 be granted for any annual earnings period. Creditable service is determined in the  
13 following manner for the following persons:

14 **SECTION 3.** 40.02 (40) of the statutes is amended to read:

15 40.02 (40) "Leave of absence" means any period during which an employe has  
16 ceased to render services for a participating employer and receive earnings and there  
17 has been no formal termination of the employer-employe relationship. For purposes  
18 of the fund every leave of absence, except a military or federal public health service  
19 leave or union service leave, shall terminate 3 years after it begins or, if earlier, upon  
20 the date specified by the employer in a notification to the department that the  
21 employer-employe relationship has terminated. A leave of absence is not deemed  
22 ended or interrupted by reason of resumption of active duty until the employe has  
23 resumed active performance of duty for 30 consecutive calendar days for at least 50%  
24 of what is considered that employe's normal work time with that employer. For the  
25 purpose of group health insurance coverage, every leave of absence due to employe

**BILL**

1 layoff which has not been terminated before 3 years have elapsed shall continue for  
2 affected insured employes until an additional 2 years elapse or until sick leave  
3 credits used to pay health insurance premiums are exhausted, whichever occurs  
4 first.

5 **SECTION 4.** 40.02 (48m) (f) of the statutes is amended to read:

6 40.02 (48m) (f) The judgment, decree or order requires the participant to  
7 certify, in a form prescribed by the department, all of the participant's active military  
8 or federal public health service, as described in sub. (15) (a).

9 **SECTION 5.** 40.05 (2) (b) of the statutes is amended to read:

10 40.05 (2) (b) Contributions shall be made by each participating employer for  
11 unfunded prior service liability in a percentage of the earnings of each participating  
12 employe. A separate percentage rate shall be determined for the employe  
13 occupational categories under s. 40.23 (2m) as of the employer's effective date of  
14 participation. The rates shall be sufficient to amortize as a level percent of payroll  
15 over a period of 40 years from the later of that date or January 1, 1986, the unfunded  
16 prior service liability for the categories of employes of each employer determined  
17 under s. 40.05 (2) (b), 1981 stats., increased to reflect any creditable prior service  
18 granted on or after January 1, 1986, increased to reflect the effect of 1983 Wisconsin  
19 Act 141, increased at the end of each calendar year after January 1, 1986, by interest  
20 at the assumed rate on the unpaid balance at the end of the year and adjusted under  
21 pars. (bu), (bv) ~~and~~, (bw) and (bx).

22 **SECTION 6.** 40.05 (2) (bx) of the statutes is created to read:

23 40.05 (2) (bx) The employer contribution rate determined under par. (b) for  
24 participating employes who served in the federal public health service shall be  
25 adjusted to reflect the cost of granting creditable service for those participating

**BILL**

1 employes under s. 40.02 (15) and that rate shall be sufficient to amortize the  
2 unfunded prior service liability of the employers over the remainder of the 40-year  
3 amortization period under par. (b).

4 **SECTION 7.** 40.25 (7) (a) (intro.) of the statutes is amended to read:

5 40.25 (7) (a) (intro.) Each participating employe whose creditable service  
6 terminates on or after May 1, 1992, and who has performed service, other than  
7 military service or federal public health service, as an employe of the federal  
8 government or a state or local governmental entity in the United States, other than  
9 a participating employer, that is located within or outside of this state, or each  
10 participating employe whose creditable service terminates on or after May 4, 1994,  
11 and who has performed service as an employe for an employer who was not at the  
12 time a participating employer but who subsequently became a participating  
13 employer, may receive creditable service for such service if all of the following  
14 conditions are met:

15 **SECTION 8.** 40.25 (7) (b) of the statutes is amended to read:

16 40.25 (7) (b) Creditable service granted under par. (a) shall be calculated in an  
17 amount equal to the year and fractions of a year to the nearest one-hundredth of a  
18 year for service, other than military service or federal public health service,  
19 performed for the governmental entity, as determined by evidence of such service  
20 furnished under par. (a) 4. Creditable service granted under par. (a) shall be the  
21 same type of creditable service as the type that is granted to participants who are not  
22 executive participating employes, elected officials or protective occupation  
23 participants. A participating employe may apply to receive part or all of the  
24 creditable service that he or she is eligible to receive under par. (a).

25 **SECTION 9.** 40.30 (3) of the statutes is amended to read:

**BILL**

1           40.30 (3) The sum of all service credited to the individual under each  
 2 retirement system specified in sub. (2) shall be used in determining whether the  
 3 individual has met any vesting period required for retirement benefit eligibility  
 4 during any subsequent employment covered by any retirement system specified in  
 5 sub. (2), but shall not be used in determining the amount of the benefit nor in  
 6 determining credit for military service or federal public health service.

7           **SECTION 10.** 40.71 (1) (c) of the statutes is amended to read:

8           40.71 (1) (c) If the death of a participating employe on leave of absence, other  
 9 than a leave for purposes of military service or federal public health service, arises  
 10 from employment by any employer other than a participating employer, employment  
 11 is deemed to have terminated and the participant shall not be considered a  
 12 participating employe on the date of his or her death.

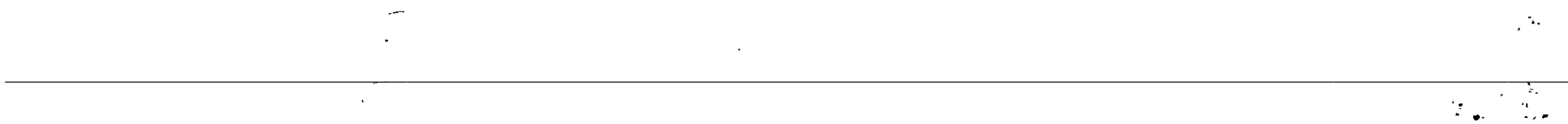
13           **SECTION 11. Effective dates.** This act takes effect on the day after publication,  
 14 except as follows:

15           (1) The treatment of section 40.05 (2) (b) and (bx) of the statutes takes effect  
 16 on the January 1 after publication.

17

(END) ✓

Insert  
7-17



1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0865/2ins  
RAC::

**Insert 7-17:**

**SECTION 1.** 40.02 (40r) of the statutes is created to read:

40.02 (40r) "Military service" means service in the U.S. armed forces.

**SECTION 2.** 40.02 (57m) (g) of the statutes is created to read:

40.02 (57m) (g) The federal public health service.



**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0865/2dn

RAC::

Wlj  
+  
jlg

Representative Black:

Per your request, this version of the draft amends the definition of "U.S. armed forces" under s. 40.02 (57m) to include service in the federal public health service. Please note that there are provisions of the creditable military service program that do not refer specifically to service in the "U.S. armed forces" but instead refer to "military service". For that reason, I also created a definition of "military service" under s. 40.02 (40r) to mean service in the U.S. armed forces. With these two changes, I believe that service in the federal public health service will be treated the same under the Wisconsin retirement system (WRS) as service in the military.

I should point out, however, that there are substantive differences between this version of the draft and the first version of the draft. In the first version, I provided a funding mechanism to pay for the granting of creditable service to those participants who served in the federal public health service. The cost of granting such creditable service was to be added to the employer's unfunded prior service liability and paid for over the remainder of the 40 year amortization period that commenced in 1990 for employers in the WRS. This version of the draft provides no such funding mechanism. You may wish to speak with the department of employe funds as to how the granting of such creditable service will therefore be funded.

Also, I should point out that simply amending the definition of "U.S. armed forces" under s. 40.02 (57m) to include those participants who served in the federal public health service does not result in an entirely perfect fit under the creditable military service program. For example, one of the conditions for creditable military service under s. 40.02 (15) (a) 1. is that the "participant enlisted or was ordered or inducted into active service in the U.S. armed services." I am uncertain if someone *enlists* or is *ordered* or *inducted* into the federal public health service. Also, under s. 40.02 (15) (a) 3., the statutory requirement provides that the person must return to WRS covered employment "within 180 days of release or discharge from the armed forces". Again, I am uncertain if a person is *released* or *discharged* from the federal public health service.

Finally, because neither the phrase "U.S. armed forces" nor "military service" is used in s. 40.02 (40), I am uncertain if the definition of "leave of absence" would cover service in the federal public health service.

I hope that this information is useful. If I can be of any further assistance, please call me.

Richard A. Champagne  
Legislative Attorney  
266-9930

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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0865/2dn  
RAC:wlj&jlg:km

December 1, 1998

Representative Black:

Per your request, this version of the draft amends the definition of "U.S. armed forces" under s. 40.02 (57m) to include service in the federal public health service. Please note that there are provisions of the creditable military service program that do not refer specifically to service in the "U.S. armed forces" but instead refer to "military service". For that reason, I also created a definition of "military service" under s. 40.02 (40r) to mean service in the U.S. armed forces. With these two changes, I believe that service in the federal public health service will be treated the same under the Wisconsin retirement system (WRS) as service in the military.

I should point out, however, that there are substantive differences between this version of the draft and the first version of the draft. In the first version, I provided a funding mechanism to pay for the granting of creditable service to those participants who served in the federal public health service. The cost of granting such creditable service was to be added to the employer's unfunded prior service liability and paid for over the remainder of the 40-year amortization period that commenced in 1990 for employers in the WRS. This version of the draft provides no such funding mechanism. You may wish to speak with the department of employe funds as to how the granting of such creditable service will therefore be funded.

Also, I should point out that simply amending the definition of "U.S. armed forces" under s. 40.02 (57m) to include those participants who served in the federal public health service does not result in an entirely perfect fit under the creditable military service program. For example, one of the conditions for creditable military service under s. 40.02 (15) (a) 1. is that the "participant enlisted or was ordered or inducted into active service in the U.S. armed services." I am uncertain if someone *enlists* or is *ordered* or *inducted* into the federal public health service. Also, under s. 40.02 (15) (a) 3., the statutory requirement provides that the person must return to WRS covered employment "within 180 days of release or discharge from the armed forces". Again, I am uncertain if a person is *released* or *discharged* from the federal public health service.

Finally, because neither the phrase "U.S. armed forces" nor "military service" is used in s. 40.02 (40), I am uncertain if the definition of "leave of absence" would cover service in the federal public health service.

I hope that this information is useful. If I can be of any further assistance, please call me.

Richard A. Champagne  
Legislative Attorney  
266-9930

D-Note

1999 - 2000 LEGISLATURE

WPO: LRB-0865/1 3  
RAC:wlj&jlg:km  
stays →  
Redraft under  
has not been  
run

1999 BILL

REGEN

1 AN ACT to amend 40.02 (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1.  
2 to 3. , 40.02 (17) (intro.), 40.02 (40), 40.02 (48m) (f), 40.05 (2) (b), 40.25 (7) (a)  
3 (intro.), 40.25 (7) (b), 40.30 (3) and 40.71 (1) (c); and to create 40.05 (2) (bx) of  
4 the statutes; relating to: granting creditable service under the Wisconsin  
5 retirement system for service in the federal public health service.

*Analysis by the Legislative Reference Bureau*

Under current law, a participating employe under the Wisconsin retirement system (WRS) may receive one year of creditable service under WRS for each year of military service, up to a maximum of four years of military service credit, at the time of retirement in either of the following ways:

1. If the participant left employment covered under WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).

2. If the participant's military service was performed before 1974 and the participant terminates employment covered under WRS on or after March 9, 1984, the participant may receive up to one, two, three or four years of military service credit if the participant has at least five, ten, fifteen or twenty years, respectively, of creditable service (not counting previously granted military service credit).

This bill provides for similar granting of creditable service under WRS for service in the federal public health service.

**BILL**

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 this bill.

For further information see the *state and local* 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.** 40.02 (15) (a) (intro.), 1. to 4. and 6., (b) and (c) (intro.) and 1. to 3.  
2 of the statutes are amended to read:

3           40.02 (15) (a) (intro.) “Creditable military or the federal public health service”  
4 means active service in the U.S. armed forces or federal public health service, based  
5 on the total period of service in the U.S. armed forces or the federal public health  
6 service, provided:

7           1. The participant enlisted or was ordered or inducted into active service in the  
8 U.S. armed forces or joined the federal public health service;

9           2. The participant left the employment of a participating employer to enter the  
10 U.S. armed forces or the federal public health service;

11           3. The participant returns to the employment of the employer whose  
12 employment the participant left to enter the U.S. armed forces or the federal public  
13 health service within 180 days of release or discharge from the armed forces or  
14 resignation from the federal public health service, or within 180 days of release from  
15 hospitalization because of injury or sickness resulting from service in the armed  
16 forces or the federal public health service;

17           4. The period of service in the U.S. armed forces or the federal public health  
18 service is not more than 4 years, unless involuntarily extended for a longer period;

**BILL**

1           6. The participant upon return from service in the U.S. armed forces or the  
2 federal public health service furnishes evidence required to establish the  
3 participant's rights under this chapter; and

4           (b) The creditable military or federal public health service under par. (a) shall  
5 be the same type, as set forth in s. 40.23 (2m) (e), as the participant was receiving  
6 prior to entry into the U.S. armed forces or the federal public health service.

7           (c) (intro.) Notwithstanding sub. (17) (intro.) and any other law, any person who  
8 is credited with 5, 10, 15 or 20 or more years of creditable service, not counting any  
9 previously granted creditable military or federal public health service, may receive  
10 creditable military or federal public health service at the time of retirement for not  
11 more than 1, 2, 3 or 4 years, respectively, of active service which meets the standards  
12 under par. (a) 5., if applicable, provided:

13           1. This paragraph applies only to active military or federal public health service  
14 served prior to January 1, 1974.

15           2. Any creditable military or federal public health service otherwise granted  
16 shall be included in determining the maximum years to be granted under this  
17 paragraph.

18           3. Creditable military or federal public health service under this paragraph  
19 shall be allocated at the time of retirement in proportion to the amount of the  
20 participant's creditable service for each of the types of creditable service set forth in  
21 s. 40.23 (2m) (e) on the date the participant attains 5, 10, 15 or 20 years of creditable  
22 service.

23           **SECTION 2.** 40.02 (17) (intro.) of the statutes is amended to read:

24           40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
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**BILL**

1 which a participating employe receives or is considered to receive earnings under  
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3 40.05 (1) and (2) and creditable military or federal public health service, service  
4 credited under s. 40.25 (7) and service credited under s. 40.29, expressed in years and  
5 fractions of years to the nearest one–hundredth. How much service in any annual  
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7 determined by rule by the department and the rules may provide for differing  
8 equivalents for different types of employment. Except as provided under pars. (i) and  
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10 amount for which the participant was eligible under the applicable laws and rules  
11 in effect prior to January 1, 1982. No more than one year of creditable service shall  
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17 has been no formal termination of the employer–employe relationship. For purposes  
18 of the fund every leave of absence, except a military or federal public health service  
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20 the date specified by the employer in a notification to the department that the  
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22 ended or interrupted by reason of resumption of active duty until the employe has  
23 resumed active performance of duty for 30 consecutive calendar days for at least 50%  
24 of what is considered that employe’s normal work time with that employer. For the  
25 purpose of group health insurance coverage, every leave of absence due to employe

**BILL**

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13 occupational categories under s. 40.23 (2m) as of the employer's effective date of  
14 participation. The rates shall be sufficient to amortize as a level percent of payroll  
15 over a period of 40 years from the later of that date or January 1, 1986, the unfunded  
16 prior service liability for the categories of employes of each employer determined  
17 under s. 40.05 (2) (b), 1981 stats., increased to reflect any creditable prior service  
18 granted on or after January 1, 1986, increased to reflect the effect of 1983 Wisconsin  
19 Act 141, increased at the end of each calendar year after January 1, 1986, by interest  
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**BILL**

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8 government or a state or local governmental entity in the United States, other than  
9 a participating employer, that is located within or outside of this state, or each  
10 participating employe whose creditable service terminates on or after May 4, 1994,  
11 and who has performed service as an employe for an employer who was not at the  
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13 employer, may receive creditable service for such service if all of the following  
14 conditions are met:

15 **SECTION 8.** 40.25 (7) (b) of the statutes is amended to read:

16 40.25 (7) (b) Creditable service granted under par. (a) shall be calculated in an  
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21 same type of creditable service as the type that is granted to participants who are not  
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23 participants. A participating employe may apply to receive part or all of the  
24 creditable service that he or she is eligible to receive under par. (a).

25 **SECTION 9.** 40.30 (3) of the statutes is amended to read:



RAC: WLj:

jjg

D-Note

Representative Black:

Per your request, this version is identical  
to the first version of the draft.

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**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0865/3dn  
RAC:wlj&jlg:jf

December 4, 1998

Representative Black:

Per your request, this version is identical to the first version of the draft.

Richard A. Champagne  
Legislative Attorney  
266-9930

**SUBMITTAL  
FORM**

**LEGISLATIVE REFERENCE BUREAU  
Legal Section Telephone: 266-3561  
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

**Date:** 12/4/98

**To:** Representative Black

**Relating to LRB drafting number:** LRB-0865

**Topic**

Creditable military service under the WRS

**Subject(s)**

Employ Pub - retirement

1. **JACKET** the draft for introduction \_\_\_\_\_



in the **Senate** \_\_\_\_\_ or the **Assembly** \_\_\_\_\_ (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached \_\_\_\_\_.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction \_\_\_\_\_.

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Richard A. Champagne, Legislative Attorney  
Telephone: (608) 266-9930