

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 426**

November 11, 1999 – Offered by Representative STASKUNAS.

1 **AN ACT** *to amend* 40.73 (1) (a) (intro.) and 40.73 (1) (c); and *to create* 20.515 (1)
2 (bm) and 40.73 (1) (am) of the statutes; **relating to:** death benefits provided
3 under the Wisconsin retirement system and making an appropriation.

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

4 **SECTION 1.** 20.515 (1) (bm) of the statutes is created to read:

5 20.515 (1) (bm) *Increased death benefits.* A sum sufficient to pay the cost of any
6 increased death benefits required under 1999 Wisconsin Act (this act), for
7 individuals who were participating employes in the Wisconsin retirement system on
8 June 30, 1999, but who terminated covered employment before the effective date of
9 this paragraph [revisor inserts date].

10 **SECTION 2.** 40.73 (1) (a) (intro.) of the statutes is amended to read:

11 40.73 (1) (a) (intro.) Upon the death of a participant, other than an annuitant
12 or a participating employe, the sum of the additional and employe required

1 contribution accumulations credited to the participant's account on the beneficiary
2 annuity effective date or, in the case of a lump sum payment, the first day of the
3 month in which the death benefit is approved. In addition:

4 **SECTION 3.** 40.73 (1) (am) of the statutes is created to read:

5 40.73 (1) (am) Upon the death of a participating employe who has not attained
6 age 55, and any protective occupation participant who has not attained age 50, the
7 sum of the additional contribution and twice the employe required contribution
8 accumulations credited, including any interest credited to the accumulations, to the
9 participant's account on the beneficiary annuity effective date or, in the case of a
10 lump sum payment, the first day of the month in which the death benefit is approved.

11 **SECTION 4.** 40.73 (1) (c) of the statutes is amended to read:

12 40.73 (1) (c) ~~In lieu of the benefit payable under par. (a) or (b), upon~~ Upon the
13 death of a participating employe who, prior to death, met all of the requirements
14 under s. 40.23 (1) except termination of employment and the filing of an application,
15 if the beneficiary to whom a death benefit is payable is a ~~dependent of the~~
16 ~~participating employe~~ natural person, or a trust in which such a beneficiary the
17 natural person has a beneficial interest, the present value on the day following the
18 date of death of the life annuity to the beneficiary which would have been payable
19 if the participating employe had been eligible to receive a retirement annuity,
20 computed under s. 40.23 or 40.26, beginning on the date of death and had elected to
21 receive the annuity in the form of a joint and survivor annuity providing the same
22 amount of annuity to the surviving beneficiary as the reduced amount payable
23 during the participant's lifetime. If there is more than one beneficiary the amount
24 of the annuity and its present value will be determined as if the oldest of the
25 beneficiaries were the sole beneficiary. If the death benefit payable to the beneficiary

1 under this paragraph would be less than the amount determined under par. ~~(a) or~~
2 ~~(b)~~ (am) the death benefit shall be payable under par. ~~(a) or (b)~~ (am) and this
3 paragraph shall not be applicable to the beneficiary. An annuitant receiving an
4 annuity only under s. 40.24 (1) (f), which annuity was an immediate annuity, shall
5 be deemed a participating employe for purposes of this paragraph only, but the
6 amount payable under s. 40.24 (1) (f) shall not be changed.

7 **SECTION 5. Initial applicability.**

8 (1) This act first applies to death benefits for individuals who are participating
9 employes in the Wisconsin retirement system on June 30, 1999.

10 **(END)**