# 1999 DRAFTING REQUEST

# Assembly Amendment (AA-AB133)

Received: 04/2/99  Wanted: Soon  For: Legislative Fiscal Bureau  This file may be shown to any legislator: NO  May Contact:					Received By: champra  Identical to LRB:  By/Representing: Mason  Drafter: champra  Alt. Drafters:										
								Subject: Employ Pub - retirement					Extra Copies:		
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								LFB:	Mason - Yan	ık#129,					
								Topic:	Payments on	WRS Refunds a	nd Underpay	ments			
Instruc	tions:														
Delete p	o. 207, item 12	of LFB Summa	ary			į									
 Draftin	g History:														
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required								
/1	champra 04/2/99	jgeller 04/5/99	jfrantze 04/6/99		lrb_docadmin 04/6/99										
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**Employ Pub - retirement** 

Extra Copies:

**Pre Topic:** 

LFB......Mason - Yank#129,

**Topic:** 

Interest Payments on WRS Refunds and Underpayments

**Instructions:** 

Delete p. 207, item 12 of LFB Summary

**Drafting History:** 

Vers.

FE Sent For:

Drafted

Reviewed

Submitted

**Jacketed** 

Required

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champra

<END>

DOA:.....Caucutt – Interest on WRS refunds and underpayments

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

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# Analysis by the Legislative Reference Bureau RETIREMENT AND GROUP INSURANCE

Under current law, the department of employe trust funds (DETF) may not credit interest to moneys paid in error to DETF or to moneys paid to DETF by participants or employers that exceed federal Internal Revenue Code limits on retirement contributions to a qualified governmental plan, such as the Wisconsin retirement system (WRS). This bill provides that DETF may credit interest on these moneys at a rate established by rule.

In addition, under current law, in the event of certain WRS annuity underpayments by DETF that are not corrected within 12 months, DETF must pay interest on the amount of the underpayment at a rate of 0.4% for each full month during which the underpayment occurred. This bill provides that DETF must pay interest on the amount of the underpayment at a rate established by rule and eliminates the requirement that the underpayment not have been corrected within 12 months.

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.

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

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1	SECTION 1. 40.08 (6) (e) of the statutes is repealed and recreated to read:
2	40.08 (6) (e) Pursuant to rules promulgated by the department and at a rate
3	of interest established by rule, the department may credit interest on moneys
4	refunded or credited under this subsection.
5	SECTION 2. 40.08 (7) (c) of the statutes is amended to read:
6	40.08 (7) (c) If Pursuant to rules promulgated by the department and at a rate
7	of interest established by rule, if an annuity underpayment exceeding exceeds the
8	limits in par. (a) has not been corrected for at least 12 months, the payment to the
9	annuitant to correct the underpayment shall include $0.4\%$ interest on the amount of
10	the underpayment for each full month during the period beginning on the date on
11	which the underpayment occurred and ending on the date on which the
12	underpayment is corrected.
13	SECTION 9315. Initial applicability; employe trust funds.
14	(1) Refunds. The treatment of section 40.08 (6) (e) of the statutes first applies
15	to moneys refunded or credited on the effective date of this subsection.
16	(2) Underpayments. The treatment of section 40.08 (7) (c) of the statutes first
17	applies to annuity payments occurring on the effective date of this subsection.
18	Section 9415. Effective dates; employe trust funds.
19	(1) Refunds and underpayments. The treatment of section 40.08 (6) (e) and (7)
20	(c) of the statutes and Section 9315 (1) and (2) of this act take effect on June 30, 2000.

(END)



# State of Misconsin 1999 - 2000 LEGISLATURE

LRBb0043/1

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LFB:.....Mason – Yank#129, Interest Payments on WRS Refunds and Underpayments

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

#### LFB AMENDMENT

#### TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1	At the locations indicated, amend the bill as follows
2	1. Page 559, line 11: delete lines 11 to 22.
3	2. Page 1450, line 11: delete lines 11 to 14.
4	<b>3.</b> Page 1471, line 18: delete lines 18 and 19.
5	(END)



### State of Misconsin 1999 - 2000 LEGISLATURE

LRBb0043/1 RAC:jlg:jf

LFB:.....Mason - Yank #129, Interest Payments on WRS Refunds and Underpayments

# FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION LFB AMENDMENT

## TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1	At the locations indicated, amend the bill as follows:
O	1 Page 550 line 11: delete lines 11 to 22

3 **2.** Page 1450, line 11: delete lines 11 to 14.

**3.** Page 1471, line 18: delete lines 18 and 19.

(END)

5