## 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					Received By: champra  Identical to LRB:  By/Representing: Mason  Drafter: champra												
									May Contact:					Alt. Drafters:			
									Subject: Employ Pub - retirement					Extra Copies:			
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LFB:	.Mason - Yan	k#130,															
Topic:																	
Purchase	e of Forfeited	WRS Service															
Instruc	tions:					-,											
Delete p	. 207, item 13	from LFB Sum	nmary														
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LFB:.....Mason - Yank#130,

Topic:

Purchase of Forfeited WRS Service

**Instructions:** 

Delete p. 207, item 13 from LFB Summary

**Drafting History:** 

Vers.

/1

**Drafted** 

champra

Reviewed

Typed

Proofed

Submitted

**Jacketed** 

Required

FE Sent For:

<END>

DOA:.....Caucutt – Purchasing Forfeited Service under WRS

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, a participating employe in the Wisconsin retirement system (WRS) may purchase any creditable service that he or she may have forfeited in the past. In order to reestablish the creditable service, the participating employe must submit an application to the department of employe trust funds (DETF) for *all* of the creditable service that he or she may have forfeited and pay a lump sum to DETF that equals the employe's statutory required contributions on his of her earnings for each year of creditable service.

This bill permits a participating employe to submit more than one application to purchase forfeited WRS creditable service and allows the participating employe to purchase *all or part* of the creditable service that he or she may have forfeited at the time of each application. The bill also provides that the participating employe may not submit more than two applications in each calendar year and requires that the application and required payments be received by DETF no later than the date the participating employe terminates employment with a participating employer.

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:

**SECTION 1.** 40.25 (6) (a) 2. of the statutes is amended to read:

40.25 (6) (a) 2. Applications A participating employe may submit one or more applications for reestablishment of creditable service must include all creditable service that has been forfeited except that the, except that a participating employe may not submit more than 2 applications in each calendar year. A participating employe may apply for all or part of the creditable service that he or she has forfeited, subject to rules promulgated by the department. The total number of years which may be reestablished under this subsection may not be greater than the creditable service of the participating employe at the date of application, or 10 years, whichever is smaller. The department must receive an application for reestablishment of creditable service under this subsection and the required payment no later than the date the participating employe terminates employment with a participating employer.

**SECTION 2.** 40.25 (6) (a) 3. of the statutes is amended to read:

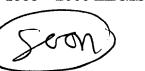
40.25 (6) (a) 3. The participating employe applying for forfeited creditable service under this subsection shall pay to the fund an amount equal to the employe's statutory contribution on earnings under s. 40.05 (1) (a) for each year of forfeited service to be reestablished, based upon the participating employe's final average earnings, determined as if the employe retired on the date the department receives the application. The department must receive the application and the amount payable under this subdivision shall be paid in a lump sum payment, except that the department may, by rule, permit a participating employe to reestablish creditable service by making payments over a period of more than one year no later than the date the participating employe terminates employment with a participating

- 1 employer. No employer may pay any amount payable under this subdivision on
- 2 behalf of any participating employe.

3 (END)



## State of Misconsin 1999 - 2000 LEGISLATURE



RAC:

LFB:.....Mason - Yank#130, Purchase of Forfeited WRS Service

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

#### LFB AMENDMENT

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

At the locations indicated, amend the bill as follows:

1. Page 560, line 9: delete the material beginning with that line and ending
with page 561, line 9.

(END)



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## State of Misconsin 1999 - 2000 LEGISLATURE

LRBb0045/1 RAC:jlg:jf

LFB:.....Mason - Yank #130, Purchase of Forfeited WRS Service

# For 1999-01 Budget — Not Ready For Introduction

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- 2 **1.** Page 560, line 9: delete the material beginning with that line and ending with page 561, line 9.
- 4 (END)