

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-AB133)**

Received: **04/2/99**

Received By: **champra**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Mason**

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

Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **Employ Pub - retirement**

Extra Copies:

**Pre Topic:**

LFB:.....Mason - Yank#130,

**Topic:**

Purchase of Forfeited WRS Service

**Instructions:**

Delete p. 207, item 13 from LFB Summary

**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>
/1	champra 04/2/99	ygeller 04/5/99	jfrantze 04/6/99	_____	lrb_docadmin 04/6/99		

FE Sent For:

<END>

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/1	champra	1 4/5 jlg	4/6	5/6			

FE Sent For:

<END>

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

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 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 or 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.

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

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

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

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

15           40.25 (6) (a) 3. The participating employe applying for forfeited creditable  
16 service under this subsection shall pay to the fund an amount equal to the employe's  
17 statutory contribution on earnings under s. 40.05 (1) (a) for each year of forfeited  
18 service to be reestablished, based upon the participating employe's final average  
19 earnings, determined as if the employe retired on the date the department receives  
20 the application. The department must receive the application and the amount  
21 payable under this subdivision shall be paid in a lump sum payment, except that the  
22 department may, by rule, permit a participating employe to reestablish creditable  
23 service by making payments over a period of more than one year no later than the  
24 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 Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0045/1

RAC:.....

Seon

jlg

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**

1 At the locations indicated, amend the bill as follows:

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

4 (END)



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0045/1  
RAC;jlg:jf

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

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