

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-AB133)**

Received: 06/1/99

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 -

**Topic:**

Creditable service under the WRS for certain district attorneys in Milwaukee County

**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>
/1	champra 06/3/99	gilfokm 06/3/99	jfrantze 06/4/99	_____	lrb_docadmin 06/4/99		
/2	champra 06/8/99	gilfokm 06/8/99	kfollet 06/9/99	_____	lrb_docadmin 06/9/99		

FE Sent For:

<END>

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/1	champra 06/3/99	gilfokm 06/3/99	jfrantze 06/4/99	_____	lrb_docadmin 06/4/99		
FE Sent For:		12-6-8-99 kmj	Kjf 6/8	Kjf/Km 6/9 <END>			

**1999 DRAFTING REQUEST**

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/1	champra	1-6-3-99 kmg	Jb 6/4	Jb   km 6   4			

FE Sent For:

<END>

Post-it* Fax Note	7671	Date	6-1	# of pages	3
To	BAC	From	TONY MASON		
Co./Dept.		Co.	LPB		
Phone #		Phone #	6-8744		
Fax #		Fax #			

Senator Burke

Adopted in JFC 12-4  
**ADMINISTRATION, DISTRICT ATTORNEYS AND EMPLOYE TRUST FUNDS**

**Granting Creditable Service under the Wisconsin Retirement System  
to Certain District Attorney Employees in Milwaukee County**

**Motion:**

Move to include statutory language to:

(1) Provide additional creditable service under the Wisconsin Retirement System (WRS) to state employees who meet all of the following criteria:

- a. They were prosecutors in the Milwaukee District Attorney's Office on December 31, 1989, and transferred to state service on January 1, 1990;
- b. They were participants in the Milwaukee County Employees Retirement System, created by Chapter 201, Laws of 1937, but were not vested on December 31, 1989, for the purpose of qualifying for an annuity under that System;
- c. They exercised their option to become a WRS participant on January 1, 1990; and
- d. They are state employees on the general effective date of this biennial budget act.

(2) Specify that the amount of additional creditable service under the WRS granted to each state employee meeting all the above criteria shall be equal to the amount of creditable service accumulated as of December 31, 1989, under the Milwaukee County Employees Retirement System, created by Chapter 201, Laws of 1937, for which the employee did not have vested pension rights.

(3) Require the Department of Employee Trust Funds to determine the amount of unfunded prior service liability for the WRS due to the additional creditable service granted to state employees meeting all the above criteria, and direct that the total amount of the additional unfunded prior service liability be added to the current unfunded prior service liabilities of the Department of Administration.

(4) Specify that commencing in the 1999-00 fiscal year, the Department of Administration shall annually pay to the WRS an amount sufficient to fully amortize the total amount of unfunded prior service liability for all of the additional creditable service granted under this motion, plus annual interest computed at the WRS assumed rate (currently 8%) by the end of current amortization period for state employee unfunded liabilities.

(5) Specify that state fiscal years 1999-00 through 2003-04, \$80,000 GPR annually shall be deducted from the gross annual payment amounts which otherwise would have been made to

Milwaukee County for district attorney salaries and fringe benefits under s. 20.475(1)(d) of the statutes. Stipulate that these annual deductions shall instead be applied towards the total amount of the DOA's additional unfunded prior service liability plus annual interest costs associated with the additional creditable service that would be granted under this motion.

Note:

Provisions of 1989 Wisconsin Act 31 made district attorneys and other county prosecutors state employees, first effective January 1, 1990, and established an appropriation under s. 20.475(1)(d) of the statutes for the costs of salaries and fringe benefits of district attorneys and other state employees serving in county district attorneys offices. Under 1989 Wisconsin Act 336, employees of the Milwaukee County District Attorney's office were given the option of either remaining as participants under the separate Milwaukee County Employees Retirement System or converting to the WRS on January 1, 1990. For Milwaukee County prosecutors who had vested pension rights under the county retirement system (10 years of creditable service was required in order to be vested under the county system), current law allowed such employees full retirement benefit reciprocity and no benefits were lost.

However, for Milwaukee County prosecutors who had not vested in the county retirement system and who elected to become participants under the WRS, Act 336 directed that the county system remit to the WRS an amount equal to the employer-required normal contributions, plus interest earned, for each nonvested employee, thereby allowing the employee to receive creditable service under the WRS. Subsequently, the Wisconsin Supreme Court, in *Association of State Prosecutors v. Milwaukee*, determined this provision to be an unconstitutional taking from the county retirement system and ruled it invalid.

This motion would grant WRS creditable service to current state employees who were originally non-vested county pension system employees in the Milwaukee County District Attorney's Office on December 31, 1989. ETF would be required to determine the total amount of unfunded prior service liability that would be due as a result of granting the additional WRS creditable service. This total additional liability would be added to DOA's unfunded prior service liability amounts due the WRS and would be payable by the state commencing in 1999-00 and extended to the end of the current amortization period for retiring the state's unfunded prior service liabilities (currently, December 31, 2026). Milwaukee County would share in funding this unfunded prior service liability through the deduction of \$80,000 GPR annually (for fiscal years 1999-00 thru 2003-04) from the amounts which would otherwise be remitted to Milwaukee County to reimburse it for the costs of state prosecutors' salaries and fringe benefits. After that time, the full cost of the unfunded liability charge would be borne by DOA.

ETF estimates that 36 state employees would be affected by this motion and that the total additional unfunded prior service liability would total approximately \$955,700. At the WRS assumed interest rate of 8%, estimated additional unfunded liability total payments of \$107,900

GPR in 1999-00 and \$105,100 GPR in 2000-01 would be required to be paid annually towards this unfunded prior service liability.

These amounts would represent a net additional fringe benefits cost to the state of \$27,900 GPR in 1999-00 and \$25,100 GPR in 2000-01 after deducting \$80,000 GPR annually from Milwaukee County reimbursements for the costs of state prosecutors' salaries and fringe benefits. After the 2003-04 fiscal year, the state would become liable for the full annual costs of the additional unfunded liabilities since there would be no further \$80,000 annual offset. To the extent that the Department of Administration had insufficient funds to cover these increased fringe benefits costs during each fiscal year of the next biennium, the Department would be eligible for supplementation from the amounts included in Compensation Reserves. Because all agencies' unfunded fringe benefits costs are typically supplemented at 100% of need, whatever additional funding would be provided to the Department would result in a corresponding reduction in the amount of funds available to supplement increased GPR salary costs for all state agencies.



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0478/1

RAC:.....

LFB:.....Mason – Creditable service under the WRS for certain district attorneys in Milwaukee County

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 449, line 4: after that line insert:

3 "SECTION 498m. 20.475 (1) (d) of the statutes is amended to read:

4 20.475 (1) (d) *Salaries and fringe benefits.* The amounts in the schedule for  
5 salaries and fringe benefits of district attorneys and state employes of the office of  
6 the district attorney, for payments under s. 40.05 (2) (bz) 3. and for payments under  
7 s. 978.045 (2) (b).".

History: 1989 s. 31, 117, 122; 336; 1991 a. 39; 1993 a. 16; 1995 a. 27, 448.

8 ✓ 2. Page 556, line 17: after that line insert:

9 "SECTION 930<sup>t</sup> 40.02 (17) (g) of the statutes is repealed.

10 SECTION 930<sup>v</sup> 40.02 (17) (gm) of the statutes is created to read:

1           40.02 (17) (gm) Any assistant district attorney in a county having a population  
2 of 500,000 or more who did not have vested benefit rights under the retirement  
3 system established under chapter 201, laws of 1937, who became a participating  
4 employe on January 1, 1990, and who is a participating employe on the effective date  
5 of this paragraph .... [revisor inserts date], shall receive creditable service for the  
6 total period of his or her service under the retirement system established under  
7 chapter 201, laws of 1937.”.

8           ✓3. Page 559, line 10: after that line insert:

9           “SECTION 939m. 40.05 (2) (bz) of the statutes is created to read:

10           40.05 (2) (bz) 1. The department shall calculate the amount necessary to fund  
11 the creditable service granted under s. 40.02 (17) (gm). ✓

12           2. The employer contribution rate determined under par. (b) for the department  
13 of administration shall be adjusted to reflect the cost of granting creditable service  
14 under s. 40.02 (17) (gm), as determined under subd. 1., and that rate shall be  
15 sufficient to amortize the unfunded prior service liability of the department of  
16 administration over the remainder of the 40-year amortization period under par. (b).

17           3. The department of administration, beginning in the 1999–2000 fiscal year  
18 and ending in the 2003–04 fiscal year, shall pay the Wisconsin retirement system  
19 \$80,000 in each fiscal year to reduce the department’s unfunded prior service  
20 liability that results from granting the creditable service under s. 40.02 (17) (gm). ✓  
21 The department of administration shall pay this amount from the appropriation  
22 account under s. 20.475 (1) (d).”.

23           ✓ 4. Page 1362, line 14: after that line insert:

24           “SECTION 3211d. 978.12 (5) (b) of the statutes is amended to read:

①



1            978.12 (5) (b) *Employes generally*. District attorneys and state employes of the  
 2 office of district attorney shall be included within the provisions of the Wisconsin  
 3 retirement system under ch. 40 as a participating employe of that office, except that  
 4 the district attorney and state employes of the office of district attorney in a county  
 5 having a population of 500,000 or more have the option provided under ~~par. (e)~~ s.  
 6 978.12 (5) (c), 1997 stats.

History: 1989 a. 31, 117, 336; 1991 a. 32, 39; 1995 a. 294.

7            ~~SECTION 3211~~. 978.12 (5) (c) 5. of the statutes is repealed.

8            ~~SECTION 3211~~. 978.12 (6) of the statutes is renumbered 978.12 (6) (a) and  
 9 amended to read:

10           978.12 (6) (a) ~~OTHER FRINGE BENEFITS~~ District attorneys and state employes  
 11 of the office of district attorney shall be included within all insurance benefit plans  
 12 under ch. 40, except as authorized in this subsection ~~paragraph~~. Alternatively, the  
 13 state shall provide insurance benefit plans for district attorneys and state employes  
 14 in the office of district attorney in the manner provided in this subsection ~~paragraph~~.  
 15 A district attorney or other employe of the office of district attorney who was  
 16 employed in that office as a county employe on December 31, 1989, and who received  
 17 any form of fringe benefits other than a retirement, deferred compensation or  
 18 employe-funded reimbursement account plan as a county employe, as defined by  
 19 that county pursuant to the county's personnel policies, or pursuant to a collective  
 20 bargaining agreement in effect on January 1, 1990, or the most recent collective  
 21 bargaining agreement covering represented employes who are not covered by such  
 22 an agreement, may elect to continue to be covered under all such fringe benefit plans  
 23 provided by the county after becoming a state employe. In a county having a  
 24 population of 500,000 or more, the fringe benefit plans shall include health insurance

1 benefits fully paid by the county for each retired employe who, on or after December  
2 31, 1989, attains at least 15 years of service in the office of district attorney of that  
3 county, whether or not the service is as a county employe, for the duration of the  
4 employe's life. An employe may make an election under this ~~subsection~~ paragraph<sup>✓</sup>  
5 no later than January 31, 1990, except that an employe who serves as an assistant  
6 district attorney in a county having a population of 500,000 or more may make an  
7 election under this ~~subsection~~ paragraph<sup>✓</sup> no later than March 1, 1990. An election  
8 under this ~~subsection~~ paragraph shall be for the duration of the employe's  
9 employment in the office of district attorney for the same county by which the  
10 employe was employed or until the employe terminates the election under this  
11 ~~subsection~~ paragraph, at the same cost to the county as the county incurs for a  
12 similarly situated county employe. If Subject to par. (b), if the employer's cost for  
13 such fringe benefits for any such employe is less than or equal to the cost for  
14 comparable coverage under ch. 40, if any, the state shall reimburse the county for  
15 that cost. If Subject to par. (b), if the employer's cost for such fringe benefits for any  
16 such employe is greater than the cost for comparable coverage under ch. 40, the state  
17 shall reimburse the county for the cost of comparable coverage under ch. 40 and the  
18 county shall pay the remainder of the cost. The cost of comparable coverage under  
19 ch. 40 shall equal the average cost of comparable coverage under ch. 40 for employes  
20 in the office of the state public defender, as contained in budget determinations  
21 approved by the joint committee on finance or the legislature under the biennial  
22 budget act for the period during which the costs are incurred. An employe who makes  
23 the election under this ~~subsection~~ paragraph may terminate that election, and shall  
24 then be included within all insurance benefit plans under ch. 40, except that the  
25 department of employe trust funds may require prior written notice, not exceeding

1 one year's duration, of an employe's intent to be included under any insurance benefit  
2 plan under ch. 40.

3 History: 1989 a. 31, 117, 336; 1991 a. 32, 39; 1993 a. 294.

3 **SECTION 3211. 978.12 (6) (b) of the statutes is created to read:**

4 978.12 (6) (b) Beginning in the 1999–2000 fiscal year and ending in the  
5 2003–04 fiscal year, the state shall in each fiscal year reduce its reimbursement of  
6 the employer's cost for fringe benefits under par. (a) by an amount that equals the  
7 amount paid by the department of administration to the Wisconsin retirement  
8 system under s. 40.05 (2) (bz) 3.”

9 (END)

---

## Champagne, Rick

---

**From:** Mason, Tony  
**Sent:** Monday, June 07, 1999 8:22 PM  
**To:** Champagne, Rick  
**Subject:** LRB b0478/1

Rick--

I have finally gotten the chance to look over LRBb0478/1. I must compliment you on the ability to copy faithfully materials from previous budget drafts! This said, I think we may still have to revise some of the new the material, specifically at p. 2, line 17. It is quite likely that DOA's initial payments to the WRS during the 199-00 to 2003-04 period for the UAAL plus interest will actually exceed \$80,000 annually. In lieu of the current proposed language, I think we need to say something like "the greater of the regular periodic payment(amount due? some other term?) or \$80,000" Also, require DOA to pay the \$80,000 amount annually (rather than "the amounts paid") from s. 20.475(1)(d). These changes will probably also require an adjustment under proposed s. 978.12(6)(b).

Finally, do you think that proposed 40.05(2)(bz)3. should be under ch, 16 instead of ch 40?

Call if you have questions.



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0478/1-2  
RAC:kmg:jf

RM has been  
run

soon

LFB:.....Mason - Creditable service under the WRS for certain district attorneys in Milwaukee County

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

Insert 1-2 ✓

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

2 1. Page 449, line 4: after that line insert:

3 "SECTION 498m. 20.475 (1) (d) of the statutes is amended to read:

4 20.475 (1) (d) *Salaries and fringe benefits*. The amounts in the schedule for  
5 salaries and fringe benefits of district attorneys and state employes of the office of  
6 the district attorney ~~for payments under s. 40.05 (2) (b) & and for payments under~~  
7 s. 978.045 (2) (b).".

Insert 1-7 ✓

8 2. Page 556, line 17: after that line insert:

9 "SECTION 930t. 40.02 (17) (g) of the statutes is repealed.

10 SECTION 930v. 40.02 (17) (gm) of the statutes is created to read:

1           40.02 (17) (gm) Any assistant district attorney in a county having a population  
2 of 500,000 or more who did not have vested benefit rights under the retirement  
3 system established under chapter 201, laws of 1937, who became a participating  
4 employe on January 1, 1990, and who is a participating employe on the effective date  
5 of this paragraph .... [revisor inserts date], shall receive creditable service for the  
6 total period of his or her service under the retirement system established under  
7 chapter 201, laws of 1937.”.

8           **3.** Page 559, line 10: after that line insert:

9           “SECTION 939m. 40.05 (2) (bz) of the statutes is created to read:

10           40.05 (2) (bz) 1. The department shall calculate the amount necessary to fund  
11 the creditable service granted under s. 40.02 (17) (gm).

12           2. The employer contribution rate determined under par. (b) for the department  
13 of administration shall be adjusted to reflect the cost of granting creditable service  
14 under s. 40.02 (17) (gm), as determined under subd. 1, and that rate shall be  
15 sufficient to amortize the unfunded prior service liability of the department of  
16 administration over the remainder of the 40-year amortization period under par. (b).<sup>2)</sup>

17           ~~3. The department of administration, beginning in the 1999-2000 fiscal year  
18 and ending in the 2003-04 fiscal year, shall pay the Wisconsin retirement system  
19 \$80,000 in each fiscal year to reduce the department's unfunded prior service  
20 liability that results from granting the creditable service under s. 40.02 (17) (gm).  
21 The department of administration shall pay this amount from the appropriation  
22 account under s. 20.475 (1) (d).”.~~

23           **4.** Page 1362, line 14: after that line insert:

24           “SECTION 3211p. 978.12 (5) (b) of the statutes is amended to read:

1           **978.12 (5) (b) *Employes generally.*** District attorneys and state employes of the  
2 office of district attorney shall be included within the provisions of the Wisconsin  
3 retirement system under ch. 40 as a participating employe of that office, except that  
4 the district attorney and state employes of the office of district attorney in a county  
5 having a population of 500,000 or more have the option provided under ~~par. (e) s.~~  
6 978.12 (5) (c), 1997 stats.

7           **SECTION 3211r.** 978.12 (5) (c) 5. of the statutes is repealed.

8           **SECTION 3211t.** 978.12 (6) of the statutes is renumbered 978.12 (6) (a) and  
9 amended to read:

10           **978.12 (6) (a)** District attorneys and state employes of the office of district  
11 attorney shall be included within all insurance benefit plans under ch. 40, except as  
12 authorized in this subsection ~~paragraph.~~ Alternatively, the state shall provide  
13 insurance benefit plans for district attorneys and state employes in the office of  
14 district attorney in the manner provided in this subsection ~~paragraph.~~ A district  
15 attorney or other employe of the office of district attorney who was employed in that  
16 office as a county employe on December 31, 1989, and who received any form of fringe  
17 benefits other than a retirement, deferred compensation or employe-funded  
18 reimbursement account plan as a county employe, as defined by that county  
19 pursuant to the county's personnel policies, or pursuant to a collective bargaining  
20 agreement in effect on January 1, 1990, or the most recent collective bargaining  
21 agreement covering represented employes who are not covered by such an  
22 agreement, may elect to continue to be covered under all such fringe benefit plans  
23 provided by the county after becoming a state employe. In a county having a  
24 population of 500,000 or more, the fringe benefit plans shall include health insurance  
25 benefits fully paid by the county for each retired employe who, on or after December

1 31, 1989, attains at least 15 years of service in the office of district attorney of that  
2 county, whether or not the service is as a county employe, for the duration of the  
3 employe's life. An employe may make an election under this ~~subsection~~ paragraph  
4 no later than January 31, 1990, except that an employe who serves as an assistant  
5 district attorney in a county having a population of 500,000 or more may make an  
6 election under this ~~subsection~~ paragraph no later than March 1, 1990. An election  
7 under this ~~subsection~~ paragraph shall be for the duration of the employe's  
8 employment in the office of district attorney for the same county by which the  
9 employe was employed or until the employe terminates the election under this  
10 ~~subsection~~ paragraph, at the same cost to the county as the county incurs for a  
11 similarly situated county employe. If Subject to par. (b), if the employer's cost for  
12 such fringe benefits for any such employe is less than or equal to the cost for  
13 comparable coverage under ch. 40, if any, the state shall reimburse the county for  
14 that cost. If Subject to par. (b), if the employer's cost for such fringe benefits for any  
15 such employe is greater than the cost for comparable coverage under ch. 40, the state  
16 shall reimburse the county for the cost of comparable coverage under ch. 40 and the  
17 county shall pay the remainder of the cost. The cost of comparable coverage under  
18 ch. 40 shall equal the average cost of comparable coverage under ch. 40 for employes  
19 in the office of the state public defender, as contained in budget determinations  
20 approved by the joint committee on finance or the legislature under the biennial  
21 budget act for the period during which the costs are incurred. An employe who makes  
22 the election under this ~~subsection~~ paragraph may terminate that election, and shall  
23 then be included within all insurance benefit plans under ch. 40, except that the  
24 department of employe trust funds may require prior written notice, not exceeding



1 one year's duration, of an employe's intent to be included under any insurance benefit  
2 plan under ch. 40.

3 SECTION 3211v. 978.12 (6) (b) of the statutes is created to read:

4 978.12 (6) (b) Beginning in the 1999-2000 fiscal year and ending in the  
5 2003-04 fiscal year, the state shall in each fiscal year reduce its reimbursement of

6 the employer's cost for fringe benefits under par. (a) by ~~an amount that equals the~~  
7 ~~amount paid by the department of administration to the Wisconsin retirement~~  
8 ~~system under s. 40.05 (2) (bz) 9."~~

9 (END)

\$80,000

1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBb0478/2ins  
RAC:kmg:jf

Insert 1-2: ✓

1. Page 131, line 21: after that line insert:

“SECTION 40m. 16.004 (13) of the statutes is created to read:

16.004 (13) <sup>(CS) Unfunded prior service for assistant district attorneys.</sup> Beginning in the 1999-2000 fiscal year and ending in the 2003-04

fiscal year, the department shall pay \$80,000 in each fiscal year from the appropriation account under s. 20.475 (1) (d) ✓ toward the department's unfunded prior service liability under the Wisconsin retirement system that results from granting the creditable service under s. 40.02 (17) (gm).” ✓

Insert 1-7: ✓

No 9 and, beginning in the ~~1999~~ <sup>1999</sup> 2000 fiscal year and ending in the 2003-04 fiscal year, for a payment of \$80,000 in each fiscal year toward the department of administration's unfunded prior service liability under the Wisconsin retirement system that results from granting the creditable service under s. 40.02 (17) (gm) ✓



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb0478/2  
RAC:kmg:kjf

LFB:.....Mason – Creditable service under the WRS for certain district attorneys in Milwaukee County

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 131, line 21: after that line insert:

3 **“SECTION 40m.** 16.004 (13) of the statutes is created to read:

4 **16.004 (13) UNFUNDED PRIOR SERVICE FOR ASSISTANT DISTRICT ATTORNEYS.**

5 Beginning in the 1999-2000 fiscal year and ending in the 2003-04 fiscal year, the

6 department shall pay \$80,000 in each fiscal year from the appropriation account

7 under s. 20.475 (1) (d) toward the department’s unfunded prior service liability under

8 the Wisconsin retirement system that results from granting the creditable service

9 under s. 40.02 (17) (gm).”.

10 **2.** Page 449, line 4: after that line insert:

11 **“SECTION 498m.** 20.475 (1) (d) of the statutes is amended to read:

1           20.475 (1) (d) *Salaries and fringe benefits.* The amounts in the schedule for  
2 salaries and fringe benefits of district attorneys and state employes of the office of  
3 the district attorney and, for payments under s. 978.045 (2) (b) and, beginning in the  
4 1999–2000 fiscal year and ending in the 2003–04 fiscal year, for a payment of \$80,000  
5 in each fiscal year toward the department of administration’s unfunded prior service  
6 liability under the Wisconsin retirement system that results from granting the  
7 creditable service under s. 40.02 (17) (gm).”.

8           **3.** Page 556, line 17: after that line insert:

9           “**SECTION 930t.** 40.02 (17) (g) of the statutes is repealed.

10          **SECTION 930v.** 40.02 (17) (gm) of the statutes is created to read:

11          40.02 (17) (gm) Any assistant district attorney in a county having a population  
12 of 500,000 or more who did not have vested benefit rights under the retirement  
13 system established under chapter 201, laws of 1937, who became a participating  
14 employe on January 1, 1990, and who is a participating employe on the effective date  
15 of this paragraph .... [revisor inserts date], shall receive creditable service for the  
16 total period of his or her service under the retirement system established under  
17 chapter 201, laws of 1937.”.

18          **4.** Page 559, line 10: after that line insert:

19          “**SECTION 939m.** 40.05 (2) (bz) of the statutes is created to read:

20          40.05 (2) (bz) The employer contribution rate determined under par. (b) for the  
21 department of administration shall be adjusted to reflect the cost of granting  
22 creditable service under s. 40.02 (17) (gm) and that rate shall be sufficient to amortize  
23 the unfunded prior service liability of the department of administration over the  
24 remainder of the 40–year amortization period under par. (b).”.

1           **5.** Page 1362, line 14: after that line insert:

2           “**SECTION 3211p.** 978.12 (5) (b) of the statutes is amended to read:

3           978.12 (5) (b) *Employees generally.* District attorneys and state employes of the  
4 office of district attorney shall be included within the provisions of the Wisconsin  
5 retirement system under ch. 40 as a participating employe of that office, except that  
6 the district attorney and state employes of the office of district attorney in a county  
7 having a population of 500,000 or more have the option provided under ~~par. (e)~~ s.  
8 978.12 (5) (c), 1997 stats.

9           **SECTION 3211r.** 978.12 (5) (c) 5. of the statutes is repealed.

10          **SECTION 3211t.** 978.12 (6) of the statutes is renumbered 978.12 (6) (a) and  
11 amended to read:

12          978.12 (6) (a) District attorneys and state employes of the office of district  
13 attorney shall be included within all insurance benefit plans under ch. 40, except as  
14 authorized in this ~~subsection~~ paragraph. Alternatively, the state shall provide  
15 insurance benefit plans for district attorneys and state employes in the office of  
16 district attorney in the manner provided in this ~~subsection~~ paragraph. A district  
17 attorney or other employe of the office of district attorney who was employed in that  
18 office as a county employe on December 31, 1989, and who received any form of fringe  
19 benefits other than a retirement, deferred compensation or employe-funded  
20 reimbursement account plan as a county employe, as defined by that county  
21 pursuant to the county’s personnel policies, or pursuant to a collective bargaining  
22 agreement in effect on January 1, 1990, or the most recent collective bargaining  
23 agreement covering represented employes who are not covered by such an  
24 agreement, may elect to continue to be covered under all such fringe benefit plans

1 provided by the county after becoming a state employe. In a county having a  
2 population of 500,000 or more, the fringe benefit plans shall include health insurance  
3 benefits fully paid by the county for each retired employe who, on or after December  
4 31, 1989, attains at least 15 years of service in the office of district attorney of that  
5 county, whether or not the service is as a county employe, for the duration of the  
6 employe's life. An employe may make an election under this ~~subsection~~ paragraph  
7 no later than January 31, 1990, except that an employe who serves as an assistant  
8 district attorney in a county having a population of 500,000 or more may make an  
9 election under this ~~subsection~~ paragraph no later than March 1, 1990. An election  
10 under this ~~subsection~~ paragraph shall be for the duration of the employe's  
11 employment in the office of district attorney for the same county by which the  
12 employe was employed or until the employe terminates the election under this  
13 ~~subsection~~ paragraph, at the same cost to the county as the county incurs for a  
14 similarly situated county employe. If Subject to par. (b), if the employer's cost for  
15 such fringe benefits for any such employe is less than or equal to the cost for  
16 comparable coverage under ch. 40, if any, the state shall reimburse the county for  
17 that cost. If Subject to par. (b), if the employer's cost for such fringe benefits for any  
18 such employe is greater than the cost for comparable coverage under ch. 40, the state  
19 shall reimburse the county for the cost of comparable coverage under ch. 40 and the  
20 county shall pay the remainder of the cost. The cost of comparable coverage under  
21 ch. 40 shall equal the average cost of comparable coverage under ch. 40 for employes  
22 in the office of the state public defender, as contained in budget determinations  
23 approved by the joint committee on finance or the legislature under the biennial  
24 budget act for the period during which the costs are incurred. An employe who makes  
25 the election under this ~~subsection~~ paragraph may terminate that election, and shall

1 then be included within all insurance benefit plans under ch. 40, except that the  
2 department of employe trust funds may require prior written notice, not exceeding  
3 one year's duration, of an employe's intent to be included under any insurance benefit  
4 plan under ch. 40.

5 **SECTION 3211v.** 978.12 (6) (b) of the statutes is created to read:

6 978.12 (6) (b) Beginning in the 1999–2000 fiscal year and ending in the  
7 2003–04 fiscal year, the state shall in each fiscal year reduce its reimbursement of  
8 the employer's cost for fringe benefits under par. (a) by \$80,000.”.

9 (END)