

2001 DRAFTING REQUEST

Bill

Received: **03/09/2001**

Received By: **champra**

Wanted: **As time permits**

Identical to LRB:

For: **Marc Duff (608) 266-1190**

By/Representing: **Marsha**

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

Drafter: **champra**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - employee benefits**
Employ Pub - retirement

Extra Copies:

Submit via email: **NO**

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Death benefits under the Wisconsin retirement system

Instructions:

Same as 01-1741, but have the bill apply to individuals who died in first 6 months of 1999 and who had in 30 years of covered employment

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>
/?	champra 03/13/2001	hhagen 03/13/2001		_____			State Retire
/1			martykr 03/14/2001	_____	lrb_docadmin 03/14/2001	lrb_docadminState 03/14/2001	Retire
/2	champra	hhagen	martykr	_____	lrb_docadmin	lrb_docadminState	

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	03/15/2001	03/15/2001	03/15/2001	_____	03/15/2001	03/15/2001	Retire
/3	champra 04/04/2001	jdyer 04/05/2001	martykr 04/05/2001	_____	lrb_docadmin 04/05/2001	lrb_docadminState 04/06/2001	Retire
/4	champra 04/18/2001	jdyer 04/18/2001	pgreensl 04/18/2001	_____	lrb_docadmin 04/18/2001	lrb_docadmin 04/18/2001	

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/1			martykr 03/14/2001	<u> </u> <i>1/18</i>	lrb_docadmin 03/14/2001	lrb_docadminState 03/14/2001	Retire
/2	champra	hhagen <i>1/4 1/18 jld</i>	martykr	<u> </u> <i>4/18 ps</i>	lrb_docadmin	lrb_docadminState	

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13 4/5 jld *Km 4/5* *JB 4/5*

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/1		12 hnh 3/15	martykr 03/14/2001 <i>3/15</i>	_____	lrb_docadmin 03/14/2001	lrb_docadmin 03/14/2001	

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1?	champra	11 hml 3/13/01	Jm 3 14	JA 3 Jm 14			

FE Sent For:

<END>



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-1741/2

RAC:hmh:rs

OTHER

LRB-2796/1

RAC:hmh

2001 BILL

Regenerate

January 1, 1999

July 31, 1999

1 AN ACT to create 20.515 (1) (bm) of the statutes; relating to: death benefits
2 provided under the Wisconsin retirement system and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, as the result of the enactment of 1999 Wisconsin Acts 11 and 12, a beneficiary of a participating employee in the Wisconsin retirement system (WRS) may receive a death benefit equal to the sum of the additional and *twice* the employee required contribution accumulations credited to the participant's account. Before the enactment of 1999 Wisconsin Acts 11 and 12, however, the value of the death benefit was the sum of the additional and the employee required contribution accumulations, not *twice* the employee required contribution accumulations.

This bill provides that any WRS participant who at the time of death was a participating employee, who died between ~~July 1, 1997,~~ and ~~December 22, 1997,~~ who, prior to death, had not attained the age of ~~60~~⁽⁵⁵⁾ years, or age ~~55~~⁽⁵⁰⁾ if the participant was a protective occupation participant, ~~but who was at least 55 years of age, or at least 50 years of age if the participant was a protective occupation participant,~~ ^{may} shall have his or her death benefit retroactively increased by an amount equal to the participant's employee required contribution accumulations that were credited to the participant's account on the beneficiary annuity effective date, or in the case of a lump sum payment, on the first day of the month in which the department of employee trust funds (DETF) approved the payment of the death benefit.

In order to qualify for the increased death benefit, the beneficiary to whom the death benefit was payable must either have been a dependent of the participant or a trust in which a dependent had a beneficial interest. In addition, the beneficiary

BILL

30

must submit an application to DETF, on a form provided by DETF, before the first day of the sixth month beginning after the effective date of the bill. Finally, the participant must have had at least 25 years of creditable service under the WRS.

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.

For further information see the *state* fiscal estimate, 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:

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

2 20.515 (1) (bm) *Increased death benefits.* A sum sufficient to pay the cost of any
3 increased death benefits required under 2001 Wisconsin Act (this act), section 2
4 (1) to (3).

5 **SECTION 2. Nonstatutory provisions.**

6 (1) In this section:

7 (a) "Beneficiary" has the meaning specified in section 40.02 (8) of the statutes.

8 (b) "Beneficiary annuity" has the meaning specified in section 40.02 (9) of the
9 statutes.

10 (c) "Creditable service" has the meaning specified in section 40.02 (17) of the
11 statutes.

12 (d) "Department" has the meaning specified in section 40.02 (19) of the
13 statutes.

14 (e) "Dependent" has the meaning specified in section 40.02 (20) of the statutes.

15 (f) "Employee required contribution" has the meaning specified in section 40.02
16 (27) of the statutes.

17 (g) "Participant" has the meaning specified in section 40.02 (45) of the statutes.

BILL

1 (h) "Participating employee" has the meaning specified in section 40.02 (46) of
2 the statutes.

3 (i) "Protective occupation participant" has the meaning specified in section
4 40.02 (48) of the statutes.

5 (2) Notwithstanding section 40.73 (1) (a), ¹⁹⁹⁷1995 stats., any participant who at
6 the time of death was a participating employee, who died between ^{January 1, 1999}July 1, 1997, and
7 ^{July 31, 1999}December 31, 1997, who, prior to death, met all of the requirements under section
8 40.23 (1), ¹⁹⁹⁷1995 stats., except termination of employment and the filing of an
9 application and who was not eligible for the death benefit provided under section
10 40.73 (1) (c), ¹⁹⁹⁷1995 stats., because he or she had not attained the age of ⁵⁵60 years, or
11 age ⁵⁰60 if the participant was a protective occupation participant, shall have his or
12 her death benefit retroactively increased by an amount equal to the participant's
13 employee required contribution accumulations that were credited to the
14 participant's account on the beneficiary annuity effective date, or in the case of a
15 lump sum payment, on the first day of the month in which the department approved
16 the payment of the death benefit.

17 (3) An increased death benefit may be provided under this section only if all of
18 the following conditions are satisfied:

19 (a) The beneficiary to whom the death benefit was payable must either have
20 been a dependent of the participant or a trust in which a dependent had a beneficial
21 interest.

22 (b) The beneficiary submits an application to the department, on a form
23 provided by the department, before the first day of the 6th month beginning after the
24 effective date of this paragraph.

BILL

1997

1
2
3
4
5

(c) The participant was not covered under section 40.73 (1) (a) 1. or 2., 1997/
stats. (d)

(4) The participant ^{had} ~~has~~ at least ³⁰ ~~25~~ years of creditable service under the
Wisconsin retirement system.

(END)

on the date
~~of his or her death~~ of his or her death



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
5TH FLOOR
MADISON, WI 53701-2037

STEPHEN R. MILLER
CHIEF

LEGAL SECTION: (608) 266-3561
LEGAL FAX: (608) 264-6948

March 14, 2001

MEMORANDUM

To: Representative Duff

From: Rick A. Champagne, Senior Attorney

Re: LRB-2796 Death benefits under the Wisconsin retirement system

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

JACKET FOR ASSEMBLY JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 266-9930 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2796/1-2
RAC:hmh:km
COR
RMR

soon

2001 BILL

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This bill provides that any WRS participant who at the time of death was a participating employee, who died between January 1, 1999, and July 31, 1999, who, prior to death, had not attained the age of 55 years, or age 50 if the participant was a protective occupation participant, may have his or her death benefit retroactively increased by an amount equal to the participant's employee required contribution accumulations that were credited to the participant's account on the beneficiary annuity effective date, or in the case of a lump sum payment, on the first day of the month in which the department of employee trust funds (DETF) approved the payment of the death benefit.

In order to qualify for the increased death benefit, the beneficiary to whom the death benefit was payable must either have been a dependent of the participant or a trust in which a dependent had a beneficial interest. In addition, the beneficiary must submit an application to DETF, on a form provided by DETF, before the first

BILL

day of the sixth month beginning after the effective date of the bill. Finally, the participant must have had at least 30 years of creditable service under the WRS.

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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BILL

1 (i) "Protective occupation participant" has the meaning specified in section
2 40.02 (48) of the statutes.

3 (2) Notwithstanding section 40.73 (1) (a), 1997 stats., any participant who at
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7 application and who was not eligible for the death benefit provided under section
8 40.73 (1) (c), 1997 stats., because he or she had not attained the age of 55 years, or
9 age 50 if the participant was a protective occupation participant, shall have his or
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12 participant's account on the beneficiary annuity effective date, or in the case of a
13 lump sum payment, on the first day of the month in which the department approved
14 the payment of the death benefit.

15 (3) An increased death benefit may be provided under this section only if all of
16 the following conditions are satisfied:

17 (a) The beneficiary to whom the death benefit was payable must either have
18 been a dependent of the participant or a trust in which a dependent had a beneficial
19 interest.

20 (b) The beneficiary submits an application to the department, on a form
21 provided by the department, before the first day of the 6th month beginning after the
22 effective date of this paragraph.

23 (c) The participant was not covered under section 40.73 (1) (a) 1. or 2., 1997
24 stats.

BILL

1 (d) The participant had at least 30 years of creditable service under the
2 Wisconsin retirement system on the date of his or her death.

(END)

3

Insert
4-3

**2001-2002 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-2796/2ins
RAC::

Insert 4-3:

(4) Any death benefit provided under this section shall be paid in 10 annual
① instalments and shall not accrue interest during any period in which the benefit is
awaiting payment.

Per Marsha 4/4/01

- Change the requirement under (s)(d) to 30 years of
state employment, not 30 years of WRS creditable service.



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2796/2 3

RAC:hmh:km

Sean

RMR JLD

2001 ASSEMBLY BILL

Gen

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ASSEMBLY BILL

been a state employee for at least 30 years on his or her date of death

day of the sixth month beginning after the effective date of the bill. Finally, the participant must have had at least 30 years of creditable service under the WRS.

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5 SECTION 2. **Nonstatutory provisions.**

6 (1) In this section: CS

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17 (g) "Participant" has the meaning specified in section 40.02 (45) of the statutes.

18 (h) "Participating employee" has the meaning specified in section 40.02 (46) of
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ASSEMBLY BILL

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13 lump sum payment, on the first day of the month in which the department approved
14 the payment of the death benefit.

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20 (b) The beneficiary submits an application to the department, on a form
21 provided by the department, before the first day of the 6th month beginning after the
22 effective date of this paragraph.

23 (c) The participant was not covered under section 40.73 (1) (a) 1. or 2., 1997
24 stats.

ASSEMBLY BILL

SECTION 2

1 (d) The participant had at least 30 years of creditable service under the
2 Wisconsin retirement system on the date of his or her death.

3 (4) Any death benefit provided under this section shall be paid in 10 annual
4 installments and shall not accrue interest during any period in which the benefit is
5 awaiting payment.

6 (END)

*been a state employee for at least 30 years on the
date of his or her death*



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2796/2 4
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2001 ASSEMBLY BILL

1 *Regen*
AN ACT to create 20.515 (1) (bm) of the statutes; relating to: death benefits
2 provided under the Wisconsin retirement system and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, as the result of the enactment of 1999 Wisconsin Acts 11 and 12, a beneficiary of a participating employee in the Wisconsin retirement system (WRS) may receive a death benefit equal to the sum of the additional and *twice* the employee required contribution accumulations credited to the participant's account. Before the enactment of 1999 Wisconsin Acts 11 and 12, however, the value of the death benefit was the sum of the additional and the employee required contribution accumulations, not *twice* the employee required contribution accumulations.

This bill provides that any WRS participant who at the time of death was a participating employee, who died between January 1, 1999, and July 31, 1999, who, prior to death, had not attained the age of 55 years, or age 50 if the participant was a protective occupation participant, may have his or her death benefit retroactively increased by an amount equal to the participant's employee required contribution accumulations that were credited to the participant's account on the beneficiary annuity effective date, or in the case of a lump sum payment, on the first day of the month in which the department of employee trust funds (DETF) approved the payment of the death benefit.

In order to qualify for the increased death benefit, the beneficiary to whom the death benefit was payable must either have been a dependent of the participant or a trust in which a dependent had a beneficial interest. In addition, the beneficiary must submit an application to DETF, on a form provided by DETF, before the first

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day of the sixth month beginning after the effective date of the bill. Finally, the participant must have been a state employee ~~for~~ at least 30 years on his or her date of death. *and must have had 1 of continuous state employment*

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.

For further information see the *state* fiscal estimate, 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:

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

2 20.515 (1) (bm) *Increased death benefits.* A sum sufficient to pay the cost of any
3 increased death benefits required under 2001 Wisconsin Act (this act), section 2
4 (1) to (4).

5 **SECTION 2. Nonstatutory provisions.**

6 (1) In this SECTION:

7 (a) "Beneficiary" has the meaning specified in section 40.02 (8) of the statutes.

8 (b) "Beneficiary annuity" has the meaning specified in section 40.02 (9) of the
9 statutes.

10 (c) "Creditable service" has the meaning specified in section 40.02 (17) of the
11 statutes.

12 (d) "Department" has the meaning specified in section 40.02 (19) of the
13 statutes.

14 (e) "Dependent" has the meaning specified in section 40.02 (20) of the statutes.

15 (f) "Employee required contribution" has the meaning specified in section 40.02
16 (27) of the statutes.

17 (g) "Participant" has the meaning specified in section 40.02 (45) of the statutes.

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1 (h) "Participating employee" has the meaning specified in section 40.02 (46) of
2 the statutes.

3 (i) "Protective occupation participant" has the meaning specified in section
4 40.02 (48) of the statutes.

5 (2) Notwithstanding section 40.73 (1) (a), 1997 stats., any participant who at
6 the time of death was a participating employee, who died between January 1, 1999,
7 and July 31, 1999, who, prior to death, met all of the requirements under section
8 40.23 (1), 1997 stats., except termination of employment and the filing of an
9 application and who was not eligible for the death benefit provided under section
10 40.73 (1) (c), 1997 stats., because he or she had not attained the age of 55 years, or
11 age 50 if the participant was a protective occupation participant, shall have his or
12 her death benefit retroactively increased by an amount equal to the participant's
13 employee required contribution accumulations that were credited to the
14 participant's account on the beneficiary annuity effective date, or in the case of a
15 lump sum payment, on the first day of the month in which the department approved
16 the payment of the death benefit.

17 (3) An increased death benefit may be provided under this SECTION only if all
18 of the following conditions are satisfied:

19 (a) The beneficiary to whom the death benefit was payable must either have
20 been a dependent of the participant or a trust in which a dependent had a beneficial
21 interest.

22 (b) The beneficiary submits an application to the department, on a form
23 provided by the department, before the first day of the 6th month beginning after the
24 effective date of this paragraph.

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1 (c) The participant was not covered under section 40.73 (1) (a) 1. or 2., 1997
2 stats.

3 (d) The participant ~~had been~~ ^{was} a state employee ~~for~~ ^{and had} at least 30 years ^{of continuous state employment} on the date
4 of his or her death.

5 (4) Any death benefit provided under this SECTION shall be paid in 10 annual
6 installments and shall not accrue interest during any period in which the benefit is
7 awaiting payment.

8 (END)