

**2001 DRAFTING REQUEST****Bill**Received: **11/15/2000**Received By: **champra**Wanted: **As time permits**

Identical to LRB:

For: **Fred Risser (608) 266-1627**By/Representing: **Leslie**This file may be shown to any legislator: **NO**Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **Employ Pub - retirement**

Extra Copies:

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Creditable military service under the Wisconsin retirement system

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**Instructions:**

See Attached.

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**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 01/04/2001	hhagen 01/16/2001	pgreensl 01/24/2001	_____	lrb_docadmin 01/24/2001	lrb_docadminState 01/24/2001	Retire

FE Sent For: **01/24/2001.**

&lt;END&gt;

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Handwritten: 01-24-01 (1/15) with an arrow pointing to the left.

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1?	champra	11/15/00 hmk	1/23 PG	1/23 PG/KF			

FE Sent For:

<END>

**Miller, Steve**

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**From:** Travis, Leslie  
**Sent:** Wednesday, November 15, 2000 10:16 AM  
**To:** Miller, Steve  
**Subject:** drafting request

Hi Steve, I don't know who the drafter would be for the following request. So please pass it along.

Sen. Risser is requesting a redraft of 1993 Senate Bill 58 (LRB 1381/1) relating to crediting military service for certain participants in the WI retirement system who retired before March 9, 1984, due to layoff.

However, the new draft should not have retroactive payment as the previous bill did.

Thanks, Leslie Travis



## 1993 BILL

1 AN ACT *to amend* 20.515 (1) (a), 40.02 (15) (c) 5 and 40.02 (17) (intro.); and *to*  
2 *create* 40.02 (15) (c) 6 and 40.02 (15) (d) of the statutes, **relating to:** crediting  
3 military service for certain participants in the Wisconsin retirement system  
4 who retired before March 9, 1984, due to layoff and making an appropriation.

---

### *Analysis by the Legislative Reference Bureau*

Under current law, a participating employe under the Wisconsin retirement system (WRS) may receive one year of creditable service under WRS for each year of military service, up to a maximum of 4 years of military service credit, at the time of retirement in either of the following ways:

1. If the participant left employment covered under WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).

2. If the participant's military service was performed before 1974 and the participant terminates employment covered under WRS on or after March 9, 1984, the participant may receive up to 1, 2, 3 or 4 years of military service credit if the participant has at least 5, 10, 15 or 20 years, respectively, of creditable service (not counting previously granted military service credit).

A participant under WRS who terminated employment covered under WRS during the period beginning on January 1, 1982, the effective date of the merger of the Wisconsin retirement fund (WRF), the state teachers retirement system (STRS) and the Milwaukee teachers retirement fund (MTRF), and ending on March 8, 1984, and a participant under WRF who terminated employment before January 1, 1982, was eligible to receive creditable military service as provided under item 1, above, but the proration of military service credit based on the period of creditable service under item 2, above, did not exist; instead, the participant was eligible to receive up to 4 years of creditable service for military service performed before 1974 only if he

or she had at least 20 years of creditable service under WRS at the time of retirement. A participant under STRS or MTRF who terminated employment before January 1, 1982, was eligible to receive creditable military service at the time of retirement only as provided under item 1, above.

This bill changes the March 9, 1984, termination date for eligibility to receive creditable military service under item 2, above, to July 1, 1980, for a participant who was laid off by his or her employer during the period beginning on July 1, 1980, and ending on March 8, 1984, and thereby allows for the retroactive crediting of military service for certain participants whose creditable service terminated due to layoff between July 1, 1980, and March 8, 1984, and who were ineligible to receive credit for military service at the time of termination.

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 the 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) (a) of the statutes is amended to read:

2           20.515 (1) (a) *Annuity supplements and payments.* A sum sufficient to pay the  
3 benefits authorized under s. 40.27 (1) and (1m), 1985 stats., and s. 40.02 (15) (d) 2  
4 and (17) (d) 2 in excess of the amounts payable under other provisions of ch. 40 and  
5 any distributions made under s. 40.04 (3) (e) after August 1, 1987, notwithstanding  
6 s. 40.27 (2) and to reimburse any amounts expended under par. (w) for the costs of  
7 administering the benefits provided under s. 40.27 (1) and (1m), 1985 stats, and s.  
8 40.02 (15) (d) 2 and (17) (d) 2.

9           **SECTION 2.** 40.02 (15) (c) 5 of the statutes is amended to read:

10           40.02 (15) (c) 5. The participant's creditable service terminates on or after  
11 January 1, 1982, except as provided in subd. 6.

12           **SECTION 3.** 40.02 (15) (c) 6 of the statutes is created to read:

13           40.02 (15) (c) 6. The participant's creditable service terminates due to layoff  
14 during the period beginning on July 1, 1980, and ending on March 8, 1984.

1           **SECTION 4.** 40.02 (15) (d) of the statutes is created to read:

2           40.02 (15) (d) 1. Notwithstanding s. 40.19, upon application to the department  
3 not later than the last day of the 3rd month beginning after the effective date of this  
4 subdivision .... [revisor inserts date], a participant who furnishes to the department  
5 evidence satisfactory to the department that his or her creditable service terminated  
6 as described in par. (c) 6 and who was ineligible to receive creditable service for active  
7 military service under s. 40.02 (15) (c), 1983 stats., at the time of retirement shall be  
8 granted creditable military service under par. (c) retroactively to the date on which  
9 the participant's creditable service terminated.

10           2. Any benefits authorized under subd. 1 for any person, which are in excess of  
11 the amounts previously paid or otherwise payable to the person under other  
12 provisions of this chapter, shall be paid from the appropriation under s. 20.515 (1)  
13 (a).

14           **SECTION 5.** 40.02 (17) (intro.) of the statutes is amended to read:

15           40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
16 service, expressed in years and fractions of a year to the nearest one-hundredth, for  
17 which a participating employe receives or is considered to receive earnings under  
18 sub. (22) (e) or (em) and for which contributions have been made as required by s.  
19 40.05 (1) and (2) and creditable military service, service credited under s. 40.25 (7)  
20 and service credited under s. 40.29, expressed in years and fractions of years to the  
21 nearest one-hundredth. How much service in any annual earnings period is the  
22 full-time equivalent of one year of creditable service shall be determined by rule by  
23 the department and the rules may provide for differing equivalents for different  
24 types of employment. Except as provided under pars. (i) and (k) and sub. (15) (d), the  
25 amount of creditable service for periods prior to January 1, 1982, shall be the amount

1 for which the participant was eligible under the applicable laws and rules in effect  
2 prior to January 1, 1982. No more than one year of creditable service shall be granted  
3 for any annual earnings period. Creditable service is determined in the following  
4 manner for the following persons:

5 (END)





## 2001 BILL

Generate

- 1 AN ACT ...; relating to: crediting military service for certain participants in the
- 2 Wisconsin retirement system who retired before March 9, 1984, due to layoff,
- 3 and making an appropriation.

*four*  
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- 1. If the participant left employment covered under WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).
- 2. If the participant's military service was performed before 1974 and the participant terminates employment covered under WRS on or after March 9, 1984, the participant may receive up to ~~4~~ *one, two, three, or four* years of military service credit if the participant has at least ~~5, 10, 15 or 20~~ *five, ten, or twenty* years, respectively, of creditable service (not counting previously granted military service credit).

A participant under WRS who terminated employment covered under WRS during the period beginning on January 1, 1982, the effective date of the merger of the Wisconsin retirement fund (WRF), the state teachers retirement system (STRS) and the Milwaukee teachers retirement fund (MTRF), and ending on March 8, 1984, and a participant under WRF who terminated employment before January 1, 1982,

**BILL**

was eligible to receive creditable military service as provided under item 1., above, but the proration of military service credit based on the period of creditable service under item 2., above, did not exist; instead, the participant was eligible to receive up to 4 years of creditable service for military service performed before 1974 only if he or she had at least 20 years of creditable service under WRS at the time of retirement. A participant under STRS or MTRF who terminated employment before January 1, 1982, was eligible to receive creditable military service at the time of retirement only as provided under item 1, above.

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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.

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2           20.515 (1) (a) *Annuity supplements and payments.* A sum sufficient to pay the  
 3           benefits authorized under ss. 40.02 (15) (d) 2. and (17) (d) 2. and 40.27 (1), (1m) and  
 4           (3) in excess of the amounts payable under other provisions of ch. 40 and to reimburse  
 5           any amounts expended under par. (w) for the costs of administering the benefits  
 6           provided under ss. 40.02 (15) (d) 2. and (17) (d) 2. and 40.27 (1), (1m) and (3).

History: 1971 c. 40 s. 93; 1971 c. 125; 1973 c. 90, 151, 337; 1975 e. 39; 1977 c. 29, 84; 1979 c. 34, 38; 1979 c. 102 s. 236 (4); 1981 c. 96; 1981 c. 187 s. 10; 1981 c. 250; 1983 a. 27, 247, 255; 1983 a. 394 s. 2; 1985 a. 29; 1987 a. 27, 107; 1987 a. 403 s. 256; 1989 a. 14, 31; 1989 a. 56 s. 259; 1991 a. 269; 1995 a. 27, 88, 89, 240; 1997 a. 26, 27; 1999 a. 9.

7           **SECTION 2.** 40.02 (15) (c) 5. of the statutes is amended to read:

8           40.02 (15) (c) 5. The participant's creditable service terminates on or after  
 9           January 1, 1982, except as provided in subd. 6.

History: 1981 c. 96, 187, 250, 274, 386; 1983 a. 9, 27; 1983 a. 81 s. 11; 1983 a. 83 s. 20; 1983 a. 106, 140; 1983 a. 141 ss. 1 to 3, 20; 1983 a. 191 ss. 1, 6; 1983 a. 192 s. 304; 1983 a. 255 s. 6; 1983 a. 275, 290, 368; 1983 a. 435 s. 7; 1985 a. 29, 225; 1985 a. 332 ss. 52, 251 (1); 1987 a. 27, 62, 83, 107, 309, 340, 356, 363, 372, 399; 1987 a. 403 ss. 43 to 45, 256; 1989 a. 13, 14, 31; 1989 a. 56 s. 259; 1989 a. 166, 182, 189, 218, 230, 240, 323, 327, 336, 355, 357, 359; 1991 a. 32, 39, 113, 152, 229, 269, 315; 1993 a. 16, 263, 383, 490, 491; 1995 a. 27, ss. 1946 to 1953, 9130 (4); 1995 a. 81, 88, 89, 216, 240, 302, 381, 417; 1997 a. 3, 27, 39, 69, 110, 162, 237, 238; 1999 a. 9, 11, 42, 63, 65, 83.

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**BILL**

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4           40.02 (15) (d) 1. Notwithstanding s. 40.19, upon application to the department  
5 not later than the last day of the 3rd month beginning after the effective date of this  
6 subdivision .... [revisor inserts date], a participant who furnishes to the department  
7 evidence satisfactory to the department that his or her creditable service terminated  
8 as described in par. (c) 6. and who was ineligible to receive creditable service for  
9 active military service under s. 40.02 (15) (c), 1983 stats., at the time of retirement  
10 shall be granted creditable military service under s. 40.02 (15) (c), 1983 stats. The  
11 creditable military service granted under this subdivision shall only be used for the  
12 calculation of a participant's annuity payment that is paid after the effective date of  
13 this subdivision .... [revisor inserts date].

14           2. Any benefits authorized under subd. 1. for any participant, which are in  
15 excess of the amounts otherwise payable to the participant under other provisions  
16 of this chapter, shall be paid from the appropriation under s. 20.515 (1) (a).

17           **SECTION 5.** 40.02 (17) (intro.) of the statutes is amended to read:

18           40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
19 service, expressed in years and fractions of a year to the nearest one-hundredth, for  
20 which a participating employee receives or is considered to receive earnings under  
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23 and service credited under s. 40.29, expressed in years and fractions of years to the  
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25 full-time equivalent of one year of creditable service shall be determined by rule by

**BILL****SECTION 5**

1 the department and the rules may provide for differing equivalents for different  
2 types of employment. Except as provided under pars. (i) and (k) and sub. (15) (d), the  
3 amount of creditable service for periods prior to January 1, 1982, shall be the amount  
4 for which the participant was eligible under the applicable laws and rules in effect  
5 prior to January 1, 1982. No more than one year of creditable service shall be granted  
6 for any annual earnings period. Creditable service is determined in the following  
7 manner for the following persons:

**History:** 1981 c. 96, 187, 250, 274, 386; 1983 a. 9, 27; 1983 a. 81 s. 11; 1983 a. 83 s. 20; 1983 a. 106, 140; 1983 a. 141 ss. 1 to 3, 20; 1983 a. 191 ss. 1, 6; 1983 a. 192 s. 304; 1983 a. 255 s. 6; 1983 a. 275, 290, 368; 1983 a. 435 s. 7; 1985 a. 29, 225; 1985 a. 332 ss. 52, 251 (1); 1987 a. 27, 62, 83, 107, 309, 340, 356, 363, 372, 399; 1987 a. 403 ss. 43 to 45, 256; 1989 a. 13, 14, 31; 1989 a. 56 s. 259; 1989 a. 166, 182, 189, 218, 230, 240, 323, 327, 336, 355, 357, 359; 1991 a. 32, 39, 113, 152, 229, 269, 315; 1993 a. 16, 263, 383, 490, 491; 1995 a. 27, ss. 1946 to 1953, 9130 (4); 1995 a. 81, 88, 89, 216, 240, 302, 381, 417; 1997 a. 3, 27, 39, 69, 110, 162, 237, 238; 1999 a. 9, 11, 42, 63, 65, 83.

8

**(END)**

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-1035/1dn

RAC:.....

*hmk*

*Dated*

Because this bill increases compensation paid to a employee who has terminated public employment, it will require passage by a three-fourths vote of all the members of both houses of the legislature. Wis. Const., art. IV, sec 26 (3).

Rick A. Champagne  
Senior Legislative Attorney  
Phone: (608) 266-9930  
E-mail: rick.champagne@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
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RAC:hmlh:pg

January 23, 2001

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Phone: (608) 266-9930  
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# State of Wisconsin

JAN 24 2001

## 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

January 24, 2001

### MEMORANDUM

To: Senator Risser

From: Rick A. Champagne, Senior Attorney

Re: LRB-1035 Creditable military service 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. *requested*

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