



2005 SENATE BILL 314

August 31, 2005 - Introduced by Senators RISSER and ERPENBACH, cosponsored by Representatives BERCEAU, TURNER and SHERIDAN. Referred to Joint Survey Committee on Retirement Systems.

1 **AN ACT** *to amend* 40.02 (15) (a) 3. and 40.05 (2) (b); and *to create* 40.02 (57m)
2 (g) and 40.05 (2) (bx) of the statutes; **relating to:** granting military service
3 credit under the Wisconsin Retirement System for service in the Commissioned
4 Corps of the federal National Oceanic and Atmospheric Administration and the
5 Commissioned Corps of the federal Environmental Science Services
6 Administration.

Analysis by the Legislative Reference Bureau

Under current law, a participating employee 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 four 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, the participant may receive up to one, two, three, or four years of military service credit if the participant has at least five, ten, fifteen, or twenty years, respectively, of creditable service (not counting previously granted military service credit).

This bill provides for similar granting of creditable service under WRS for service in the Commissioned Corps of the federal National Oceanic and Atmospheric

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Administration and the Commissioned Corps of the federal Environmental Science Services Administration.

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 and local* 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.** 40.02 (15) (a) 3. of the statutes is amended to read:

2 40.02 (15) (a) 3. The participant returns to the employment of the employer
3 whose employment the participant left to enter the U.S. armed forces within 180
4 days of release, resignation, or discharge from the armed forces, or within 180 days
5 of release from hospitalization because of injury or sickness resulting from service
6 in the armed forces;

7 **SECTION 2.** 40.02 (57m) (g) of the statutes is created to read:

8 40.02 (57m) (g) The Commissioned Corps of the federal National Oceanic and
9 Atmospheric Administration and the Commissioned Corps of the federal
10 Environmental Science Services Administration.

11 **SECTION 3.** 40.05 (2) (b) of the statutes is amended to read:

12 40.05 (2) (b) Contributions shall be made by each participating employer for
13 unfunded prior service liability in a percentage of the earnings of each participating
14 employee. A separate percentage rate shall be determined for the employee
15 occupational categories under s. 40.23 (2m) as of the employer's effective date of
16 participation. The rates shall be sufficient to amortize as a level percent of payroll
17 over a period of 40 years from the later of that date or January 1, 1986, the unfunded
18 prior service liability for the categories of employees of each employer determined
19 under s. 40.05 (2) (b), 1981 stats., increased to reflect any creditable prior service

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1 granted on or after January 1, 1986, increased to reflect the effect of 1983 Wisconsin
2 Act 141, increased at the end of each calendar year after January 1, 1986, by interest
3 at the assumed rate on the unpaid balance at the end of the year and adjusted under
4 pars. (bu), (bv) ~~and~~, (bw), and (bx).

5 **SECTION 4.** 40.05 (2) (bx) of the statutes is created to read:

6 40.05 (2) (bx) The employer contribution rate determined under par. (b) for
7 participating employees who served in the Commissioned Corps of the federal
8 National Oceanic and Atmospheric Administration and the Commissioned Corps of
9 the federal Environmental Science Services Administration shall be adjusted to
10 reflect the cost of granting creditable service for those participating employees under
11 s. 40.02 (15) and that rate shall be sufficient to amortize the unfunded prior service
12 liability of the employers over the remainder of the 40-year amortization period
13 under par. (b).

14 **SECTION 5. Initial applicability.**

15 (1) This act first applies to participating employees in the Wisconsin
16 Retirement System who terminate covered employment on the effective date of this
17 subsection.

18

(END)