

**2019 DRAFTING REQUEST****Bill**

For: **Legislative Fiscal Bureau** Drafter: **mmcgreev**  
 By: **Rachel** Secondary Drafters:  
 Date: **4/1/2020** May Contact:

Same as LRB:

Submit via email: **YES**  
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**Pre Topic:**

No specific pre topic given

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**Topic:**

(P. 11, Item 1, ETF) Allow certain rehired annuitants to not suspend annuity if hired during PHE

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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mmcgreev 4/1/2020	aernstr 4/1/2020			
/1			wjackson 4/1/2020		State S&L

FE Sent For: **<END>**

## Barman, Mike

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**Subject:** RE: More LFB Requests

**From:** Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>  
**Sent:** Wednesday, April 1, 2020 11:20 AM  
**To:** Champagne, Rick <Rick.Champagne@legis.wisconsin.gov>; Lunder, Erika <Erika.Lunder@legis.wisconsin.gov>; Wheeler, Elizabeth <Elizabeth.Wheeler@legis.wisconsin.gov>; Knepp, Fern <Fern.Knepp@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>; Dodge, Tamara <Tamara.Dodge@legis.wisconsin.gov>; Walkenhorst Barber, Sarah <Sarah.WalkenhorstBarber@legis.wisconsin.gov>; Paczuski, Konrad <Konrad.Paczuski@legis.wisconsin.gov>; McGreevy, Mary Alice <MaryAlice.McGreevy@legis.wisconsin.gov>; Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>; Pleviak, Krista <Krista.Pleviak@legis.wisconsin.gov>; Gary, Aaron <Aaron.Gary@legis.wisconsin.gov>; Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>; Pfothenhauer, Mary <Mary.Pfothenhauer@legis.wisconsin.gov>; Duchek, Michael <Michael.Duchek@legis.wisconsin.gov>; Shea, Elisabeth <Elisabeth.Shea@legis.wisconsin.gov>; Wyatt, Zachary <Zachary.Wyatt@legis.wisconsin.gov>; Johns, Melinda <Melinda.Johns@legis.wisconsin.gov>  
**Cc:** Jackson, Wendy <Wendy.Jackson@legis.wisconsin.gov>  
**Subject:** RE: More LFB Requests

Please, in addition to anything else you put in the topic line, include the language below ("Pg. 5, DOA, item 6" for instance).

Using the LFB Summary of the Governor's bill, please draft the following items for the LFB:

[http://docs.legis.wisconsin.gov/misc/lfb/misc/109\\_summary\\_of\\_provisions\\_of\\_lrb\\_5904\\_1\\_and\\_lrb\\_5920\\_p2\\_3\\_24\\_20.pdf](http://docs.legis.wisconsin.gov/misc/lfb/misc/109_summary_of_provisions_of_lrb_5904_1_and_lrb_5920_p2_3_24_20.pdf)

Pg. 12, ETF, Item 2

Cathlene can coordinate and make sure drafts are accounted for.

Rick



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-6061/1  
MIM:ahe

## 2019 BILL

1     **AN ACT** *to amend* 40.22 (1), 40.22 (2m) (intro.), 40.22 (2r) (intro.), 40.22 (3)  
2             (intro.), 40.26 (1m) (a), 40.26 (1m) (b) and 40.26 (5) (intro.); and *to create* 40.26  
3             (5m), 40.26 (6) and 323.19 (3) of the statutes; **relating to:** allowing certain  
4             rehired annuitants to not suspend annuity during declared public health  
5             emergency.

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*Analysis by the Legislative Reference Bureau*

**RETIREMENT AND GROUP INSURANCE**

***WRS annuities for certain annuitants returning to work during public health emergency***

This bill allows an annuitant who is hired during a declared public health emergency by a public employer as an employee or to provide employee services to elect to not suspend his or her annuity for the duration of the declared public health emergency if the position for which the annuitant is hired is a critical position. Under current law, if a Wisconsin Retirement System annuitant, or a disability annuitant who has attained his or her normal retirement date, is appointed to a position with a WRS-participating employer, or provides employee services to a WRS-participating employer in which he or she is expected to work at least two-thirds of what is considered full-time employment by the Department of Employee Trust Funds, the annuity must be suspended and no annuity payment is payable until after the participant again terminates covered employment.

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Also under current law, a WRS participant who has applied to receive a retirement annuity must wait at least 75 days between terminating covered employment with a WRS employer and returning to covered employment again as a participating employee. This bill reduces that period to 15 days for individuals who are hired to a critical position during a declared public health emergency.

For further information see the *state and local* fiscal estimate, 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.** 40.22 (1) of the statutes is amended to read:

2           40.22 (1) Except as otherwise provided in sub. (2) and s. 40.26 (6), each  
3 employee currently in the service of, and receiving earnings from, a state agency or  
4 other participating employer shall be included within the provisions of the Wisconsin  
5 retirement system as a participating employee of that state agency or participating  
6 employer.

7           **SECTION 2.** 40.22 (2m) (intro.) of the statutes is amended to read:

8           40.22 (2m) (intro.) ~~An~~ Except as otherwise provided in s. 40.26 (6), an employee  
9 who was a participating employee before July 1, 2011, who is not expected to work  
10 at least one-third of what is considered full-time employment by the department,  
11 as determined by rule, and who is not otherwise excluded under sub. (2) from  
12 becoming a participating employee shall become a participating employee if he or she  
13 is subsequently employed by the state agency or other participating employer for  
14 either of the following periods:

15           **SECTION 3.** 40.22 (2r) (intro.) of the statutes is amended to read:

16           40.22 (2r) (intro.) ~~An~~ Except as otherwise provided in s. 40.26 (6), an employee  
17 who was not a participating employee before July 1, 2011, who is not expected to work  
18 at least two-thirds of what is considered full-time employment by the department,

**BILL**

1 as determined by rule, and who is not otherwise excluded under sub. (2) from  
2 becoming a participating employee shall become a participating employee if he or she  
3 is subsequently employed by the state agency or other participating employer for  
4 either of the following periods:

5 **SECTION 4.** 40.22 (3) (intro.) of the statutes is amended to read:

6 40.22 (3) (intro.) ~~A~~ Except as otherwise provided in s. 40.26 (6), a person who  
7 qualifies as a participating employee shall be included within, and shall be subject  
8 to, the Wisconsin retirement system effective on one of the following dates:

9 **SECTION 5.** 40.26 (1m) (a) of the statutes is amended to read:

10 40.26 (1m) (a) If Except as otherwise provided in sub. (6), a participant  
11 receiving a retirement annuity, or a disability annuitant who has attained his or her  
12 normal retirement date, is employed in a position in covered employment in which  
13 he or she is expected to work at least two-thirds of what is considered full-time  
14 employment by the department, as determined under s. 40.22 (2r), the participant's  
15 annuity shall be suspended and no annuity payment shall be payable until after the  
16 participant terminates covered employment.

17 **SECTION 6.** 40.26 (1m) (b) of the statutes is amended to read:

18 40.26 (1m) (b) If Except as otherwise provided in sub. (6), a participant  
19 receiving a retirement annuity, or a disability annuitant who has attained his or her  
20 normal retirement date, enters into a contract to provide employee services with a  
21 participating employer and he or she is expected to work at least two-thirds of what  
22 is considered full-time employment by the department, as determined under s. 40.22  
23 (2r), the participant's annuity shall be suspended and no annuity payment shall be  
24 payable until after the participant no longer provides employee services under the  
25 contract.

**BILL****SECTION 7**

1           **SECTION 7.** 40.26 (5) (intro.) of the statutes is amended to read:

2           40.26 (5) (intro.) ~~If Except as otherwise provided in sub. (5m), if~~ a participant  
3 applies for an annuity or lump sum payment during the period in which less than 75  
4 days have elapsed between the termination of employment with a participating  
5 employer and becoming a participating employee with any participating employer,  
6 all of the following shall apply:

7           **SECTION 8.** 40.26 (5m) of the statutes is created to read:

8           40.26 (5m) When the governor declares a state of emergency related to a public  
9 health emergency under s. 323.10, sub. (5) does not apply during the state of  
10 emergency if at least 15 days have elapsed between the termination of employment  
11 with a participating employer and becoming a participating employee if the position  
12 for which the participant is hired is a critical position, as determined by the secretary  
13 of health services under s. 323.19 (3).

14           **SECTION 9.** 40.26 (6) of the statutes is created to read:

15           40.26 (6) When the governor declares a state of emergency under s. 323.10, a  
16 participant who is hired during the emergency may elect to not suspend his or her  
17 retirement annuity or disability annuity under sub. (1m) for the duration of the state  
18 of emergency related to a public health emergency if all of the following conditions  
19 are met:

20           (a) At the time the participant terminates his or her employment with a  
21 participating employer, the participant does not have an agreement with any  
22 participating employer to return to employment or enter into a contract to provide  
23 employee services for the employer.

24           (b) The position for which the participant has been hired is a critical position,  
25 as determined under s. 323.19 (3).

