

1987 Assembly Bill 62

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1987 Wisconsin Act 138

AN ACT to amend 40.26 (3) (a) and (b); and to create 40.26 (3) (bm) of the statutes, relating to recomputing the annuities of participants who reenter service in the Wisconsin retirement system after receiving an original annuity.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 40.26 (3) (a) and (b) of the statutes are amended to read:

40.26 (3) (a) Upon subsequent retirement and application for an annuity, the annuity of a former annuitant shall be recomputed, except as provided by pars. (b), ~~(bm)~~ and (c), as an original annuity, based upon the participant's attained age on the effective date of the recomputed annuity, in an optional form as elected by the participant under s. 40.24.

(b) ~~If Except as provided in par. (bm),~~ if changes in the statutes after the effective date of the original annuity would result in a change in the amount of an annuity recomputed under this subsection, the statutory changes shall not apply to any benefit based on creditable service earned prior to the effective date of the original annuity and the laws in effect as of that original effective date apply.

SECTION 2. 40.26 (3) (bm) of the statutes is created to read:

40.26 (3) (bm) If a former annuitant receives earnings at or above the level specified under sub. (1) for at least 3 continuous years of creditable service before subsequent retirement and application for an annuity under this subsection, and if changes in the statutes after the effective date of the original annuity would result in a change in the amount of an annuity recomputed under this subsection, the annuity of the former annuitant shall be recomputed as follows:

1. For creditable service earned after termination of the original annuity, the annuity shall be recomputed as provided under par. (a).

2. For creditable service earned before the effective date of the original annuity, the annuity shall be recomputed based on the laws in effect as of that original effective date, except that the portion of creditable service earned under this subdivision which is in an amount equal to the amount of creditable service earned under subd. 1 shall be recomputed as provided under par. (a).