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## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

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<b>2015 Senate Bill 134</b>	<b>Senate Amendments 1 and 2</b>
<i>Memo published: February 9, 2016</i>	<i>Contact: Brian Larson, Staff Attorney (266-0680)</i>

### **2015 SENATE BILL 134**

Under the current Wisconsin Retirement System (WRS) and with certain exceptions, if an employer participates in WRS (participating employer), all of its employees must participate in WRS (participating employees). 2015 Senate Bill 134 (the bill) allows an employer who elects to be included within the provisions of WRS to elect to be a participating employer only with respect to employees hired on or after the date on which the employer elects to participate in WRS.

The bill also allows a municipal employer<sup>1</sup> that elects to be a participating employer on or after the effective date of the bill to choose not to include any of its public utility employees who already receive from the employer retirement benefits that are substantially similar to the retirement benefits, as determined by the Department of Employee Trust Funds (ETF).

### **SENATE AMENDMENT 1**

Under Senate Amendment 1 (SA 1), a municipal employer who elects to be a participating employer on or after the effective date of the bill may choose not to include any of its public utility employees, whether or not the public utility employees are receiving retirement benefits substantially similar to the benefits provided in WRS as determined by ETF.

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<sup>1</sup> Under the bill, a municipal employer means any "city, county, village, town, metropolitan sewerage district, school district, long-term care district, local cultural arts district [created under current law], or any other political subdivision of the state, or instrumentality of one or more political subdivisions of the state, that engages the services of an employee and includes any person acting on behalf of a municipal employer within the scope of the person's authority, express or implied."

## **SENATE AMENDMENT 2**

Under Senate Amendment 2 (SA 2), if a municipal employer elects to be a participating employer, on or after the effective date of the bill, only with respect to employees hired on or after the date on which the employer makes the election, the employer may offer its current employees the option of becoming participating employees in the WRS. An employee who exercises this option must do so in writing, on a form provided by ETF, prior to the effective date on which the employer becomes a participating employer.

## **BILL HISTORY**

SA 1 and SA 2 were offered by Senator Petrowski on May 5, 2015, and August 31, 2015, respectively. On January 26, 2016, the Senate Committee on Elections and Local Government voted to recommend adoption of SA 1, SA 2, and passage of the bill, as amended, on successive votes of Ayes, 5; Noes, 0.

BL:jal