



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT to amend** 40.63 (10) of the statutes; **relating to:** disability annuities
2 under the Wisconsin Retirement System (suggested as remedial legislation by
3 the Department of Employee Trust Funds).

Analysis by the Legislative Reference Bureau

Under current law, when a disability annuity under the Wisconsin Retirement System is terminated, the person's WRS account is reestablished and credited with interest. While a person is receiving an annuity from the WRS, the person cannot also be credited with contributions and service. This bill removes obsolete language from the statute.

For further information, see the NOTES provided by the Law Revision Committee of the Joint Legislative Council.

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

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Department of Employee Trust Funds and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4. and 5., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

4 **SECTION 1.** 40.63 (10) of the statutes is amended to read:

1 40.63 (10) Upon termination of an annuity in accordance with sub. (9), each
2 participant whose annuity is so terminated shall, as of the beginning of the calendar
3 month following termination, be credited with additional contributions equal to the
4 then present value of the portion of the terminated annuity which was originally
5 provided by the corresponding type of additional contributions. Except for additional
6 contributions, the retirement account of the participant shall be reestablished as if
7 the terminated annuity had never been effective, including crediting of interest and
8 of any contributions and creditable service earned during the period the annuity was
9 in force.

NOTE: This SECTION clarifies that, under the Wisconsin Retirement System, an annuitant may not earn contributions and creditable service during a period in which the annuitant receives an annuity from the Wisconsin Retirement System based on the annuitant's own service as a participating employee.

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(END)