

State of Wisconsin



2005 Senate Bill 491

Date of enactment: **March 21, 2006**

Date of publication*: **April 4, 2006**

2005 WISCONSIN ACT 154

AN ACT *to renumber and amend* 40.73 (1) (am); *to amend* 40.23 (3) and 40.285 (4) (d); and *to create* 40.73 (1) (am) 1., 40.73 (1) (am) 2. and 40.73 (1) (am) 3. of the statutes; **relating to:** calculation of death benefits and the amount of a money purchase annuity under the Wisconsin Retirement System (suggested as remedial legislation by the Department of Employee Trust Funds).

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., 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.

According to the Department of Employee Trust Funds, the provisions of this bill reflect current practice and serve to conform the provisions for calculating WRS annuity and death benefits to the historical prohibition on using employer contributions to match any other governmental service purchased by a participant.

SECTION 1. 40.23 (3) of the statutes is amended to read:

40.23 (3) The initial monthly amount of any retirement annuity in the normal form shall not be less than the money purchase annuity which can be provided by applying the sum of the participant's accumulated additional and required contributions, including interest credited to the accumulations, plus an amount from the employer accumulation reserve equal to the participant's accumulated required contributions, less any accumulated contributions to purchase other governmental ser-

vice under s. 40.285 (2) (b) or 40.25 (7), 2001 stats., to fund the annuity in accordance with the actuarial tables in effect on the annuity effective date.

SECTION 2. 40.285 (4) (d) of the statutes is amended to read:

40.285 (4) (d) *Treatment of amounts to purchase creditable service.* All amounts retained by the department for the purchase of creditable service under sub. (2) shall be credited and treated as employee required contributions for all purposes of the Wisconsin retirement system Retirement System, except that amounts received for the purchase of creditable service under sub. (2) (b) may not be used for the purpose of making calculations under s. as provided in ss. 40.23 (3) or and 40.73 (1) (am).

SECTION 3. 40.73 (1) (am) of the statutes is renumbered 40.73 (1) (am) (intro.) and amended to read:

40.73 (1) (am) (intro.) Upon the death of a participating employee, except as otherwise provided by par. (c), the sum of ~~the additional contribution and twice the employee required contribution accumulations credited~~ all of the following accumulations, including any interest credited to the accumulations, that are credited to the participant's account on the beneficiary annuity effective date or, in the case of a lump sum payment, the first day of the month in which the death benefit is approved.;

* Section 991.11, WISCONSIN STATUTES 2003-04 : Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

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SECTION 4. 40.73 (1) (am) 1. of the statutes is created to read:

40.73 (1) (am) 1. Additional contributions.

SECTION 5. 40.73 (1) (am) 2. of the statutes is created to read:

40.73 (1) (am) 2. Accumulated contributions to purchase other governmental service under s. 40.285 (2) (b)

or 40.25 (7), 2001 stats.

SECTION 6. 40.73 (1) (am) 3. of the statutes is created to read:

40.73 (1) (am) 3. Twice the employee required contributions, after first subtracting the accumulations under subd. 2., including interest on the accumulations.
