



**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133**

June 23, 1999 – Offered by Representative TRAVIS.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 535, line 6: after that line insert:

3 **“SECTION 942c.** 40.23 (2m) (e) 1. of the statutes is amended to read:

4 40.23 **(2m)** (e) 1. For each participant for creditable service of a type not
5 otherwise specified in this paragraph that is credited before January 1, 2000, 1.8%;
6 for such creditable service that is credited on or after January 1, 2000, 1.6%.

7 **SECTION 942h.** 40.23 (2m) (e) 2. of the statutes is amended to read:

8 40.23 **(2m)** (e) 2. For each participant for creditable service as an elected official
9 or as an executive participating employe that is credited before January 1, 2000,
10 2.2%; for such creditable service that is credited on or after January 1, 2000, 2%.

11 **SECTION 942no.** 40.23 (2m) (e) 3. of the statutes is amended to read:

1 40.23 (2m) (e) 3. For each participant subject to titles II and XVIII of the federal
2 social security act, for service as a protective occupation participant that is credited
3 before January 1, 2000, 2.2%; for such creditable service that is credited on or after
4 January 1, 2000, 2%.

5 **SECTION 942t.** 40.23 (2m) (e) 4. of the statutes is amended to read:

6 40.23 (2m) (e) 4. For each participant not subject to titles II and XVIII of the
7 federal social security act, for service as a protective occupation participant that is
8 credited before January 1, 2000, 2.7%; for such creditable service that is credited on
9 or after January 1, 2000, 2.5%.”.

10 **2.** Page 1511, line 17: after that line insert:

11 “(1tu) TRANSFER OF FUNDS FROM THE TRANSACTION AMORTIZATION ACCOUNT OF THE
12 FIXED RETIREMENT INVESTMENT TRUST.

13 (a) On December 31, 1999, or on the effective date of this paragraph, whichever
14 is later, after the annual distribution required under section 40.04 (3) (a) of the
15 statutes for the 1999 calendar year is made, the amount determined under
16 paragraph (am) shall be distributed from the transaction amortization account of the
17 fixed retirement investment trust to the employe accumulation, employer
18 accumulation and annuity reserves of the fixed retirement investment trust in an
19 amount equal to a percentage of the total distribution determined by dividing each
20 reserve’s balance on the prior January 1 by the total balance of the fixed retirement
21 investment trust on the prior January 1.

22 (am) No later than the first day of the 2nd month after the effective date of this
23 paragraph, the actuary retained under section 40.03 (1) (d) of the statutes shall
24 determine the amount to be transferred from the transaction amortization account

1 under paragraph (a) that is necessary to fully fund any liabilities created by the
2 treatment of section 40.23 (2m) (e) 1., 2., 3. and 4. of the statutes in this act.

3 (b) The increase in the employer accumulation reserve that results from the
4 distribution under paragraph (a) shall, on the recommendation of the actuary, be
5 applied to funding any liabilities created by the treatment of section 40.23 (2m) (e)
6 1., 2., 3. and 4. of the statutes in this act.

7 (c) The total amount distributed to the employe accumulation reserve under
8 paragraph (a) shall be equitably credited to participants' accounts based on their
9 account balances as of January 1, 1999, pursuant to section 40.04 (4) (a) 2. of the
10 statutes.

11 (d) The total amount distributed to the annuity reserve under paragraph (a)
12 shall be distributed as provided under section 40.27 (2) of the statutes.

13 (1tv) ADMINISTRATION OF BENEFIT IMPROVEMENTS. No later than the first day of
14 the 6th month beginning after the effective date of this subsection, the department
15 of employe trust funds shall do all of the following:

16 (a) Implement the changes required by the amendments to section 40.23 (2m)
17 (e) 1., 2., 3. and 4. of the statutes in this act.

18 (b) If necessary, adjust the benefits paid to any participant in the Wisconsin
19 retirement system who terminated covered employment between the effective date
20 of this paragraph and the first day of the 6th month beginning after the effective date
21 of this paragraph.”.

22 **3.** Page 1589, line 4: after that line insert:

23 “(1tu) The treatment of section 40.23 (2m) (e) 1., 2., 3. and 4. of the statutes first
24 applies to the calculation of retirement benefits for individuals who are participating

1 employees in the Wisconsin retirement system on January 1, 2000, or on the effective
2 date of this subsection, whichever is later.”

3 (END)