- 1 AN ACT to repeal 40.02 (15) (c) 1. and 40.02 (15) (c) 5.; and to create 40.02 (15)
- 2 (c) 1g. and 40.02 (15) (c) 1r. of the statutes; **relating to:** creditable military service under the Wisconsin retirement system.

Analysis by the Legislative Reference Bureau

Under current law, a participating employe under the Wisconsin retirement system (WRS) may receive one year of creditable service under the WRS for each year of military service, up to a maximum of 4 years of military service credit, at the time of retirement in either of the following ways:

- 1. If the participant left employment covered under the WRS to enter military service and returned to the same employer within 180 days after being discharged, the participant may receive one year of military service credit for each year of military service (regardless of the amount of the participant's creditable service).
- 2. If the participant's military service was performed before 1974 and the participant terminates employment covered under the WRS on or after March 9, 1984, the participant may receive up to 1, 2, 3 or 4 years of military service credit if the participant has at least 5, 10, 15 or 20 years, respectively, of creditable service (not counting previously granted military service credit).

A participant under the WRS who terminated employment covered under the WRS during the period beginning on January 1, 1982, the effective date of the merger of the Wisconsin retirement fund (WRF), the state teachers retirement system (STRS) and the Milwaukee teachers retirement fund (MTRF), and ending on March 8, 1984, and a participant under WRF who terminated employment before January 1, 1982, was eligible to receive creditable military service as provided under item 1, above, but the proration of military service credit based on the period of creditable service under item 2, above, did not exist; instead, the participant was eligible to receive up to 4 years of creditable service for military service performed before 1974 only if he or she had at least 20 years of creditable service under the WRS at the time of retirement. A participant under STRS or MTRF who terminated employment

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before January 1, 1982, was eligible to receive creditable military service at the time of retirement only as provided under item 1, above.

This bill provides that a participating employe in the WRS who terminates covered service on or after the effective date of the bill may receive creditable military service for active military service served prior to December 31, 1995.

This bill will be referred to the joint survey committee on retirement systems for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 40.02 (15) (c) 1. of the statutes is repealed.

SECTION 2. 40.02 (15) (c) 1g. of the statutes is created to read:

40.02 (15) (c) 1g. For a participant who terminates creditable service on or after January 1, 1982, but before the effective date of this subdivision [revisor inserts date], this paragraph applies only to active military service prior to January 1, 1974.

Section 3. 40.02 (15) (c) 1r. of the statutes is created to read:

40.02 (15) (c) 1r. For a participant who terminates creditable service on or after the effective date of this subdivision [revisor inserts date], this paragraph applies only to active military service prior to December 31, 1995.

SECTION 4. 40.02 (15) (c) 5. of the statutes is repealed.

11 (END)