1997 ASSEMBLY BILL 9

January 21, 1997 - Introduced by Representatives PORTER, MUSSER and BOYLE, cosponsored by Senators MOEN and JAUCH. Referred to Joint survey committee on Retirement Systems.

AN ACT to amend 40.02 (17) (h); and to create 40.05 (2) (bx) of the statutes; relating to: protective occupation participant status under the Wisconsin retirement system for state motor vehicle inspectors.

Analysis by the Legislative Reference Bureau

Under current law, participants in the Wisconsin retirement system (WRS) whose principal duties involve law enforcement or fire suppression or prevention and require frequent exposure to a high degree of danger or peril and a high degree of physical conditioning are classified as protective occupation participants. The normal retirement age of a protective occupation participant is lower than that of other participants and the percentage multiplier used to calculate retirement annuities is higher for protective occupation participants than for other participants.

Under current law, state motor vehicle inspectors are classified as protective occupation participants but may only receive credit as protective occupation participants for certain periods of employment, depending on their date of hire. State motor vehicle inspectors hired before 1968 receive credit as protective occupation participants for all of their years of employment as motor vehicle inspectors; in contrast, state motor vehicle inspectors hired on or after January 1, 1968, receive credit as protective occupation participants only for their years of employment as state motor vehicle inspectors on or after May 1, 1990.

This bill provides that state motor vehicle inspectors who are currently participating employes may receive credit as protective occupation participants for their years of employment as state motor vehicle inspectors between January 1, 1968, and May 1, 1990.

ASSEMBLY BILL 9

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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* 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 (17) (h) of the statutes is amended to read:

40.02 (17) (h) Notwithstanding par. (d) and subject to ss. 40.25 (3) and 40.26 (3) (bm), each participant who is a state motor vehicle inspector hired before January 1, 1968, or who is a participating employe on or after the effective date of this paragraph [revisor inserts date], shall be granted creditable service as a protective occupation participant for all covered service as a state motor vehicle inspector that was earned before, on or after May 1, 1990. Notwithstanding par. (d), each participant who is a state motor vehicle inspector hired on or after January 1, 1968, but who is not a participating employe on or after the effective date of this paragraph [revisor inserts date], shall be granted creditable service as a protective occupation participant for all covered service as a state motor vehicle inspector that was earned on or after May 1, 1990, but may not be granted creditable service as a protective occupation participant for any covered service as a state motor vehicle inspector that was earned before May 1, 1990.

Section 2. 40.05 (2) (bx) of the statutes is created to read:

40.05 (2) (bx) The employer contribution rate determined under par. (b) for the department of transportation shall be adjusted to reflect the cost of granting creditable service under s. 40.02 (17) (h) and that rate shall be sufficient to amortize

ASSEMBLY BILL 9

- the unfunded prior service liability of the employers over the remainder of the
- 2 40-year amortization period under par. (b).

3 (END)