

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-1271/1 RAC:kjf

2015 ASSEMBLY BILL 300

- August 6, 2015 Introduced by Representatives HEBL, HESSELBEIN, SINICKI, JOHNSON, KESSLER, DOYLE, JORGENSEN, SARGENT, BERCEAU, BROSTOFF, SUBECK, ZAMARRIPA, BOWEN, OHNSTAD, QUINN, CONSIDINE, GOYKE, SPREITZER and POPE, cosponsored by Senators HANSEN, LASSA, RINGHAND, WIRCH, C. LARSON and MILLER. Referred to Committee on Veterans and Military Affairs.
- AN ACT to repeal 40.02 (15) (c) 1. and 40.02 (15) (c) 5.; to amend 40.02 (15) (a) 3. and 40.02 (15) (c) 4.; and to create 40.02 (15) (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 employee 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 four 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.

2. If the participant's military service was performed before 1974, the participant may receive up to one, two, three, or four years of military service credit if the participant has at least five, ten, fifteen, or twenty years, respectively, of creditable service (not counting previously granted military service credit).

This bill provides that a participating employee in the WRS who terminates covered service on or after the effective date of the bill may receive creditable military service under item 2. for active military service served at any time, not just before 1974.

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In addition, the bill provides that, for the purposes of item 2., the participant may receive military service credits under the WRS for military service that is also used for the purpose of establishing entitlement to a retirement benefit that is paid by the federal government.

Finally, the bill provides that for the purpose of item 1. the participant need not return to employment with the same WRS employer, but may return to employment with any WRS employer.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the 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:

1	SECTION 1. 40.02 (15) (a) 3. of the statutes is amended to read:
2	40.02 (15) (a) 3. The participant returns to the employment of the employer
3	whose employment the participant left to enter the U.S. armed forces any
4	participating employer within 180 days of release or discharge from the armed
5	forces, or within 180 days of release from hospitalization because of injury or sickness
6	resulting from service in the armed forces;
7	SECTION 2. $40.02(15)(c)$ 1. of the statutes is repealed.
8	SECTION 3. 40.02 (15) (c) 1g. of the statutes is created to read:
9	40.02 (15) (c) 1g. For a participant who terminates creditable service on or after
10	January 1, 1982, but before the effective date of this subdivision [LRB inserts
11	date], this paragraph applies only to active military service prior to January 1, 1974.
12	SECTION 4. 40.02 (15) (c) 1r. of the statutes is created to read:
13	40.02 (15) (c) 1r. For a participant who terminates creditable service on or after
14	the effective date of this subdivision [LRB inserts date], this paragraph applies
15	to active military service served at any time.

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1	SECTION 5. $40.02 (15) (c) 4$. of the statutes is amended to read:
2	40.02 (15) (c) 4. This If the participant makes an election under s. 40.30 (2), this
3	paragraph does not apply to any active service used for the purpose of establishing
4	entitlement to, or the amount of, any benefit, other than a disability benefit, to be
5	paid by any federal retirement program except OASDHI and the retired pay for
6	nonregular military service program under 10 USC 1331 to 1337 or, if the participant
7	makes an election under s. 40.30 (2), by any retirement system specified in s. 40.30
8	(2) other than the Wisconsin retirement system <u>Retirement System</u> .
9	SECTION 6. $40.02 (15) (c) 5$. of the statutes is repealed.
10	SECTION 7. Initial applicability.
11	(1) This act first applies to participating employees under the Wisconsin
12	Retirement System who terminate covered employment on the effective date of this
13	subsection.
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