



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0930/1
MIM:emw

2019 BILL

1 **AN ACT** *to amend* 40.02 (15) (a) 3.; and *to create* 40.02 (15) (cm) and 40.05 (2)
2 (at) of the statutes; **relating to:** creditable military service under the
3 Wisconsin Retirement System.

Analysis by the Legislative Reference Bureau

This bill modifies the conditions under which a Wisconsin Retirement System (WRS) participant may receive creditable service under the WRS for military service.

Under current law, a participating employee in the 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 was an employee of the Department of Corrections for at least five years and who terminates covered service on or after the effective date of the bill may receive creditable military service for active military service performed at any time. The requirements and standards of item 2. apply to such a grant of creditable military service.

BILL

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.

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.

The bill requires that DOC make additional contributions as determined by the actuary and agreed to by the Employee Trust Funds Board to cover the costs of granting the additional military service credits authorized under the bill.

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) (cm) of the statutes is created to read:

8 40.02 (15) (cm) Notwithstanding par. (a) and sub. (17) (intro.), any participant
9 who has been a participating employee employed by the department of corrections
10 for 5 or more years and who is credited with 5, 10, 15, or 20 or more years of creditable
11 service, not counting any previously granted creditable military service, may receive
12 creditable military service at the time of retirement for not more than 1, 2, 3, or 4
13 years, respectively, of active service that meets the standards under par. (a) 5.,
14 provided:

