

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-0268/4 RAC:emw&jld:jf

## 2015 ASSEMBLY BILL 156

April 8, 2015 – Introduced by Representatives THIESFELDT, EDMING, RIPP, MURSAU, BALLWEG, KULP, BERNIER and HEBL, cosponsored by Senators PETROWSKI, OLSEN and MILLER. Referred to Committee on Urban and Local Affairs.

\*\*\*AUTHORS SUBJECT TO CHANGE\*\*\*

1 AN ACT to create 40.21 (7) and 40.22 (2) (cm) of the statutes; relating to: 2 coverage for new participating employers under the Wisconsin Retirement 3 System.

## Analysis by the Legislative Reference Bureau

Under the Wisconsin Retirement System (WRS), with certain exceptions, all employees of a participating employer are participating employees in the WRS. As participating employees, the employees may receive all retirement benefits under the WRS. The major exceptions for participating employee status include employees who work less than two-thirds time or who are not expected to work longer than a year.

This bill permits an employer that is not currently a participating employer in the WRS, but which elects to become a participating employer in the WRS after the bill's effective date, to be a participating employer only with respect to employees hired on or after the date on which the employer elects to participate in the WRS. In other words, an employer may choose not to include its current employees in the WRS. Any employer that makes such an election shall do so in writing on a form provided by the Department of Employee Trust Funds (DETF). The bill, however, allows a local government employer to exclude any of its public utility employees who already receive from the employer substantially similar retirement benefits to those provided under the WRS, as determined by DETF.

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.

## **ASSEMBLY BILL 156**

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.** 40.21 (7) of the statutes is created to read:

40.21 (7) (a) Subject to par. (b), any employer that elects to be included within the provisions of the Wisconsin Retirement System under sub. (1) on or after the effective date of this paragraph .... [LRB inserts date], may elect to be a participating employer only with respect to employees hired on or after the date on which the employer elects to participate in the Wisconsin Retirement System. Any employer that makes such an election shall do so in writing on a form provided by the department.

9 (b) Any municipal employer that elects to be included within the provisions of 10 the Wisconsin Retirement System under sub. (1) on or after the effective date of this 11 paragraph .... [LRB inserts date], may choose not to include any of its public utility 12 employees who already receive from the employer substantially similar retirement 13 benefits to those provided under the Wisconsin Retirement System, as determined 14 by the department.

15 **SECTION 2.** 40.22 (2) (cm) of the statutes is created to read:

16 40.22 (2) (cm) The employee is excluded from participation by s. 40.21 (7).

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(END)