



# Employer *Bulletin*

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## Educational Bulletin

The purpose of this *Employer Bulletin* is to provide some basic information relevant to rehired WRS annuitants and WRS-eligibility determination.

### Important Tips – Rehired Annuitants / Return to Work Laws

2013 Wisconsin Act 20, effective July 2, 2013, increased the minimum break-in-service requirement from 30 days to 75 days for WRS-participating employees who terminated on or after July 2, 2013. The Act amended Wis. Stat. § 40.26 (5) to require that WRS annuitants who terminated employment on or after July 2, 2013 wait at least 75 days between terminating WRS-covered employment for the purpose of taking a WRS benefit and returning to WRS-participating employment. The minimum break must also be met if the annuitant returns to non-WRS participating employment with their former employer.

Returning to WRS-eligible employment within the 75-day minimum break period will invalidate a retirement annuity or lump sum payment. For the purpose of meeting the minimum required break in service, WRS-eligible employment for anyone who was covered by the WRS prior to July 1, 2011, is defined as anyone expected to work at least 600 hours (440 hours for teachers and educational support personnel) and be employed for at least 12 months.

For termination dates **on or after July 2, 2013**, the earliest return to WRS-eligible employment, or non-WRS eligible employment if returning to their former employer, is the **latest** of the following three important dates:

- The day after the annuity effective date.
- The 76th day after termination of all WRS-participating employment.
- The 76th day after the date ETF receives the benefit application.

In addition, WRS annuitants who terminated employment on or after July 2, 2013 are subject to automatic suspension of their annuity upon returning to WRS employment that is expected to require at least two-thirds of full time, which is defined as 1,200 hours (880 hours for teachers and educational support staff) and at least 12 months in duration. Employers should work with WRS annuitants to complete the required [Rehired Annuitant Form \(ET-2319\)](#) to notify ETF of their return to work, including those returning as contractors.

Employers should always check the [Previous Service and Benefit Inquiry application on the Online Network for Employers \(ONE\)](#) site *before an employee starts work* to ensure they meet the minimum break in service criterion for a rehired annuitant. This application will also help employers determine termination date, benefit effective date and retirement application received date.

### WRS Eligibility Determinations

The phrase “initially employed” is no longer relevant when determining which hourly WRS eligibility criterion to apply to newly hired employees.

2013 Wisconsin Act 20, replaced “initially employed” with “participating employee,” which will make it easier for employers to determine which hourly criterion to use: one-third of full-time employment or two-thirds of full-time employment.

**Note:** One-third full-time employment is defined as 440 hours for teachers and educational support staff (600 hours for all others). Two-thirds of full-time is defined as 880 hours for teachers and educational support staff (1,200 hours for all others).

When making a WRS-eligibility determination for a new employee, verify their WRS history via the [Previous Service and Benefit Inquiry application on the Online Network for Employers \(ONE\)](#) site. Employees with no previous WRS service, or those who had previous WRS service and subsequently took a lump sum retirement benefit or separation benefit, must have their WRS eligibility based on two-thirds of full time. Employees with WRS service prior to July 1, 2011, who have not taken a lump sum retirement benefit or separation benefit, must have their WRS eligibility based on one-third of full-time. Again, when the employee was “initially employed” is no longer relevant when determining which hourly criterion to use in determining WRS eligibility. The relevant criterion is whether they were WRS participating employees prior to July 1, 2011, and have not taken either a lump sum retirement or a lump sum separation benefit.

## Determining Whether a New Employee Had Prior WRS Service

Employers can now use ETF’s [Previous Service and Benefit Inquiry application on the Online Network for Employers \(ONE\)](#) site to verify when a new employee was first a participating employee, before or after July 1, 2011, and which criterion to use in making WRS eligibility determinations. Employers are to apply the “participating employee” eligibility standard for new employees who start work on or after July 2, 2013.

## Contact

For questions related to the contents of this *Employer Bulletin*, please contact the Employer Communication Center toll free at 1-877-533-5020 or 608-266-3285.

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