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Correspondence Memorandum

Date: December 3, 2021

To: Employee Trust Funds Board
Wisconsin Retirement Board
Teachers Retirement Board

From: Tarna Hunter, Government Relations Director

Subject: Legislative Update

This memo is for informational purposes only. No Board action is required.

Co-sponsorship Memos

[LRB-5077](#) makes the following changes to the return-to-work requirements for teachers:

- Eliminates the annuity suspension requirement for teachers of school districts who return-to-work as a substitute teacher for a school district and work more than two-thirds of full time;
- Reduces the break-in-service requirement for teachers of school districts from 75 days to 30 days; and
- Applies to retired teachers who are hired between the effective date of the bill and August 1, 2024.

Proposed Legislation

[2021 SB 701](#) and [2021 AB 733](#) make the following changes to the return-to-work requirements for teachers:

- Eliminates the annuity suspension requirement for teachers of school districts who return to work as a teacher for a school district and work more than two-thirds of full time;
- Reduces the break-in-service requirement for teachers of school districts from 75 days to 30 days; and
- Applies to teachers who terminate employment on the effective date of the bill.

Reviewed and approved by Pam Henning, Assistant Deputy
Secretary
Electronically Signed 12/3/21

Pamela L Henning

Board	Mtg Date	Item #
JM	12.9.21	4B
BUD	12.9.21	5

2021 SB 701 was introduced by Sen. Smith and referred to the Senate Committee on Government Operations, Legal Review and Consumer Protection. 2021 AB 733 was introduced by Rep. Pope and referred to the Assembly Committee on Labor and Integrated Employment.

[2021 SB 367](#) and [2021 AB 373](#) allow an annuitant who was a law enforcement officer or fire fighter to return to work with an employer who participates in the Wisconsin Retirement System (WRS), work two-thirds of full-time, and elect to not become a participating employee for purposes of the WRS, and instead continue to receive their annuity.

2021 SB 367 was introduced by Sen. Jacque and referred to the Senate Committee on Labor and Regulatory Reform. 2021 AB 373 was introduced by Rep. Brandtjen and referred to the Assembly Committee on Labor and Integrated Employment.

[2021 SB 374](#) and [2021 AB 376](#) make a number of changes to Wisconsin's regional structural collapse team contracted with the Division of Emergency Management in the Department of Military Affairs (DMA). The bill changes the team's designation from being a structural collapse team to an urban search and rescue task force and expands the disaster incidents that the team responds to. Currently, the team is comprised of local government firefighters and other technical specialists.

The bill allows DMA to reimburse a local employer for any increase in contributions for duty disability premiums because an employee incurred an injury while performing duties as a member of an urban search and rescue task force.

2021 SB 374 was introduced by Sen. Ballweg and referred to the Senate Committee on Veterans and Military Affairs and Constitution and Federalism. 2021 AB 376 was introduced by Rep. Loudenbeck and referred to the Assembly Committee on State Affairs.

The bill passed both houses almost unanimously. On December 2, 2021, the bill was sent to the Governor for his signature.

[2021 SB 498](#) provides an income tax exemption for WRS pension payments received by WRS protective occupation participants, correctional officers, county jailers and frontline workers. The bill defines "frontline worker" to mean an individual who was a state, county, or municipal employee with regular job duties that, as determined by the Employment Relations Commission in consultation with the Department of Revenue, included interacting with members of the public or with large populations of people or directly involved the maintenance of public works.

Under the bill, 25% of the pension payment received in 2021 is exempt; 50% of the payment received in 2022 is exempt; 75% of the payment received in 2023 is exempt; and 100% of the payment received in 2024 and thereafter is exempt. The bill provides

that the amount exempted may not exceed the portion of the pension payment attributable to the period of time during which the individual was a protective occupation participant or frontline worker.

2021 SB 498 was introduced by Sen. Agard and referred to the Senate Committee on Financial Institutions and Revenue.

I will be available at the December 9, 2021, Board meeting to answer any questions.