



STATE OF WISCONSIN  
Department of Employee Trust Funds  
Robert J. Conlin  
SECRETARY

Wisconsin Department  
of Employee Trust Funds  
PO Box 7931  
Madison WI 53707-7931  
1-877-533-5020 (toll free)  
Fax 608-267-4549  
etf.wi.gov

## Correspondence Memorandum

**Date:** May 18, 2020

**To:** Deferred Compensation Board

**From:** Shelly Schueller, Director  
Wisconsin Deferred Compensation Program

Dan Hayes, Attorney  
Office of Legal Services

**Subject:** Plan and Trust Revisions

**ETF recommends the Deferred Compensation Board (Board) revise the Wisconsin Deferred Compensation Program (WDC) Plan and Trust document as shown in the attached draft.**

The attached document contains two revisions to the WDC Plan and Trust recommended by ETF. The changes will make the Plan and Trust consistent with a key provision of the federal Setting Every Community Up for Retirement Enhancement Act (SECURE Act) by raising the age for required minimum distributions from 70½ to 72.

In addition, the Board may be asked to consider additional federal SECURE Act and Coronavirus Aid, Relief and Economic Security (CARES) Act amendments to the Plan and Trust after further guidance is released by the Internal Revenue Service and Department of the Treasury. Both the SECURE and CARES Acts require governmental plan documents to be modified before December 31, 2024.

Staff will be at the meeting to answer any questions.

Attachment: WDC Proposed Plan & Trust Amendments

Reviewed and approved by David Nispel, General Counsel, Legal Services

Electronically Signed 5/23/20

Board	Mtg Date	Item #
DC	6.11.20	8A

**Attachment**  
**WDC Proposed Plan & Trust Amendments**  
**May 18, 2020**

**Section 10.01**

**Commencement of Distributions.** Except for Hardship Withdrawals under Section 10.03 and De Minimus withdrawals under Section 10.04, distributions from the PLAN may not be made to a PARTICIPANT earlier than (a) the calendar year in which the PARTICIPANT attains age ~~70½~~ 72; or (b) the calendar year in which there is a SEVERANCE FROM EMPLOYMENT by the PARTICIPANT. All irrevocable elections of a Benefit Commencement Date made by PARTICIPANTS or BENEFICIARIES prior to January 1, 2002 shall become revocable as of January 1, 2002. If a PARTICIPANT has an ELIGIBLE ROLLOVER ACCOUNT, the PARTICIPANT may at any time elect to receive a distribution of all or any portion of the amount held in the ELIGIBLE ROLLOVER ACCOUNT subject to any procedures established by the ADMINISTRATOR. Notwithstanding any other provisions of Article X of the PLAN, a PARTICIPANT or BENEFICIARY who would have been required to receive a required minimum distribution for 2009 but for the enactment of section 401(a)(9)(H) of the Code ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (or life expectancy) of the PARTICIPANT'S designated BENEFICIARY, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the PARTICIPANT or BENEFICIARY chooses not to receive such distributions. PARTICIPANTS and BENEFICIARIES described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence. If the PARTICIPANT or BENEFICIARY has not elected to receive a 2009 RMD or Extended 2009 RMD then the PARTICIPANT or BENEFICIARY will not receive a 2009 or Extended 2009 RMD unless the PARTICIPANT elects to receive the distributions.

**Section 10.02 c. (i)**

If the PARTICIPANT'S surviving spouse is the PARTICIPANT'S sole designated beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the PARTICIPANT died, or by December 31 of the calendar year in which the PARTICIPANT would have attained age ~~70½~~ 72, if later.