

## STATE OF WISCONSIN Department of Employee Trust Funds

A. John Voelker 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:** June 19, 2023

**To:** Employee Trust Funds Board

**Budget and Operations Committee** 

From: Tarna Hunter, Government Relations Director

Office of the Secretary

**Subject:** Legislative Update

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

## 2023 Session - Enacted Legislation

**2023 Wisconsin Act 4** makes the following changes to the county jailer classification under the Wisconsin Retirement System (WRS):

- Classifies county jailers as protective occupation participants under the WRS without a requirement that their principal duties involve active law enforcement.
- Provides that county jailers who are employed by a county that did not classify
  county jailers as protective occupation participants on the effective date of the
  bill, and become protective occupation participants under this bill, are required to
  pay all employer costs resulting from their classification as a protective
  occupation participant, including the cost of the duty disability program.
- Provides that county jailers who were classified as protective occupation
  participants before the bill's effective date and county jailers hired on or after the
  bill's effective date in counties that classified county jailers as protective
  occupation participants on the effective date of the bill are not required to pay the
  additional employer costs.
- Establishes procedures for counties and jailers in counties that classified jailers as protective occupation participants on the bill's effective date and subsequently determines to classify them as general employees.

Pamela & Henning

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary Electronically Signed 06/19/23

Board	Mtg Date	Item #
ETF	06.22.23	5C1
BUD	06.22.23	6

Legislative Update June 19, 2023 Page 2

- Permits a county jailer to elect (irrevocable) at the time of hire not to become a
  protective occupation participant.
- Amends the Municipal Employment Relations Act regarding county jailers.

2023 Wisconsin Act 4 is effective January 1, 2024.

## **Proposed Legislation**

**2023 SB 9** and **2023 AB 18** 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 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, 2026.

2023 SB 9 was introduced by Sen. Jacque and referred to Senate Committee on Government Operations, Elections and Consumer Protection. 2023 AB 18 was introduced by Rep. Tittl and referred to the Assembly Committee on State Affairs.

<u>2023 AB 227</u> and <u>2023 SB 224</u> eliminate sick leave credits for state representatives and state senators. Under the bill, the current accumulated sick leave balances of legislators would not be affected. The bill would not make any changes to the state's sick leave conversion credit programs.

2023 AB 227 was introduced by Rep. Steffen and was referred to the Assembly Committee on State Affairs. 2023 SB 224 was introduced by Sen. Felzkowski and referred to the Senate Committee on Government Operations.

<u>2023 AB 245</u> and <u>2023 SB 301</u> modify the state's approach to shared revenue for local governments; repeals Wisconsin's personal property tax; and authorizes the City of Milwaukee and Milwaukee County to impose sales and use taxes, primarily to address the city and county's unfunded pension system liabilities.

Imposing the sales tax would require Milwaukee City and Milwaukee County to join the WRS. Additionally, the bill closes the City of Milwaukee and the Milwaukee County retirement systems to new employees, prohibits the city or county from creating a new retirement system, and prohibits the city or county from changing the benefits of employees that remain enrolled in the two systems.

2023 AB 245 was introduced by Rep. Kurtz and was referred to the Assembly Committee on Local Government. 2023 SB 301 was introduced by Sen. Felzkowski and

Legislative Update June 19, 2023 Page 3

referred to the Senate Committee on Shared Revenue, Elections and Consumer Protection.

2023 AB 245 was passed by the Senate (21-12) and the Assembly (68-26) on June 14, 2023. On June 15, 2023, the bill was presented to the Governor for his signature.

<u>2023 SB 273</u> and <u>2023 AB 278</u> allow an annuitant who was a law enforcement officer or fire fighter to return to work with an employer who participates in the 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 his or her annuity.

2023 SB 273 was introduced by Sen. Jacque and referred to the Senate Committee on Government Operations. 2023 AB 278 was introduced by Rep. Wichgers and referred to the Assembly Committee on Labor and Integrated Employment.

Staff will be at the Board meeting to answer any questions.