

No. 8, S.]

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CHAPTER 41

AN ACT to repeal 66.903 (2) (d), 66.906 (2) (d) and 66.907 (1); to amend 66.901 (12), 66.903 (2) (a) 2, 66.904 (1) (a) 3 and 4, 66.906 (2) (a) 1 and (b) 1, (3) (aa) and (4), 66.907 (2) (c) 1 and 2 and (f), 66.908 (1) (a), (2) (b) and (c), and 66.915 (5); and to repeal and recreate 66.908 (2) (aa) of the statutes, relating to clarification of various provisions regarding the Wisconsin retirement fund.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 66.901 (12) of the statutes is amended to read:

66.901 (12) ANNUITANT. A person receiving a retirement annuity, beneficiary annuity * * * or a disability annuity from this fund.

SECTION 1a. 66.903 (2) (a) 2 of the statutes is amended to read:

66.903 (2) (a) 2. Additional contributions of such * * * amount from any payment of earnings * * * as shall be * * * received for any employe but not to exceed \$500 in any calendar year.

SECTION 1b. 66.903 (2) (d) of the statutes is repealed.

SECTION 2. 66.904 (1) (a) 3 and 4 of the statutes are amended to read:

66.904 (1) (a) 3. For re-entrance into service upon termination of an annuity in accordance with * * * s. 66.906 (4) (a) * * * or * * * s. 66.907 (2) * * * (e), each employe so re-entering shall be credited, as of the date such annuity is terminated, with additional, normal municipality and prior service credits of amounts equal to the then present value of the portion of the terminated annuity which was originally provided by the corresponding type of credit.

4. When any person who was a member of the state employes' retirement system on December 31, 1947 becomes a participating employe under the Wisconsin retirement fund, the board of trustees of said latter fund shall certify such fact to the state of Wisconsin investment board which shall forthwith certify to the said board of trustees the total sum to the credit of such person in said former system, including an equitable amount of interest from July 1, 1947, which shall be determined by the state of Wisconsin investment board and by it credited to the respective accounts, indicating the amount attributable to regular contributions and interest, and the amount attributable to additional contributions and interest which board of trustees shall thereupon credit the amount attributable to regular contributions and interest and the amount attributable to additional contributions and interest, as an additional credit to an account which shall be established forthwith for such

participating employe in the Wisconsin retirement fund. The portion of such additional credit which is attributable to regular contributions and interest under the state employes' retirement system shall not * * * be payable as a death benefit in addition to the \$500 death benefit provided for by s. 66.908 (2) (a) and in all other respects shall be treated as normal credits except that no corresponding municipality credit therefor shall be given pursuant to s. 66.904 (1) (a) 2 * * *. Whenever the state of Wisconsin investment board shall make such a certification, it shall forthwith transfer, by cash payment or sale or assignment of securities from the state employes' retirement fund to the Wisconsin retirement fund, assets equal in value to the total of the amounts so certified. The state of Wisconsin investment board may make a correctional or supplementary certification and corresponding transfer of assets at any time.

SECTION 3. 66.906 (2) (a) 1 and (b) 1 of the statutes are amended to read:

66.906 (2) (a) 1. Any participant who, regardless of cause, is separated from the service of all municipalities, *and who has not been in the service of any municipality between the date of such separation and the date the annuity is approved other than service for which the rate of compensation is less than \$100 per month or the equivalent for any other period.*

(b) 1. The annuity which can be provided, on the date such annuity begins, from the total accumulated additional and normal credits of the participant at such time * * *, and

SECTION 4. 66.906 (2) (d) of the statutes is repealed.

SECTION 5. 66.906 (3) (aa) of the statutes is amended to read:

66.906 (3) (aa) Notwithstanding the death of an applicant for a retirement annuity under this subsection while such application is pending, the annuity applied for shall be payable if * * * the board had received the application within 30 days of the date of termination of employment.

SECTION 6. 66.906 (4) of the statutes is amended to read:

66.906 (4) (a) Notwithstanding the fact that any annuity is payable for life, if any annuitant receiving a retirement annuity enters the service of any municipality, the annuity payable to such annuitant at that time shall be terminated as of the end of the month prior to the date upon which such person * * * *received total earnings * * * in all such * * * services in excess of \$1,200 in any calendar year. Effective as of January 1, 1956, earnings under this subsection shall be construed to include also any payment received from any municipality for personal services, including services performed on a contractual basis.* Such annuitant shall not be treated as a participating employe until his earnings exceed * * * \$1,200 in any calendar year.

(b) Upon subsequent retirement, a former annuitant shall be required to accept the same form of annuity as that under which he initially retired. *Upon such subsequent retirement, the annuity may not commence until after the lapse of a period following the termination date of his previous annuity equal to the aggregate of one month for each full \$200 of earnings received in the month in which the \$1,200 limitation was exceeded.*

SECTION 7. 66.907 (1) of the statutes is repealed.

SECTION 8. 66.907 (2) (c) 1 and 2 and (f) of the statutes are amended to read:

66.907 (2) (c) 1. The amount that can be provided from the total accumulated credits of the employe on the date such annuity begins * * * ; or

2. The sum of the amount of the annuity that can be provided from the accumulation of additional credits * * * on the date the disability annuity begins plus the lesser of the following amounts: 50 per cent of the final rate of earnings, or the amount of the annuity that could be provided at age 65, from the accumulation of normal, municipal, and prior service credits which would be available at such time, had the employe continued in the service at the final rate of earnings until such time, and had the employe normal contributions and matching municipality contributions after termination of employment because of disability been made without reduction for federal social security purposes as provided in s. 66.903 (2) (f) and had the rate of interest during such period been the effective rate for the year previous to the year in which the disability annuity began.

(f) Notwithstanding the fact that a disability annuity is granted for life, if any disability annuitant shall receive or shall have received payment for personal services *including any service performed on a contractual basis* in any calendar year in excess of * * * \$1,200 in cash or the equivalent in value such annuity shall be suspended by the board. Such annuity may be reinstated by the board as of the beginning of the month following board action, upon a showing by the annuitant that such personal services have terminated. The board may require certifications as to such payments for personal services prior to the subsequent issuance of annuity checks.

SECTION 9. 66.908 (1) (a) of the statutes is amended to read:

66.908 (1) (a) The beneficiary of any participant or of any annuitant on the date of death of the participant or annuitant, *or if any beneficiary dies before his application for the death benefit is acted upon by the board, the surviving beneficiaries of the participant or annuitant.*

SECTION 10. 66.908 (2) (aa) of the statutes is repealed and recreated to read:

66.908 (2) (aa). Upon the death of a participating employe who is currently in the service of a participating municipality or who is on a leave of absence therefrom, subject to the limitations in s. 66.903 (1) (b), or upon the death of an applicant for a disability or retirement annuity, other than an annuity authorized by s. 66.906 (3), whose application had been received within 30 days after termination of employment and who would have been entitled to such annuity had he lived, which participating employe or applicant, as the case may be, had at the time of his death prior or current service credit, or both, for at least 60 months as a participating employe for any one participating municipality, if the beneficiary or beneficiaries to whom the death benefit is payable are a spouse, parent, child (including legally adopted child), grandchild, brother or sister of such employe or applicant, the death benefit provided under par. (a) or, if greater, an amount equal to the accumulated normal, additional, municipality and prior service credits of such participating employe or applicant on the date of his death; except that the total accumulated municipality and prior service credits used to provide the total death benefit shall not exceed such respective credits which could have been used to provide an annuity for the deceased participating employe or applicant at the time of his death, assuming that an annuity could have been granted to him at such time. If any beneficiary who is entitled to a death benefit under this paragraph shall also be entitled to an award under ch. 102 because of the death of such participat-

ing employe or applicant, the amount of the award under ch. 102 shall be reduced by the amount of the accumulated municipality and prior service credits payable to such beneficiary under this paragraph. The executive director shall forthwith notify the industrial commission in writing of the payment of any death benefit under this paragraph specifying the amount thereof and the names of the payees and their relationship to the deceased participating employe or applicant.

SECTION 11. 66.908 (2) (b) and (c) of the statutes are amended to read:

66.908 (2) (b) Upon the death of a participant after such participant has been separated from the service of all participating municipalities but before becoming an annuitant, except as provided in * * * *pars. (a), (aa) and (c), the sum of the accumulated additional and normal credits of such participant * * * as of the beginning of the year in which the date of separation occurs plus any normal or additional contributions which may have been made to the fund after the beginning of such year.*

(c) Upon the death of a person granted or receiving a disability or retirement annuity, * * * the excess of the sum of the accumulated additional and normal credits of such annuitant which were used at the time the annuity began * * * to provide the disability or retirement annuity * * *, over the sum of all annuity payments to which he had become entitled prior to his death. Such death benefit shall be at least \$500 less the sum of all annuity payments to which he had become entitled prior to his death.

SECTION 12. 66.915 (5) of the statutes is amended to read:

66.915 (5) Interest for the year, at the prescribed rate, shall be charged or credited as the case may be, at the end of each year, on the balances at the beginning of the year in the prior service obligation account and in the current service obligation account. Interest shall be credited at the end of the year on all contributions for prior service in accordance with s. 66.905 (1) (a) and (5) at the prescribed rate, assuming that all contributions were received by the fund on the due date and also assuming that the contribution for each month was one-twelfth of the total contribution for prior service for the year. Interest shall be credited at the end of the year on all contributions for prior service received in accordance with s. 66.905 (1) (b) at the prescribed rate from the date of receipt. Interest, at the rate of one-twelfth of the effective rate then in effect, for each month or fraction thereof, shall be charged to the current service account, at the end of the year * * *. On accounts receivable from any municipality, except the state * * *, for both employe and municipality contributions which are not received by the fund within the calendar month following the due date *interest shall be charged at the same rate with a minimum charge of \$3, and such interest or minimum charge shall be paid forthwith to the fund, and if it is not paid within 60 days after it is payable, it shall be collected as provided in s. 66.917 (1a).* Any such interest chargeable on employe and municipality contributions from a department, board or commission of the state * * * shall be payable if the monthly payroll report provided for by s. 66.903 (2) (e) * * * is not * * * received by the fund on or before the twentieth day of the calendar month following the due date; when any such interest is payable the board of trustees shall certify the amount thereof with an explanation of such charge, together with a voucher in payment therefor to the director of budget and accounts who shall forthwith approve such voucher and charge the same to the appropriation of the department, board or commission which failed to

submit its payroll report to the board of trustees on time. The state treasurer shall forthwith issue his check or checks therefor to the Wisconsin retirement fund.

Approved April 22, 1955.
