

No. 185, S.

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CHAPTER 20

AN ACT to repeal 66.902 (1b), 66.906 (3) (aa), (e) and (3a) (b); to amend 66.901 (5) (a) and (13), 66.902 (1), 66.905 (2) (b), 66.906 (1) (a), (2) (a) 1 and (4) (b), 66.9065 (1) (a), 66.907 (2) (a) 1 and (c) 2, 66.908 (2) (a), (c), (d) and (f), 66.909 (1) (c) and 66.99 (3); and to create 66.902 (3) (s) of the statutes, relating to the deletion of obsolete material, the elimination of inconsistencies, and the clarification and modification of various provisions pertaining to the Wisconsin retirement fund.

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

SECTION 1. 66.901 (5) (a) and (13) of the statutes are amended to read:

66.901 (5) (a) Who are * * * engaged in teaching within the meaning of * * * s. 42.20 * * * (14).

(13) The person so designated for that particular purpose by a participant or annuitant in the last written designation of beneficiary on file with the board at the time of death * * *. *In the absence of any effective designation of beneficiary the beneficiary shall be the person determined by the court having jurisdiction to be a surviving wife of the participant*

or if there is no surviving wife, the persons determined by such court to be minor children of the participant. If no person so designated by the participant survives, or if no designation is on file, or where there is no court determination as herein provided, the estate of such participant or annuitant. A designation of beneficiary may be signed and filed by a guardian when accompanied by a certified copy of an order of a circuit or county court approving the specific terms thereof.

SECTION 2. 66.902 (1) of the statutes is amended to read:

66.902 (1) Any municipality, except a city of the first class, a county having a population of 500,000 or more and the state, shall be included within * * * and * * * subject to * * * the provisions of this fund by so electing, in accordance with this section. If the official notice of election to be included has been received by the board on or before November 15 the effective date of participation of such municipality shall be the ensuing January 1; otherwise the effective date shall be the January 1 after the ensuing January 1. The state is hereby included, effective January 1, 1948. * * * A city or village which has not elected to participate but some of whose employes will be included within and * * * subject to this fund on or after January 1, 1948 shall be included within and * * * subject to this fund effective January 1, 1948, as though such municipality had elected to participate herein, * * * but until such municipality does actually so elect and such election becomes effective, its employes included within and subject to this fund shall be only those specified by ss. 61.65 (6) and (7), 62.13 (9) (e), (9a), (10) (f) and (g).

SECTION 3. 66.902 (1b) of the statutes is repealed.

SECTION 4. 66.902 (3) (s) of the statutes is created to read:

66.902 (3) (s) Each person who was a county judge on January 1, 1962, in a county which became a participating municipality on January 1, 1962, is entitled to prior service credits for all prior qualifying service for such county not heretofore credited. Such prior service credit shall be computed upon the basis of the earnings for the last 3 years of such service (or less if the total is less) and included in the obligation of the county.

SECTION 5. 66.905 (2) (b) of the statutes is amended to read:

66.905 (2) (b) The amount of the single payment required, after allowance for anticipated employe separations, because of earnings paid to employes of the municipality, to provide all municipality credits granted during such year; adjusted by the uniform annual amount required, at the prescribed rate of interest, to amortize or to refund over 10 years, the amount, as of the beginning of such year, of any then existing obligation for, or surplus applicable to, the municipality credits previously granted to the employes of the municipality * * *.

SECTION 6. 66.906 (1) (a) and (2) (a) 1 of the statutes are amended to read:

66.906 (1) (a) Any participating employe, except an appointed state officer, who has attained age 65 or more on the effective date shall be retired at the end of his first * * * calendar quarter year as a participating employe and any participating employe who attains the age of 65 shall be retired at the end of the * * * calendar quarter year in which such age is attained, unless written notice is received by the board certifying that the governing body of the municipality by which such employe is employed has specifically authorized such employe to continue in employment for a period not to exceed one year beyond such date, or not to exceed one year beyond the date of expiration of any previous certification date, or until the end of the current term if chosen for a definite term, in which event

such employe shall be retired at the expiration of the period designated in the last certification for such continuance on file with the board. The election by the voters of any member of a governing body of a participating municipality other than the state shall constitute the notice required pursuant to this paragraph authorizing such elected official to serve for the duration of the term for which he was elected. The employment of a participating employe who is an appointed state officer less than 65 years of age on January 1, 1948, or a state employe who is the head of a state department, board or commission may be continued only upon receipt by the board of such a written notice from his appointing officer, board or commission who or which shall act as the governing body under this subsection for the sole purpose of granting such continuances.

(2) (a) 1. Any participant *who has attained age 55 and who, regardless of cause, is separated, and continues to be separated until such annuity is initially approved pursuant to s. 66.912 (1) (b), from all * * * service for every participating municipality for which he has been a participating employe prior to becoming an annuitant. Until the annuity is initially approved employment for any other participating municipality shall be limited to that for which the compensation * * * is not subject to normal contributions * * *.*

SECTION 7. 66.906 (3) (aa) and (e) and (3a) (b) of the statutes are repealed.

SECTION 8. 66.906 (4) (b) of the statutes is amended to read:

66.906 (4) (b) Upon subsequent retirement, a former annuitant shall be required to accept the same form of annuity as that under which he initially retired, and if such annuity is an optional annuity provided under sub. (3a), the same beneficiary. * * *

SECTION 9. 66.9065 (1) (a) of the statutes is amended to read:

66.9065 (1) (a) Any participating employe may by written notice to the fund elect to provide for a variable annuity through a segregation of credits in his account to be accumulated from future contributions. *Any person qualifying under s. 66.901 (4) except par. (d) may file such notice to be effective upon becoming a participating employe.* Such notice of segregation * * * is effective as of the beginning of the calendar quarter year following its receipt by the fund.

SECTION 10. 66.907 (2) (a) 1 and (c) 2 of the statutes are amended to read:

66.907 (2) (a) 1. Any participating employe who has not attained age 65 and is totally disabled, either mentally or physically, by a disability which is likely to be permanent. A person shall not be deemed to be disqualified solely because he is able to perform the duties of any position for which the compensation does not exceed \$1,200 in any calendar year. Totally disabled means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of permanent duration. The participating municipality shall certify to the fund that the participating employe is unable to continue in employment because of a total disability of such a nature as to reasonably prevent performance of the duties of any position and as a consequence is not entitled to any earnings from such municipality. For the purposes of this subsection a participant shall, within the limitations of s. 66.903 (1) (b), be considered to be a participating employe on leave of absence, notwithstanding the fact that no formal leave of absence is in effect, if no other employment has intervened

since service for the participating municipality, and if the termination of active service for the participating municipality was due to such disability. *A participant who is an official elected by the voters shall be considered as a participating employe for 30 days after the cessation of his earnings as an elected official.*

(c) 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 1-1/2 per cent of the final rate of earnings multiplied by the number of years of prior service and of current service included in the latter assumed service between the date the disability occurred and the date on which the applicant will attain the age of 65. The number of such total years shall be determined to the nearest full year. Whenever the applicant * * * *becomes eligible* for disability benefits or for old-age benefits as a retired worker under the federal old-age and survivors insurance system, the amount of his disability annuity, other than the amount attributable to his additional contributions, shall be reduced by 20 per cent of the amount thereof, but in no event shall such reduction lower the disability annuity below that which could have been provided under subd. 1. Such reduction shall be effective with the annuity payment for the eighth month after the annuity begins except during such period as the disability annuitant furnishes evidence to the fund that he is not eligible for benefits from the federal old-age and survivors insurance system.

SECTION 11. 66.908 (2) (a), (c), (d) and (f) of the statutes are amended to read:

66.908 (2) (a) Upon the death of a participant whose beneficiary * * * to whom the death benefit is payable * * * *is a spouse, parent, child (including legally adopted child), grandchild, brother or sister of such participant the amount equal to the accumulated normal, additional, municipality and prior service credits of such participant 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 participant at the time of his death, assuming that an annuity could have been granted to him at such time. No benefit shall be payable under this paragraph unless such participant at the date of his death was:* 1. A participating employe; or 2. A participant who is receiving a benefit under s. 66.191, but who is not an annuitant; or 3. A participant, other than an annuitant, who had prior or current service credit, or both, for at least 60 calendar quarter years as a participating employe. For the purposes of this paragraph, a participant * * * *is deemed * * * a participating employe on the date of his death if he is then an applicant for a retirement annuity * * * whose application had been received within 30 days after termination of employment and who would have been entitled to such annuity had he lived, and a participant * * * is deemed * * * a participating employe on leave of absence, subject to the limitations of s. 66.903 (1) (b), if the participating municipality for which he last performed services as a participating employe has not filed notice of the termination of his employment, notwithstanding the fact that no formal leave of absence is in effect. If the death of a participating employe on leave of absence arises from employment by any employer other than such participating municipality his employment shall be deemed to have terminated and he shall not be considered a participating employe on the date of his death.*

(c) Upon the death of a person receiving a disability or retirement annuity *other than an annuity under s. 66.906 (3) or (3a), or a person who had been granted a disability or retirement annuity which had not com-*

CHAPTER 20

menced, 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.

(d) Upon the death of an annuitant receiving a beneficiary annuity, the excess of the accumulated normal and additional credits of the employe which were used at the time the annuity began, over the sum of all annuity payments to which such beneficiary had become entitled prior to his death. *If the annuity is paid pursuant to par. (e) the accumulated normal and additional credits used for such annuity shall be reduced by the sum of all disability annuity payments.*

(f) If any person, for whom credits have been re-established pursuant to s. 66.904 (1) (a) 3 upon his re-entry into service, dies within 3 years after such re-entry, the credits so re-established shall not be payable as a death benefit under par. (a) or (b), but in lieu thereof a death benefit shall be payable pursuant to par. (c), * * * to which shall be added the amount of the accumulations on the date of death from the normal and additional contributions made by the employe after the date of the termination of his annuity.

SECTION 12. 66.909 (1) (c) of the statutes is amended to read:

66.909 (1) (c) A beneficiary who is a spouse may, in lieu of a life annuity, elect to receive an annuity pursuant to s. 66.906 (3) and all of the provisions of s. 66.906 (3), relating to a participant, shall apply to such spouse * * *.

SECTION 13. 66.99 (3) of the statutes is amended to read:

66.99 (3) Every state employe and state officer while employed in any position which is not included under any retirement system established by statute * * * is included under the agreement authorized by sub. (4) if eligible for inclusion, and all participating municipalities which have acted pursuant to s. 66.902 to be included under the Wisconsin retirement funds * * * are included when the participating employes thereof are eligible, and each county * * * is pursuant to s. 66.902 (1b) * * * included under the agreement as to the county judge, * * * and each city and village * * * is pursuant to ss. 62.13 (9) (e) and (9a) and 61.65 (6) * * * included under the agreement as to policemen, and each public agency affected by s. 66.902 (5) (b) * * * is pursuant thereto * * * included under the agreement as to the employes affected by such paragraph. This subsection * * * is not * * * applicable to services performed in any fireman's position.

Approved April 22, 1963.