

Chapter ETF 20

WISCONSIN RETIREMENT SYSTEM

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ETF 20.01 Actuarial estimate charges. (1) Before submitting a resolution to become a participating employer under the Wisconsin retirement system, an employer, as defined in s. 40.02 (28), Stats., may obtain, upon written request to the department and the payment of a fee of \$50.00 if more than 10 employees or \$25.00 if 10 employees or less, an actuarial determination of its estimated prior service liability. The employer shall supply the data with respect to its employees in accordance with instructions from the department.

(2) The determination of the prior service liability shall be furnished without charge to any employer which has submitted a resolution for inclusion under the Wisconsin retirement system.

(3) The secretary of the department is authorized to set the rates for special actuarial studies or estimates requested by state agencies, local units of government, or other organizations when in the secretary's judgment it is feasible and appropriate to perform the studies.

History: Emerg. eff. 6-30-77; cr. Register, November, 1977, No. 263, eff. 12-1-77; renum. from ETF 4.03 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 20.015 Participating employees. Only a person classified as a teacher under s. 40.02 (55), Stats., who is employed with the expectation that there will be at least 440 hours of actual performance of duty during an annual earnings period with that employer shall be deemed to be employed one-third of what is considered full-time employment with that employer and thereby meet the 600 hour requirement of s. 40.22 (1) (b) and (2), Stats.

History: Cr. Register, January, 1985, No. 349, eff. 2-1-85.

ETF 20.02 Continued employment with a participating employer. A participant to whom a retirement annuity is payable under s. 40.23, Stats., and who is subsequently employed by any participating employer and does not otherwise satisfy the requirements of s. 40.22 (1), Stats., shall not be considered to be a continuing participating employee for purposes of s. 40.22 (2), Stats.

History: Emerg. cr. eff. 7-1-83; cr. Register, October, 1983, No. 334, eff. 11-1-83.

ETF 20.03 Annuity computations. (1) For purposes of annuity computations, other than option conversion, an applicant's age shall be deter-

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mined to the nearest month. For option conversion purposes, an applicant's age shall be determined to the nearest quarter year.

(2) For purposes of determining maximum benefits under s. 40.23 (2), Stats., and integrated benefits under s. 40.24 (4), Stats., the estimated OASDHI benefit shall be based on the following:

(a) It shall be assumed that the employe has been in a position covered under OASDHI in all years from 1956, or if later, from the year after the year in which age 21 was attained, to the year of retirement or death, except that years in which earnings are reported under s. 40.05 (1) (a) 4., Stats., shall be counted as zero.

(b) It shall be assumed that covered earnings increased from 1956, or if later, from the year after the year in which age 21 was attained, to the year of retirement or death at a rate determined by the actuary to reflect changes in the OASDHI wage base and approximate average changes in earnings during that time.

(c) The delayed retirement credit under federal social security regulations shall be applied to each year after age 65 and up to age 72.

(d) Based upon the assumptions in pars. (a) to (c) and in accordance with the provisions of the federal social security act, the actuary shall prepare a table correlating the employe's age and final average earnings with a primary OASDHI benefit, adjusting the table as necessary to prevent, in most cases, assumed OASDHI benefits from exceeding actual OASDHI benefits.

(e) Notwithstanding pars. (a) to (d), if the applicant furnishes the official social security award certificate or a letter from the social security administration which shows that the retirement or disability benefit that is first payable from the participant's OASDHI account at the time of application for Wisconsin retirement system benefits is or will be in a different amount, the amount certified by the social security administration shall be used in the benefit computation.

(3) The actuarial factors used in computing annuities for beneficiaries shall be the same as the factors used in computing retirement annuities. For purposes of computing a beneficiary social security integrated annuity the beneficiary's estimated OASDHI benefit shall be the primary OASDHI benefit amount determined for the deceased participant pursuant to sub. (2).

History: Renum. from ETF 7.01 (2), 7.03 and 7.06 and am. Register, December, 1983, No. 336, eff. 1-1-84.

ETF 20.04 Optional forms of annuity. Pursuant to s. 40.24, Stats., a participant may elect one of the optional annuity forms prescribed in sub. (1) or (2) in lieu of a statutory option:

(1) A joint survivorship annuity with payments reduced 25% upon the death of the participant or the one beneficiary who was designated by the participant in the original application for an annuity.

(2) An annuity payable under sub. (1) plus a social security integrated annuity as determined under s. 40.24 (4), Stats.

History: Cr. Register, November, 1982, No. 323, eff. 12-1-82.
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ETF 20.05 Annuity options integrated with social security. (1) A participant or beneficiary shall not be eligible for the social security integrated annuity if the reduced annuity payable for life under s. 40.24 (4), Stats., or s. ETF 20.04 would be less than \$25.00 per month for a benefit with an effective date in calendar year 1982 or, for a benefit with an effective date in a subsequent calendar year, the monthly amount applied under this section for the previous calendar year increased by the salary index, as defined in s. 40.02 (52), Stats., ignoring fractions of the dollar.

(2) Pursuant to s. 40.03 (2) (k), Stats., the department will assume that the primary OASDHI benefit, as defined in s. 40.02 (44), Stats., for a person eligible to receive a beneficiary annuity and selecting an option