

CHAPTER 4

AN ACT to amend 20.810 (71a); to repeal and recreate 42.40 (1) and (2); and to create 42.241 (7) (ab), (12a) and (12ab), 42.45 (1) (cm) and (cn) of the statutes, relating to the procedure for transferring teachers who are members of the separate group to the combined group under the state teachers retirement system and making an appropriation.

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

SECTION 1. 20.810 (71a) of the statutes is amended to read:

20.810 (71a). On March 15, 1957, * * * a sum sufficient to defray the administrative costs of carrying out the procedures set forth in s. 42.241, for the purpose of extending OASI coverage to members who desire such coverage pursuant to the provisions of chapter 12, laws of 1957, and on February 15, 1959, a sum sufficient to defray the administrative costs of carrying out the procedure set forth in s. 42.241, for the purpose of extending OASI coverage to members who desire such coverage pursuant to the provisions of this amendment (1959).

SECTION 2. 42.241 (7), (ab), (12a) and (12ab) of the statutes are created to read:

42.241 (7) REDUCTION OF ANNUITY. (ab) The annuity paid from the contingent fund to any member of the separate group who retired after April 30, 1957, who was eligible to make the choice pursuant to sub. (9) and who elects under sub. (12a) to become a member of the combined group, shall be canceled at the end of 6 months after becoming a member of the combined group, except for that portion thereof which is paid under s. 42.51 because of prior service. If any such member shall present to the board satisfactory proof that he is not qualified for either an OASI primary or disability benefit that portion of the annuity so canceled shall be reinstated and paid thereafter until he qualifies for such an OASI benefit.

(12a) TRANSFERS TO COMBINED GROUP. (a) The position of any employe who is a member, of the separate group and who was eligible to make the choice pursuant to sub. (9) may be transferred to the combined group if, prior to the date of execution of any modification to the agreement with the federal department of health, education and welfare made pursuant to s. 66.99 (3a) to implement such transfer, the executive secretary of the state teachers retirement system receives from such member, not less than 20 calendar days prior to the submission of such modification, a written request for such transfer on a form prescribed by such executive secretary which specifies the school district or other public agency by which such member is then employed, and provided such member occupies a position covered under the state teachers retirement system at that time and on the date of submission of the modification to the federal department of health, education and welfare. Thereupon such member shall be a member of the combined group.

(b) Section 20.551 (11c), (11d) and (11e) and s. 42.241 (7) (ab) and (12ab) shall be applicable to such transfers but s. 42.241 (12) shall not be so applicable.

(c) The executive secretary of the state teachers retirement system shall certify to the director of the public employes social security fund a list of the public agencies to be included in any such modification.

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(12ab) OASI COVERAGE RETROACTIVE TO JANUARY 1, 1957. Coverage under OASI of a member of the combined group who elects to transfer thereto under sub. (12a) shall be effective as of January 1, 1955, or the date on which covered earnings were first paid to such member, if such date is later. The employer contributions to the public employes social security fund on behalf of such a member for covered employment under OASI between January 1, 1955, and the end of the calendar quarter in which the agreement extending such coverage is submitted to the federal department of health, education and welfare, shall be paid by transferring to said fund the amount which is required to make such payment from the accumulation from state deposits in the account of such member. The employe contributions for such period shall be paid by transferring the amount which is required to make such payment from the accumulation from required deposits in the account of such member. If such accumulations are not sufficient to make such payments and the member is receiving an annuity from the annuity reserve fund, the additional amount required therefor shall be paid from the reserve for such member's annuity in the annuity reserve fund, and such member's annuity shall be reduced proportionately. If such accumulations and the said amount in the annuity reserve fund are not sufficient to make such payments, the additional amount required to make such payments shall be paid from the contingent fund.

SECTION 3. 42.40 (1) and (2) of the statutes are repealed and recreated to read:

42.40 (1) Each teacher who is a member of the separate group shall make a deposit in the retirement deposit fund equal to 6 per cent of all compensation received for teaching service performed by such teacher.

(2) Beginning on the first day of the first calendar quarter which begins after an agreement extending coverage under OASI to the members of the combined group under s. 42.241 becomes effective, each teacher who is a member of the combined group shall make a deposit in the retirement deposit fund equal to 4-1/2 per cent of all compensation received for teaching service performed by such teacher.

SECTION 4. 42.45 (1) (cm) and (cn) of the statutes are created to read:

42.45 (1) (cm) For the fiscal year July 1, 1958, to June 30, 1959, the state deposit on behalf of a teacher who, pursuant to s. 42.241 (12a), became a member of the combined group before July 1, 1959, shall be computed in accordance with par. (a).

(cn) For the fiscal year July 1, 1959, to June 30, 1960, the state deposit on behalf of a teacher who, pursuant to s. 42.241 (12a), became a member of the combined group after July 1, 1959, shall be an amount equal to the required deposit made by such teacher under s. 42.40.

SECTION 5. This bill is declared to be an emergency budget bill in accordance with the provisions of s. 15.11 (2).

Approved March 13, 1959.