

No. 152, S.]

[Published August 20, 1945.]

CHAPTER 531.

AN ACT to repeal 42.67; to renumber 42.61 (2) and (3) to be (3) and (4) and 42.68 to be 42.68 (1); to amend 20.726 (1), 42.61 (1) (a), 42.61 (4) (as renumbered), 42.62 (1), (2), (3) and (4), 42.63 (1) and (2), 42.64 (Introductory paragraph), and (2), 42.65 (1), 42.68 (1) (as renumbered) and 42.70; to repeal and recreate 42.61 (1) (b) and 42.63 (5); to create 42.61 (1) (g), (h) and (i) and (2), 42.62 (5), 42.63 (6), 42.64 (3), 42.66 (4) and 42.68 (2), relating to the state employes' retirement system.

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

SECTION 1. 42.61 (1) (a) of the statutes is amended to read:
 42.61 (1) (a) * * * *Elected* and appointed state officers who are not subject to chapter 16; but any such appointed officer may *elect* to become a member on the same basis as an employe if he is a full-time appointed officer and if he exercises this option * * * within 6 months after initially taking office *by filing a written notice of such election with the bureau of personnel; provided that any such appointed officer who was absent from the state service on a military leave under section 16.275 (3) or section 21.70 on May 23, 1943 and has been on such leave continuously thereafter may make such election, and file such notice thereof, at any time within 6 months after he returns to state service.*

SECTION 2. 42.61 (1) (b) of the statutes is repealed and recreated to read:

42.61 (1) (b) Persons who are classified as senior teachers under, and who are obliged to make required deposits by, the teachers' state retirement system; persons who are classified as junior teachers under, and who are permitted to make deposits by, the teachers' state retirement system, teachers at the university below the grade of instructor other than continuing full-time assistants as designated by the board of regents.

SECTION 3. 42.61 (1) (g), (h) and (i) of the statutes are created to read:

42.61 (1) (g) All inmates of state penal or correctional institutions.

(h) Employees in the competitive division of the classified service who have not attained permanency under section 16.22.

(i) Employees not in the competitive division of the classified service, who have not completed 6 months of service and full-time assistants designated by the board of regents of the university under paragraph (b) who have not completed 6 months of service.

SECTION 4. 42.61 (2) and (3) of the statutes are renumbered 42.61 (3) and (4).

SECTION 5. 42.61 (2) of the statutes is created to read:

42.61 (2) Membership in the state employees' retirement system shall be effective on the first day of the month following the month in which an employe attains permanency or completes such equivalent period of service. This subsection applies only to persons employed after the effective date of this subsection.

SECTION 6. 42.61 (4) (as renumbered) of the statutes is amended to read:

42.61 (4) * * * *Persons* who have become members of the state employees' retirement system shall not thereafter lose their status as members while they remain in the state service on any basis, including leaves of absence, *except as provided in subsection (1) (a) (b) (c) (d) (e) and (g)*. Employees who are absent from the state service on military leave under section 16.275 (3), or section 21.70 *and who left positions in which they would have become members had they continued in such positions*, shall be deemed to be members of the state employees' retirement system
* * *

SECTION 7. 42.62 (1) of the statutes is amended to read:

42.62 (1) * * * *A member shall be permitted to retire, effective at the beginning of any month, at or after, age 65*
* * * *after 30 years of service, upon application to the annuity and investment board. * * * A member must retire at 70 years of age* * * * *except as provided in subsections (2) and (4) hereof. Retirement shall be effective on the first day of the month next succeeding the month in which the employe reaches the age of compulsory retirement.*

SECTION 8. 42.62 (2) of the statutes is amended to read:

42.62 (2) The provisions relative to compulsory retirement shall not apply to members of the state employees' retirement system who are * * * *appointed state officers and not subject*

to chapter 16; but no member who is an appointed state officer at the time that he retires may receive a state pension unless he has been in the service of the state for a total of 10 years, including service as an employe and as an appointed officer.

SECTION 9. 42.62 (3) of the statutes is amended to read:

42.62 (3) * * * A member who is discharged after being eligible for voluntary retirement, shall be regarded as having voluntarily retired, and the discharge of * * * a member who has reached compulsory retirement age shall be deemed compulsory retirement for the purposes of sections 42.60 to 42.70.

SECTION 10. 42.62 (4) of the statutes is amended to read:

42.62 (4) In the event that the continuance of an employe's service would promote the best interests of the state, an employe upon reaching the age of compulsory retirement or who, on * * * January 31, 1944, * * * had reached the age of 70 or over, may with the employe's consent, be continued in employment by his department with the approval of the bureau of personnel, for periods of not more than 2 years each from the date when retirement would have been effective, but * * * in no event beyond January 31, 1948. * * *

SECTION 11. 42.62 (5) of the statutes is created to read:

42.62 (5) No person who has retired under the provisions of the state employes' retirement system may be re-employed in the state service; and no person who is 70 years of age or over may acquire membership in said system.

SECTION 12. 42.63 (1) of the statutes is amended to read:

42.63 (1) The annual retirement allowance payable monthly shall be the straight life annuity or its actuarial equivalent * * * which the accumulations of the member's deposits will buy at the time of retirement in accordance with rates specified by the annuity and investment board plus a state contribution in the form of a state pension as a straight life annuity or its actuarial equivalent to those who have been in the service 20 years or more computed as follows: 1/140 of the average full-time salary earned during the last 5 years of full-time employment multiplied by the number of years or major fraction thereof of service as a member of the state employes' retirement system plus 1/70 of the average full-time salary earned during the last 5 years of full-time employment multiplied by the number of years or major fraction thereof of service prior to * * *

May 23, 1943. Both the annuity and the state pension shall be payable under one of the plans specified in section 42.64. No change in annuity rates shall affect any retirement allowance granted prior to the effective date of such change.

SECTION 13. 42.63 (2) of the statutes is amended to read:

42.63 (2) In no event shall the total state pension of any employe who is retired upon attaining the age of 70 or over with at least 20 years of service, or who elects to retire upon attaining age 65 with at least 30 years of service, exceed * * * \$900 per annum as a straight life annuity, or the actuarial equivalent thereof, or be less than * * * \$600 per annum as a straight life annuity, or the actuarial equivalent thereof.

SECTION 14. 42.63 (5) of the statutes is repealed and recreated to read:

42.63 (5) When the accumulations from a member's deposits do not exceed \$200, a retiring member may, at the time of filing an application for a retirement benefit, elect to have such accumulations paid to him in a single sum.

SECTION 15. 42.63 (6) of the statutes is created to read:

42.63 (6) When any member is retiring, the bureau of personnel shall certify to the annuity and investment board that he is a member, the date when his retirement may be effective, the total number of years or major fraction of a year of state service to the credit of such member if not more than 20 years, and if such total is more than 20 years the number of years or major fraction of a year of service both before May 23, 1943 and as a member of the state employes' retirement system, and the average annual salary of such member during his last 5 years of full-time employment or service as an appointed state officer. Such certification shall be accepted and used by the state annuity and investment board as the basis for computing the amount of the state pension payable to such retiring member.

SECTION 16. 42.64 (Introductory paragraph) of the statutes is amended to read:

42.64 (Introductory paragraph) Retirement allowances under section 42.63 shall be payable under any of the following plans, as the member may elect at the time of retirement, of which the plans specified in subsections (2) and (3) shall be the actuarial equivalent as determined by the annuity and investment board, of the plan specified in subsection (1). Actuarial equivalents

shall be computed on the mortality and interest assumptions adopted by the board and approved by the commissioner of insurance.

SECTION 17. 42.64 (2) of the statutes is amended to read:

42.64 (2) * * * *A survivorship annuity * * * for the life of the member * * * and * * * for the life of his spouse * * **

SECTION 18. 42.64 (3) of the statutes is created to read:

42.64 (3) An annuity payable monthly to the member during life, with a guaranty of at least 180 monthly payments; in the event of the death of the member before 180 monthly payments have been made, the remainder of the 180 monthly payments shall be continued to one beneficiary or divided equally, or as the member otherwise specified, between 2 or more beneficiaries designated by the member until payments shall have been made for 180 consecutive months after such annuity began. Unless prohibited by the member in his designation, any such beneficiary may elect at any time to receive the then present value of his benefit in a single sum. Upon the death of any designated beneficiary after he has become entitled to receive monthly payments hereunder, the then present value of his benefit shall be paid in a single sum to his estate. Upon the death of the member before payment has been made for 180 months, the then present value of the remainder of such payments shall be paid in a single sum to the estate of the member in cases where no beneficiary was designated or where the member's estate was designated as beneficiary. In the event of the death of any designated beneficiary prior to the death of the member, then upon the death of the member, the then present value of the benefit, if any, which would have been payable to said beneficiary, shall be paid in a single sum to the estate of the member.

SECTION 19. 42.65 (1) of the statutes is amended to read:

42.65 (1) Upon the expiration of 6 months after filing an application therefor with the annuity and investment board, an employe who is not eligible for retirement and who has ceased to be employed in the state service may withdraw his deposit accumulations in the employes' savings fund * * *. In case of the death of a member while in the state service or after leaving the state service otherwise than by retirement under sections 42.60 to 42.70, his estate or named beneficiary shall receive the deceased member's deposit * * * accumulations * * *;

provided that where the amount payable hereunder or under section 42.64 (3) to the estate of a member or a beneficiary is less than \$200 and it appears to the annuity and investment board that there will be no administration of said estate said board, in its discretion, may apply said amount, or any part thereof, in payment of, or reimbursement for, expense incurred in connection with the last illness, or funeral, of said member or beneficiary.

SECTION 20. 42.66 (4) of the statutes is created to read:

42.66 (4) The annuity and investment board may refund any money paid in error into any of the funds of the state employees' retirement system, including money paid in error by a department of the state government. To effect such a refund the director of investments shall certify to the secretary of state the name of each person or department of the state government entitled to a refund and the amount thereof. Thereupon, and notwithstanding section 20.06, the secretary of state shall draw his warrant for the amount and in favor of the person or department of state government so certified, and the state treasurer shall pay the same and charge it to the appropriation made by section 20.726 (1).

SECTION 21. 42.67 of the statutes is repealed.

SECTION 22. 42.68 of the statutes is renumbered 42.68 (1) and amended to read:

42.68 (1) The deposits made by members of the retirement system for state employes and all interest accretions thereto shall be known as the "employes' savings fund." Whenever an annuity has been granted under sections 42.60 to 42.70, the accumulation of the member's deposits in the employes' savings fund shall be transferred to the annuity reserve fund and the annuity payable from such member's accumulation of deposits shall thereafter be paid from the annuity reserve fund. The appropriation to pay the * * * *state pension under the state employes' retirement system* shall be credited to the annuity reserve fund and pensions payable to state employes under *said system* * * * shall be paid from said fund. Such funds shall be managed by the annuity and investment board and shall be invested in securities authorized by section 206.34. *A separate account in the employes' savings fund shall be maintained for each member and, as of June 30 of each year, the annuity and*

investment board shall credit the account of each member of the retirement system for state employes, *and the annuity reserve fund, exclusive of sums transferred thereto under section 42.69 (3) with interest at the actual rate earned during the fiscal year as determined by the board subject to section 20.726 (2) and section 42.68 (2). The annuity and investment board shall from time to time order and make such distribution of gains and savings as it may deem equitable.*

SECTION 23. 42.68 (2) of the statutes is created to read:

42.68 (2) The annuity and investment board shall establish and maintain such reserve or surplus funds as the interests of the members and the future solvency of the funds of the state employes' retirement system may require.

SECTION 24. 42.70 of the statutes is amended to read:

42.70 All moneys and assets of the state employes' retirement system and all benefits and allowances, and every portion thereof, both before and after payment to any beneficiary *or estate* granted under the state employes' retirement system shall be exempt from any state, county or municipal tax, and from attachment or garnishment process, and shall not be seized, taken, detained or levied upon by virtue of any execution, or any process or proceeding *or judgment* whatsoever issued out of or by any court of this state for the payment in whole or in part of any debt, claim, damage, demand or judgment against any member, *annuitant* or beneficiary of the state employes' retirement system, and no such member, *annuitant* or beneficiary shall have any right to assign his benefit or allowance, or any part thereof,
* * * *provided that:*

(1) *The annuity and investment board may retain out of the proper annuity or other benefit such amount as said board in its discretion may determine to be necessary for the purpose of reimbursing the fund for any money paid to the annuitant, member, beneficiary or estate through misrepresentation, fraud or error.*

(2) *In all cases in which any amounts become payable to a minor or to a person adjudged insane, or mentally incompetent, the annuity and investment board, in its discretion, may waive guardianship proceedings, and pay such amounts to the person providing for, or caring for, such minor, or to the wife, parent, or other person providing for, or caring for, such insane or incompetent person.*

SECTION 25. 20.726 (1) of the statutes is amended to read:

20.726 (1) Annually, beginning July 1, 1943, from the respective funds from which employes' and appointed state officers' salaries are paid, such sums as may be necessary to pay the * * * *state pensions under* the state employes' retirement system * * * *members thereof* whose salaries were normally paid from such fund. This appropriation shall be credited to the annuity reserve fund * * *, pursuant to certification by the annuity and investment board as provided in section 42.69 (3). All moneys in the annuity reserve fund and employes' savings fund, which together shall constitute a fund in the state treasury to be known as the "State Employes' Retirement Fund," shall be used for the purpose of carrying into effect the provisions of sections 42.60 to 42.70. * * *

Approved August 17, 1945.

No. 264, S.]

[Published August 20, 1945.

CHAPTER 532.

AN ACT to amend 102.11 (1) (Introductory paragraph) and 102.44 (1) of the statutes, relating to workmen's compensation.

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

SECTION 1. 102.11 (1) (Introductory paragraph) of the statutes is amended to read:

102.11 (1) (Introductory paragraph) The average weekly earnings for temporary disability shall be taken at not less than \$12.50 nor more than * * * \$37, and for permanent disability or death shall be taken at not less than \$20 nor more than * * * \$37. Between said limits the average weekly earnings shall be determined as follows:

SECTION 2. 102.44 (1) of the statutes is amended to read:

102.44 (1) In case of temporary disability aggregate indemnity shall not exceed the amount payable in case of permanent total disability * * *

Approved August 17, 1945.