AN ACT to create 109.03 (1) (c) of the statutes; to repeal laws of 1981, chapter 317, section 2057 (2) (b); to amend laws of 1981, chapter 317, section 2057 (2) (a); and to create laws of 1981, chapter 317, section 2057 (2) (bg) and (br), relating to the effective dates of salary adjustments for certain state officers and employes, frequency of wage payment to unclassified employes of the university of Wisconsin system, early retirement for state employes and creating a compensation study committee.

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

SECTION 1. Laws of 1981, chapter 317, section 2057 (2) (a) is amended to read:

   (Laws of 1981, chapter 317) Section 2057 (2) (a) Notwithstanding sections 20.923, 230.10 and 230.12 of the statutes and the actions of the joint committee on employment relations on August 6, 1981 and December 16, 1981 approving changes in the compensation plan for nonrepresented state employes in the classified service and salary increases for other nonrepresented state employes, no nonrepresented state employe in the classified service and no state employe in the unclassified service may, after June 26, 1982 or the end of the payroll period for the employe closest to that date receive any lump sum payment or increase in salary base pay rate over the rate paid to that employe on the effective date of this act June 26, 1982 or the end of the payroll period for each employe closest to that date for the purpose of any general economic adjustment, discretionary performance award, exceptional performance award, equity award regrade, merit increase or other similar purpose prior to October 3, 1982 or the beginning of the payroll period for each employe closest to that date. No such employe may receive any increase in discretionary supplemental pay during the period commencing on June 27, 1982 or the beginning of the payroll period for the employe closest to that date and ending on October 2, 1982 or the end of the payroll period for the employe closest to that date. This paragraph does not apply to a salary regrade granted to an employe for reclassification or reallocation purposes.

SECTION 2. 109.03 (1) (c) of the statutes is created to read:

109.03 (1) (c) Unclassified employes of the university of Wisconsin system.

SECTION 3. Laws of 1981, chapter 317, section 2057 (2) (b) is repealed.

SECTION 4. Laws of 1981, chapter 317, section 2057 (2) (bg) and (br) are created to read:

   (Laws of 1981, chapter 317) Section 2057 (2) (bg) Notwithstanding paragraph (a), any employe whose pay was reduced or not increased under paragraph (a) or (b) on or after May 1, 1982 and before June 27, 1982 or the end of the payroll period for the employe closest to that date shall have his or her pay restored or increased retroactively to the rate and amount it would have been but for the enactment of paragraph (a) and (b) as shown by the text in effect on May 1, 1982.

   (br) Notwithstanding the actions of the joint committee on employment relations on August 6, 1981, the appointing authority may delay the date of the pay increase for any employe paid under the university of Wisconsin system faculty and academic staff pay plan on an academic year basis whose pay is affected by paragraph (a) to such date after October 1, 1982 as may be required to assure that the pay increase for such employe in
1982-83 is 25% less than would have been paid under the plan approved by the joint committee on employment relations on August 6, 1981.

SECTION 5. Nonstatutory provisions; employe trust funds. (1) LUMP SUM PAYMENTS BY STATE AGENCIES TO OFFSET EARLY RETIREMENT ANNUITY REDUCTION. (a) The definitions in section 40.02 of the statutes are applicable in this subsection.

(b) Beginning on June 1, 1982 and ending on June 30, 1983, any participating employe in the service of a state agency whose normal retirement date is age 65 and who is age 60 or older during that period and who applies during that period for a retirement annuity under section 40.23 (1) of the statutes may apply to his or her employer for a payment under paragraph (c).

(c) A state agency that receives an application under paragraph (b) from an employe who is entitled to a retirement annuity under section 40.23 (1) of the statutes shall make from its existing funds a lump sum payment on the employe's behalf to the Wisconsin retirement system under section 40.05 (1) (a) 5 of the statutes. The amount of the payment shall be determined by the department of employe trust funds and shall be sufficient to provide an annuity for the employe payable for the life of the annuitant with a guarantee of 60 monthly payments, equal to the amount the employe's annuity as determined under section 40.23 (2) (b) 1 of the statutes is reduced pursuant to section 40.23 (2) (d) of the statutes for not more than 36 months. The lump sum payment shall be paid by the state agency no later than the date the state agency makes the first payment under section 40.05 (2) (a) of the statutes in the fiscal year immediately following the employe's annuity effective date.

(d) An annuity payable from the lump sum payment under paragraph (c) shall be effective beginning on the employe's annuity effective date as determined under section 40.23 (1) of the statutes. No employe may elect to receive an annuity in a form specified under section 40.24 (5) of the statutes or a lump sum payment under section 40.25 (4) of the statutes from the amounts provided under paragraph (c).

SECTION 6. Compensation study committee. There is created a compensation study committee. The committee shall consist of the secretary of employment relations and one person designated by the governor, the chief justice of the supreme court, each cochairperson of the joint committee on employment relations, the majority leader of each house of the legislature and the minority leader of each house of the legislature. No member may be a state elected official. The committee shall examine the compensation, tax laws and related matters affecting the compensation of elected state officials. The committee shall transmit its report and recommendations to the joint committee on employment relations no later than February 15, 1983.