

CR 82-160

CERTIFICATE

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NOV 10 1982

11:30 am
Revisor of Statutes
Bureau

STATE OF WISCONSIN)
)
DEPARTMENT OF EMPLOYE TRUST FUNDS) SS

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Gary I. Gates, Secretary of the Department of Employee Trust Funds, and custodian of the official records do hereby certify that the annexed rules relating to termination of variable participation under the Wisconsin Retirement System were duly approved by the Employee Trust Funds, Teachers Retirement, and Wisconsin Retirement Boards and adopted by this department on November 9, 1982.

I further certify that this copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY THEREOF, I have hereunto set my hand at 201 East Washington Avenue, in the City of Madison, this 9 day of Nov., 1982.

Gary I. Gates
Gary I. Gates, Secretary
Department of Employee Trust Funds

ORDER OF THE DEPARTMENT OF EMPLOYE TRUST FUNDS
REPEALING, RENUMBERING, AMENDING AND CREATING RULES

To repeal ss. ETF 8.01 and 8.03; to renumber and amend ss. ETF 8.02, 8.04, 8.05, 8.06 and 8.07; and to create s. ETF 10.31, relating to termination of variable participation under ch. 40, Stats.

Analysis Prepared by the Department of Employee Trust Funds

The enactment of Ch. 96, Laws of 1981 completed the merger of the Wisconsin Retirement Fund, State Teachers Retirement System and Milwaukee Teachers Retirement Fund into the Wisconsin Retirement System with a common year end of December 31. This order conforms the effective date of a teacher election to cancel variable participation to the January 1 effective date required by statute and already established for other members of the Wisconsin Retirement System.

In addition, this order places the necessary sections of Ch. ETF 8 within the newly proposed Ch. ETF 10 which is being created by the promulgation of another rule prior to these rules. Eventually all rules administered by the Department of Employee Trust Funds will be in the ETF series to facilitate locating rules and to correspond more closely to the organization of Ch. 40, Stats., as created by Ch. 96, Laws of 1981. The amendments to the renumbered sections serve to clarify and update rule language and correct statutory and administrative code references.

These rules interpret s. 40.04 (7), Stats., as created by Ch. 96, Laws of 1981.

Pursuant to the authority vested in the Department of Employee Trust Funds by s. 40.03 (2) (i), Stats., as created by Ch. 96, Laws of 1981, the Department of Employee Trust Funds hereby repeals, renumbers, amends and creates rules interpreting s. 40.04 (7), Stats., as created by Ch. 96, Laws of 1981, as follows:

SECTION 1. ETF 8.01 is repealed.

SECTION 2. ETF 8.02 is renumbered ETF 10.30 and as renumbered is amended to read:

ETF 10.30 EFFECT OF VARIABLE TRANSFER ON BENEFITS. Any gains or losses at the effective date of a transfer pursuant to s. ~~40-85~~ 40.04 (7), Stats., including subsequent interest credits, shall be reflected as an adjustment to the benefit at the time it is payable.

SECTION 3. ETF 8.03 is repealed.

SECTION 4. ETF 8.04, 8.05, 8.06 and 8.07 are renumbered ETF 10.32, 10.33, 10.34 and 10.35 and as renumbered are amended to read:

ETF 10.32 ADDITIONAL CONTRIBUTIONS. When a ~~member-or~~ participant makes an election pursuant to s. ~~40-85-~~ 40.04 (7), Stats., and has additional ~~deposits~~ contributions, the election shall be governed by an evaluation of all ~~deposits~~ contributions and shall be effective as prescribed in s. ETF 8-03, Wis. Adm. Code 10.31.

ETF 10.33 MULTIPLE ACCOUNTS OR ACCUMULATIONS. An election filed pursuant to s. ~~40-85~~ 40.04 (7), Stats., shall be effective for all accounts and accumulations ~~of the benefit plan or plans specified on the form filed by the~~ of the participant ~~or member~~ except that for an annuitant who has variable accumulations from which no annuity is being paid, the effective date of an election shall be separately determined for the current annuity or annuities and for the variable accumulations from which no annuity is being paid.

ETF 10.34 RIGHTS OF BENEFICIARIES. Persons who are receiving or are eligible to receive benefits as beneficiaries of ~~members-or~~ participants under ch. ~~41-or-42~~ 40, Stats., shall be eligible to file an election to cancel variable participation pursuant to s. ~~40-85~~ 40.04 (7), Stats., ~~and this chapter.~~

ETF 10.35 WITHDRAWAL OF ELECTION FORM. An election to terminate variable participation cannot be cancelled or withdrawn after it has been received by the department and is subject to change only as prescribed by s. ~~40.85--(3)~~ 40.04 (7) (b), Stats.

SECTION 5. ETF 10.31 is created to read:

ETF 10.31 EFFECTIVE DATE OF ELECTION TO CANCEL VARIABLE PARTICIPATION.

Pursuant to s. 40.04 (7), Stats., an election to cancel variable participation shall be made on a form provided by the department and shall be effective, for future contributions, on the January 1 following receipt of the form by the department. A participant may further elect the transfer of variable annuity contribution accumulations to the fixed division on:

(1) An unconditional basis effective the January 1 following receipt of the election form by the department; or

(2) A conditional basis as follows:

(a) For annuitants, effective the first January 1 after receipt of the form by the department on which the condition under s. 40.04 (7) (a) 1, Stats., is satisfied.

(b) For all other participants, effective the first January 1 after receipt of the form by the department on which the condition under s. 40.04 (7) (a) 2, Stats., is satisfied.

NOTE: Chapters 40, 41 and 42, Stats., as they existed on December 31, 1981, were repealed and a new Chapter 40 was created effective January 1, 1982, by Ch. 96, Laws of 1981.

The rules contained in this order shall take effect as provided in s. 227.026

(1) (intro.), Stats.

Nov. 9, 1982
Date

Gary I. Gates
Gary I. Gates, Secretary
Department of Employee Trust Funds

FISCAL ESTIMATE WORKSHEET

1981 Session

Detailed Estimate of Annual Fiscal Effect
AD-MBA-22 (Rev. 11/80)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
Chs. ETF 8 & 10

Amendment No.

Subject

Termination of variable participation under ch. 40, Stats.

I. One-time Costs or Revenue Fluctuations for State and/or Local Government (do not include in annualized fiscal effect):

None

| II. Annualized Costs: Note: Treat fiscal costs like a "checkbook"; increased costs reduce available funds (-); decreased costs increase available funds (+). | Annualized fiscal impact on State funds from: | |
|--|---|---------------------------|
| | Increased Costs | Decreased Costs |
| A. State Costs by Category | | |
| Salaries and Fringes | \$ -- | \$ + |
| Staff Support Costs | -- | + |
| Other State Costs | -- | + |
| Local Assistance | -- | + |
| Aids to Individuals or Organizations | -- | + |
| TOTAL State Costs by Category | \$ - 0 | \$ + 0 |
| B. State Costs by Source of Funds | | |
| GPR | \$ -- | \$ + |
| FED | -- | + |
| PRO/PRS | -- | + |
| SEG SEG-S | -- | + |
| C. FTE Position Changes | Increased Pos. + (0) | Decreased Pos. - (0) |
| III. State Revenues-Complete this only when proposal will increase or decrease state revenues, such as taxes, license fees, etc. | Decreased Rev. | Increased Rev. |
| GPR Taxes | \$ -- | \$ + |
| GPR Earned | -- | + |
| FED | -- | + |
| PRO/PRS | -- | + |
| SEG/SEG-S | -- | + |
| TOTAL State Revenues | \$ - 0 | \$ + 0 |

Net Annualized Fiscal Impact on State & Local Funds

| State | Annual Increases | Annual Decreases | Local | Annual Increases | Annual Decreases |
|----------------------------------|---------------------|------------------|----------------------------------|---------------------|------------------|
| Total Costs | \$ - | \$ + | Total Costs | \$ - | \$ + |
| Total Revenues | + | - | Total Revenues | + | - |
| NET Impact on State Funds | \$ (+) or (-) | None | NET Impact on Local Funds | \$ (+) or (-) | None |

Agency
Department of Employee Trust Funds

Authorized Signature/Telephone No.

Signature 266-5804

Date

7/22/82

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Termination of variable participation under Ch. 40, Stats.

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation
or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

- Increase Costs — May Be Possible to Absorb
Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This order changes the effective date of an election to cancel variable participation under Ch. 40, Stats., for teachers to coincide with the January 1 effective date for all other participants of the Wisconsin Retirement System as required by Ch. 96, Laws of 1981. The other changes contained in this order are for housekeeping purposes to update rule language, statutory references, and to reorganize the rules more logically to correspond to the organization of Chapter 40, Stats., as created by Ch. 96, Laws of 1981.

We expect there will be no fiscal effect.

Long-Range Fiscal Implications

None

Agency

Department of Employee Trust Funds

Authorized Signature/Telephone No.

Shirley M. Bass 266-5804

Date

7-22-82



State of Wisconsin \ DEPARTMENT OF EMPLOYEE TRUST FUNDS

Gary I. Gates
Secretary

201 EAST WASHINGTON AVENUE
P.O. BOX 7931
MADISON, WISCONSIN 53707

November 9, 1982

IN REPLY REFER TO:

Gary Poulson, Assistant
Revisor of Statutes
411 West, State Capitol
Madison, WI 53702

RECEIVED

NOV 10 1982

Revisor of Statutes
Bureau

Dear Gary

Re Clearinghouse Rule No. 82-160

Enclosed is a Certificate and two copies of an Order Repealing, Renumbering, Amending and Creating Rules. A certified copy of this order has also been forwarded to the Secretary of State.

Sincerely

Diane M. Bass
Board Coordinator
(608) 266-5804

DMB/maj 2/c2
Enclosure