

CR 84-2

CERTIFICATE

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

RECEIVED
MAR 14 1984
10:30 am
Revisor of Statutes
Bureau

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 amendment and adoption of rules relating to the basic, supplemental and additional life insurance programs administered by the Department were duly approved by the Teachers Retirement, Wisconsin Retirement and Employee Trust Funds Boards and adopted by this department on March 13, 1984.

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 WHEREOF, I have here unto set my hand at 201 East Washington Avenue, in the City of Madison, this 13 day of March, 1984.

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

ORDER OF THE DEPARTMENT OF EMPLOYEE TRUST FUNDS
AMENDING AND ADOPTING RULES

To amend ETF 10.01 (1) and ETF 60.31 (1); and to create subchapter 5 of chapter ETF 60, relating to the basic, supplemental and additional life insurance programs administered by the Department of Employee Trust Funds.

Analysis Prepared by the Department of Employee Trust Funds

This order expands the definition of contract and clarifies what type of certification must be received by December 15 as required in s. ETF 60.31 (1).

Subchapter 5 of chapter ETF 60 provides an additional group life insurance plan for state and local government employees who are insured under the basic life insurance plan. In addition, the rule makes the supplemental life insurance plan, currently available only to state employees, available to employees of local units of government who have the basic life insurance plan and opt to offer it.

These rules interpret ss. 40.03 (6) (a) 1 and (b), 40.70 and 40.72 (10), Stats.

Pursuant to the authority vested in the secretary of the department of employee trust funds by s. 40.03 (2) (i), Stats., the secretary of the department of employee trust funds hereby amends and creates rules interpreting ss. 40.03 (6) (a) 1 and (b), 40.70 and 40.72 (10), Stats., as follows:

SECTION 1. ETF 10.01 (1) is amended to read:

ETF 10.01 (1) "Contract" means, for life insurance purposes, the contract for group life insurance ~~and for spouse and dependent life insurance, including any riders,~~ entered into with an insurer pursuant to under s. 40.03 (6) (a) 1 and (b), Stats.

SECTION 2. ETF 60.31 (1) is amended to read:

ETF 60.31 GROUP LIFE INSURANCE COVERAGE REQUIREMENT. (1) An employer who ~~resolves~~ has adopted a resolution to offer a group life insurance plan ~~in accordance with~~ under s. 40.70 (1) (a), Stats., shall certify to the department the total number of employes eligible for group life insurance coverage on the effective date of the resolution ~~together with the number of employes who have completed an application for coverage.~~ To verify that the 75% participation requirement established under s. 40.70 (2), Stats., has been satisfied, the employer shall indicate the number of employes who have completed an application for coverage. The resolution shall be effective on January 1 if the certification of the number of employes eligible and the number of employes applying for coverage is received by the department no later than the preceding December 15.

SECTION 3. Subchapter 5 of chapter ETF 60 is created to read:

Subchapter 5

SUPPLEMENTAL AND ADDITIONAL GROUP LIFE INSURANCE

FOR STATE AND LOCAL EMPLOYES

ETF 60.85 EFFECTIVE DATE. (1) Pursuant to s. 40.03 (6) (b), Stats., an additional group life insurance plan shall be available beginning July 1, 1984, to state employes insured under the basic group life insurance plan.

(2) Pursuant to s. 40.03 (6) (b), Stats., the supplemental group life insurance plan provided under s. 40.72 (10), Stats., and an additional group life insurance plan shall be available beginning July 1, 1984, to employes of an employer other than the state insured under the basic group life insurance plan if:

(a) The governing body of the employer adopts a resolution for coverage under this subchapter in the form prescribed by the department.

(b) A certified copy of the resolution in par. (a) is received in the department by March 15, 1984, for coverage to be available July 1, 1984.

(c) A certified copy of the resolution in par. (a) is received in the department by November 15 for coverage to be available the following January 1.

ETF 60.90 TERMINATION DATE. (1) The governing body of an employer other than the state may terminate either the additional or supplemental group life insurance coverage elected under s. ETF 60.85, or both, for all insured employes by adopting a resolution in the form prescribed by the department.

(2) A certified copy of the resolution in sub. (1) shall be received in the department by October 1 for termination to be effective the following January 1.

NOTE: Chapter ETF 60 requires a several new ~~form~~ forms. ~~This form is~~ These forms are available at no charge by contacting the department of employe trust funds.

The rules contained in this order shall take effect as provided in s. 227.026 (1) (intro.), Stats.

March 12, 1984
Date

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

FISCAL ESTIMATE
AD-MBA-23 (Rev. 11/82)

1983 Session

~~REVISIONS~~ / Adm. Rule No.
ETF 10.01(1), 60.31
60.85
Amendment No. if Applicable

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Supplemental and additional life insurance programs administered by the Department of
Employe Trust Funds

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 rule provides an additional group life insurance plan for state and local government employes who are insured under the basic life insurance plan. This additional coverage is entirely optional and the cost must be entirely borne by the employe.

In addition, the rule makes the supplemental life insurance plan available to employes of local units of government who have the basic life insurance and opt to offer it. The employer must pay a minimum of 20% of the premium to offer the coverage. Assuming 10% participation by employers in the supplemental plan the first year (1984-85), and the employer paying only 20% of the premium, the local employer costs are expected to be approximately \$40,000.

Long-Range Fiscal Implications

It is anticipated that the majority of the local units of government interested in offering these insurance plans will do so within the first 3 to 5 years. The total supplemental premium may reach \$1,000,000 with local units of government paying 20% of the premium or \$200,000 per year.

Agency/Prepared by: (Name & Phone No.)

Diane M. Bass 266-5804
Department of Employe Trust Funds

Authorized Signature/Telephone No.

Diane M. Bass 266-5804

Date

11/28/83

FISCAL ESTIMATE WORKSHEET

1983 Session

Detailed Estimate of Annual Fiscal Effect

AD-MBA-22 (Rev. 11/82)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

XXXXXXXXXXXX/Adm. Rule No.
 ERF 10.01 (1), 60.31
 60.85

Amendment No.

Subject
 Supplemental and additional life insurance programs administered by the Department of Employee Trust Funds
 I. One-time Costs or Revenue Fluctuations for State and/or Local Government (do not include in annualized fiscal effect): Trust Funds
 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	\$ - 40,000	\$ +
Total Revenues	+	-	Total Revenues	+	-
NET Impact on State Funds	\$ (+) or (-)	None	NET Impact on Local Funds	\$ (+) or (-)	40,000

Agency/Prepared by: (Name & Phone No.)

Diane M. Bass 266-5804

Authorized Signature/Telephone No.

Diane M. Bass 266-5804

Date

Dept. of Employee Trust Funds

11/28/83



State of Wisconsin \ DEPARTMENT OF EMPLOYEE TRUST FUNDS

March 13, 1984

Gary I. Gates
Secretary

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

IN REPLY REFER TO:

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

RECEIVED

MAR 14 1984

Revisor of Statutes
Bureau

Dear Gary

Re Clearinghouse Rule No. 84-2

Enclosed is a Certificate and two copies of an Order Amending and Adopting 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/a4