

CR 85-175

CERTIFICATE

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

RECEIVED

MAR 20 1986
L. J. J.
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 rule relating to converting accumulated unused sick leave to credits for payment of premiums for health insurance plans administered by the Department of Employee Trust Funds was duly approved by the Employee Trust Funds, Teachers Retirement, and Wisconsin Retirement Boards and adopted by this department on March 18, 1986.

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 hereunto set my hand at 201 East Washington Avenue, in the City of Madison, this 18th day of March, 19 86.

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

6-1-86

ORDER OF THE DEPARTMENT OF EMPLOYE TRUST FUNDS
ADOPTING A RULE

To create ETF 10.01 (1m) relating to converting accumulated unused sick leave to credits for payment of premiums for health insurance plans administered by the Department of Employee Trust Funds.

Analysis Prepared by the Department of Employee Trust Funds

This order defines the phrase "current basic pay rate" as it applies to accumulated unused sick leave which is converted to dollars and used to pay health insurance premiums. For most employees the "current basic pay rate" will be the hourly rate of pay the employe was earning at the time employment terminated or the employe goes on leave of absence.

This rule has no impact on small businesses.

This rule interprets s. 40.05 (4) (b), Stats.

Pursuant to the authority vested in the secretary of the department of employe trust funds by s. 40.03 (2) (i), Stats., the secretary of the department of employe trust funds hereby creates a rule interpreting s. 40.05 (4) (b), Stats., as follows:

SECTION 1. ETF 10.01 (1m) is created to read:

ETF 10.01 (1m) "Current basic pay rate" means:

(a) Unless otherwise provided by chapter 230, Stats., contractual agreements authorized under subch. V of chapter 111, Stats., or par. (b) or (c), the hourly rate, or its equivalent, excluding any overtime or supplementary compensation, at which the employe is paid at the time of termination of employment or at the time of death. For an employe on an approved leave of absence the "current basic pay rate" means the hourly rate, or its equivalent, the employe was paid prior to the commencement of the leave of absence. The

equivalent of the hourly rate of pay shall be obtained by dividing the employe's total earnings in a typical pay period, excluding any overtime or supplementary compensation, by the number of hours, excluding overtime hours, for which the employe is paid in that pay period. If the employe has received a pay adjustment during the twelve months preceding termination, death or leave of absence, other than a permanent change that is broadly applicable to the employes of that employer, or unless that change is the result of a significant change in the nature and duties and activities of that employe, then the equivalent of the hourly rate shall be the greater of the previous current basic pay rate prior to the pay adjustment or the final average earnings divided by 174.

(b) For an annuitant who becomes a participating employe subject to s. 40.22, Stats., within 3 years of the original date of termination, the greater of the current basic pay rate as established under par. (a) on the effective date of the original annuity or the current basic pay rate at the time of subsequent termination.

(c) For annuitants who become participating employes subject to s. 40.22, Stats., after more than 3 years from the original date of termination the current basic pay rate determined in accordance with par. (a) at the time of subsequent termination for sick leave accumulated after reemployment only. The conversion of sick leave accumulation in effect prior to reemployment shall be calculated by application of the current basic pay rate in effect prior to reemployment as determined under par. (a).

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

March 18, 1986
Date

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

FISCAL ESTIMATE
AD-MBA-23 (Rev. 11/84)

1985 Session

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

ERR or Bill No./Adm. Rule No.
ETF 10.01 (1m)
Amendment No. if Applicable

Subject
Conversion of accumulated sick leave for payment of State Group Health Insurance

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 proposed order defines the phrase "current basic pay rate" as it applies to accumulated unused sick leave which is converted to dollars and used to pay health insurance premiums. For most employes the "current basic pay rate" will be the hourly rate of pay the employe was earning at the time employment terminated or the employe goes on leave of absence.

This rule is primarily intended to deal with infrequent aberrations due to salary changes during the last three years of employment and upon return to work after beginning an annuity. It is expected that this rule will affect a limited number of participants each year and as such the fiscal impact is expected to be minimal.

Long-Range Fiscal Implications

None.

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

Diane M. Bass 266-5804
Dept. of Employee Trust Funds

Authorized Signature/Telephone No.

Diane M. Bass 266-5804

Date

10/29/85

FISCAL ESTIMATE WORKSHEET

1985 Session

Detailed Estimate of Annual Fiscal Effect
AD-MBA-22 (Rev. 11/84)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or BR No./Adm. Rule No. Amendment No.
ETF 10.01 (1m)

Subject

Conversion of accumulated sick leave for payment of State Group Health Insurance.

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.		
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 Minimal (-)		NET Impact on Local Funds	\$ (+) or None (-)	

Agency/Prepared by: (Name & Phone No.)
Diane M. Bass 266-5804
Dept. of Employee Trust Funds

Authorized Signature/Telephone No.
Diane M. Bass 266-5804

Date
10/29/85



State of Wisconsin \ DEPARTMENT OF EMPLOYE TRUST FUNDS

Gary I. Gates
Secretary

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

March 18, 1986

IN REPLY REFER TO:

Gary Poulson
Assistant Revisor of Statutes
Suite 904
30 West Mifflin Street
Madison, WI 53703

RECEIVED

MAR 20 1986

Revisor of Statutes
Bureau

Dear Gary:

Re: Clearinghouse Rule No. 85-175

Enclosed is a Certificate and two copies of an Order Adopting a Rule. A certified copy of this order has been forwarded to the Secretary of State.

Sincerely,

Diane M. Bass
Policy Analyst
(608) 266-5804

DMB/Td 4