

CR 86-47

CERTIFICATE

**RECEIVED**

JUL 9 1986  
8:30pm  
Revisor of Statutes  
Bureau

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

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 creation of a rule relating to reporting creditable service to the Wisconsin Retirement System for on-call, standby, extracurricular or other non-standard hours, were duly approved by the Employee Trust Funds, Teachers Retirement and Wisconsin Retirement Boards and adopted by this department on July 7, 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 7th day of July, 19 86.

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

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

To amend ETF 10.01 (1m) (a); and to create ETF 10.03 (7), relating to reporting creditable service to the Wisconsin Retirement System for on-call, standby, extracurricular or other nonstandard hours.

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Analysis Prepared by the Department of Employee Trust Funds

An increasing number of questions have arisen from Wisconsin Retirement System participating employers on how to report service and earnings for on-call, standby, extracurricular and other nonstandard hours. The creation of ETF 10.03 (7) clarifies that a participating employee's earnings for nonstandard service are always to be reported and contributions paid on the same basis as for any other earnings.

Creditable service for full-time participating employees who also perform nonstandard services would not be affected as they are already earning a full year of service, but for participating employees who work less than full-time or did not work during the entire calendar year, additional creditable service would be credited.

The amendment to the definition of "current basic pay rate" under s. ETF 10.01 (1m), which is created by Clearinghouse Rule 85-175 and which will be effective approximately June 1, 1986, as the result of the promulgation of another rule order, is needed to make the rule applicable to active employees. This rate of earnings is then used in the calculation to determine the amount of service reportable for on-call, standby, extracurricular and other nonstandard work hours.

Small businesses are not affected by this rule.

This rule interprets s. 40.02 (17), Stats.

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Pursuant to the authority vested in the secretary of the department of employee trust funds by ss. 40.03 (2) (i) and 40.02 (17), Stats., the secretary of the department of employee trust funds hereby amends and creates rules interpreting s. 40.02 (17), Stats., as follows:

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

ETF 10.01 (1m) (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 active employe or employe on an approved leave of absence the "current basic pay rate" means the hourly rate, or its equivalent, the employe is paid during the pay period or 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, on-call, extracurricular or supplementary compensation, by the number of hours, excluding ~~overtime~~ hours, such as overtime, on-call and extracurricular hours which are incidental to the primary employment, 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.

SECTION 2. ETF 10.03 (7) is created to read:

ETF 10.03 (7) (a) If a participating employe receives earnings for on-call, standby, extracurricular or other service which is incidental to the primary employment, earnings shall be reported and contributions paid on those earnings pursuant to s. 40.05, Stats. The number of hours determined by the employer and reported pursuant to this subsection shall be the quotient derived from dividing the compensation paid for such service during the annual earnings period by the participating employe's current basic pay rate.

(b) The employer shall maintain the necessary documentation to justify the basis upon which service is reported in applying the standards set forth in par. (a).

(c) In no event shall the number of hours under par. (a), combined with the hours under the primary employment, exceed creditable service of one year during the entire calendar year.

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

7/7/86  
Date

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

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

1985 Session

LRB or Bill No./Adm. Rule No.  
ETF 10.01 (1m) & 10.03 (7)  
Amendment No. if Applicable

ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

Subject  
Reporting Wis. Retirement System creditable service for non-standard hours.

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      Affected Ch. 20 Appropriations  
 GPR     FED     PRO     PRS     SEG     SEG-S

Assumptions Used in Arriving at Fiscal Estimate  
  
This proposed rule provides clarification and direction to Wisconsin Retirement System participating employers with regard to the reporting of service and earnings for on-call, standby, extra curricular or other non-standard hours. The wages received by a participating employee are always to be reported. Service is to be calculated and reported for all employees, but would only benefit an employee who works less than a full calendar year or less than full-time.  
  
It is expected that any fiscal effect will 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  
2/5/86

FISCAL ESTIMATE WORKSHEET

1985 Session

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

ORIGINAL  UPDATED  
 CORRECTED  SUPPLEMENTAL

CRB Bill No./Adm. Rule No. Amendment No.  
ETF 10.0 (1m) & 10.03 (7)

Subject: **Reporting Wis. Retirement System creditable service for non-standard hours.**

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 Costs	Annualized fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
Salaries and Fringes	\$ -	\$ +
Staff Support Costs	-	+
Other State Costs	-	+
Local Assistance	-	+
Aids to Individuals or Organizations	-	+
<b>TOTAL State Costs by Category</b>	\$ -	\$ +
<b>B. State Costs by Source of Funds</b>		
SPH	\$ -	\$ +
FED	-	+
PRO PRS	-	+
SEG SEG S	-	+
<b>C. FTE Position Changes</b>	Increased Pos. + ( )	Decreased Pos. - ( )
<b>III. State Revenues</b> 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	-	+
<b>TOTAL State Revenues</b>	\$ - 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	+	-
<b>NET Impact on State Funds</b>	S (+) or Insignificant (-)		<b>NET Impact on Local Funds</b>	S (+) or Insignificant (-)	

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

2/5/86



State of Wisconsin \ DEPARTMENT OF EMPLOYE TRUST FUNDS

Gary I. Gates  
Secretary

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

July 7, 1986

IN REPLY REFER TO:

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

RECEIVED

JUL 9 1986

Revisor of Statutes  
Bureau

Dear Gary:

Re: Clearinghouse Rule No. 86-47

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

Sincerely,

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

DMB/sb M/9  
Enclosures