

Chapter ETF 10

ADMINISTRATION

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ETF 10.01 Definitions. Words, phrases, and terms used in all ETF chapters which are not defined in this section shall have the meaning set forth in s. 40.02, Stats.:

(1g) “Active military service” and “active service,” as that term is used with reference to military service, including in s. 40.02 (15) (a) (intro.) and 1., (c) (intro.), 1. and 4., and (48m) (f), Stats., mean active duty military service in the armed forces of the United States, excluding:

(a) Service reported by the military as active duty for training purposes.

(b) Service as a cadet or student at a U.S. military service academy.

Note: This definition does not apply to the term “active service” used in reference to active performance of the duties of employment with a participating employer, as for example in s. 40.63 (1) (c) and (2), Stats.

Insofar as possible, the department relies on U.S. armed forces documents, such as the DD 214, the AGO53–55 series, NAVPERS 553, and GSA 6851, to identify periods of “active duty” and “active duty for training.”

(1h) “Administrative error” means a clerical mistake in copying or writing. The term also includes the unintentional omission of a number or factor in making a calculation or a mathematical miscalculation by a department employee or board staff. The term does not include an actual or alleged erroneous interpretation of applicable law, the giving of erroneous advice, or negligence on the part of an employee or agent of the department or member or agent of the board.

(1k) “Benefit approval date” is the date on which an application for a separation benefit, lump sum retirement benefit, or the payment of additional contributions, death benefit, or remaining guaranteed annuity payments in a lump sum, is finally approved for payment by the department. The date of final approval is the date recorded by the department in the voucher box on the “Single Sum Benefit Data,” form ET–7102, or the electronic equivalent, associated with the benefit payment in question.

Note: See “benefit approval date” in s. ETF 20.19 (2) (a), “date the application for a separation benefit is approved” in s. 40.25 (2), Stats., and reference to the month in which the payment of a benefit is approved in ss. 40.04 (4) (b) and (bm) and 40.73 (1) (a) and (2) (a), Stats.

(1m) “Current basic pay rate” means:

(a) Unless otherwise provided by ch. 230, Stats., contractual agreements authorized under subch. V of ch. 111, Stats., or par. (b) or (c), the hourly rate, or its equivalent, excluding any overtime or supplementary compensation, at which the employee is paid at the time of termination of employment or at the time of death. For an active employee or employee on an approved leave of absence the “current basic pay rate” means the hourly rate, or its equivalent,

and earnings. Reports and payments. Transmittal of initial OASDHI wage reports. Transmittal of OASDHI adjustment reports. Due dates. Debiting participant account to fund benefit. Late paid earnings. Late reporting charges and interest. Refund of excess contributions. Individual personal information. Transcript fees. Fee for search of historical records. Power of attorney. Guardianship requirements. Reasonable efforts to locate benefit payees. Invalid benefit applications and beneficiary designations. Receipt by the department. Response to requests.

lent, the employee 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 employee’s total earnings in a typical pay period, excluding any overtime, on-call, extracurricular or supplementary compensation, by the number of hours, excluding hours, such as overtime, on-call and extracurricular hours which are incidental to the primary employment, for which the employee is paid in that pay period. If the employee has received a pay adjustment during the 12 months preceding termination, death or leave of absence, other than a permanent change that is broadly applicable to the employees of that employer, or unless that change is the result of a significant change in the nature and duties and activities of that employee, 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 employee 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 employees 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).

(2) “Dependent” means:

(a) For life insurance purposes, an employee’s spouse and an employee’s unmarried child, including natural child, stepchild, adopted child and a child in an adoptive placement under s. 48.837 (1), Stats., who is dependent upon the employee for at least 50% of support and maintenance and who is:

1. More than 14 days of age, but under the age of 19,
2. Age 19 or over but less than age 25 if a full-time student,

or

3. Age 19 or older and incapable of self-support because of a physical or mental disability which is expected to be of long-continued or indefinite duration.

(b) For health insurance purposes, an employee’s spouse and an employee’s unmarried child who is dependent upon the employee or the employee’s former spouse for at least 50% of support

and maintenance. In this paragraph, "child" includes a natural child, stepchild, adopted child, child in an adoptive placement under s. 48.837 (1), Stats., and a legal ward who became a legal ward of the employee or the employee's former spouse prior to age 19, and who is:

1. Under the age of 19,
 2. Age 19 or over but less than age 25 if a full-time student,
- or
3. Age 19 or older and incapable of self-support because of a physical or mental disability which is expected to be of long-continued or indefinite duration.

(2m) "Earnings" under s. 40.02 (22), Stats., except as otherwise provided by federal regulations for OASDHI purposes, does not include payments made in lieu of welfare, payments made to reimburse welfare costs, or payments made as part of a work relief, general relief or public assistance program under ch. 49, Stats., unless employment is part of a training program to improve skills or increase employability and the employment satisfies the requirements under s. 40.22 (1), Stats.

(3) "Full calendar year" as used in s. 40.08 (8) (d) and (10), Stats., means the time period beginning on a given date and ending on the same date in the next year.

(3d) "Guardian" has the meaning given in s. 880.01 (3), Stats., and includes conservators appointed pursuant to s. 880.31, Stats.

(3h) "Inactive participant" means, for purposes of the teachers retirement board election under s. ETF 10.10, a participant who is neither a participating employee, as defined in s. 40.02 (46), Stats., nor an annuitant as defined in s. 40.02 (4), Stats.

(3i) "Maximum voluntary contribution" means the total amount eligible under section 415 (c) of the internal revenue code to be contributed to the Wisconsin retirement system in a calendar year by or on behalf of a participating employee, less all benefit adjustment contributions and required and employer-paid additional contributions which are includable in the limits of section 415 (c) of the internal revenue code, as determined by the department.

Note: A worksheet to assist the employee to estimate his or her maximum voluntary contribution is available from the department of employee trust funds at no charge.

(3m) "Medical record" includes medical evaluation, diagnosis, prognosis, rehabilitation potential, medication, treatment, diet, limitations on activities, symptoms, general physical or mental condition, x-rays, lab tests or results, or any communication or information related to the health, medical, surgical, dental, optometric, chiropractic, podiatric or hospital care or condition of a participant or the spouse or dependent of the participant.

(3p) "Monthly compensation" means, for purposes of s. 40.19 (4) (g), Stats.:

(a) Where the compensation is paid on a weekly basis, the amount computed by multiplying the employee's basic weekly pay rate by 4.3333.

(b) Where the compensation is paid on a biweekly basis, the amount computed by multiplying the employee's basic biweekly pay rate by 2.1666.

(3s) "Public school" means, for purposes of s. 15.165 (3) (a) 1., Stats., a cooperative educational service agency established under ch. 116, Stats., a county children with disabilities education board established under s. 115.817, Stats., and any school supported wholly or in part by public funds which is under the control and management of the state of Wisconsin or any subdivision of the state of Wisconsin and which is empowered by law to employ teachers; but does not mean the university of Wisconsin system, any school in the city of Milwaukee, a state agency or a vocational, technical and adult education district.

(3t) "Reinstate," for purposes of s. 40.25 (5) (a), Stats., means to restore a discharged employee to the previously held position, or a like position, with the participating employer, at the same pay and benefit level to which the employee would have been entitled

if the employment had not been interrupted by the discharge. The court order, arbitration award or compromise settlement must direct that the disputed termination be expunged and the employee made whole with respect to all wages and benefits that the employee would have received if continuously employed by the participating employer under the conditions in effect prior to the disputed termination, except that the court order, arbitration award or compromise settlement may direct that back wages paid for the period of discharge be reduced by amounts earned from other sources and may identify a period of disciplinary suspension for which wages and benefits are not paid.

(3w) "Salary index" means, for purposes of s. 40.26, Stats., for years prior to 1982, 5%.

(4) "School system" includes, for life insurance purposes, any public entity whose primary purpose is education.

(4m) "School year" means, for purposes of s. 40.02(3), Stats., the period beginning July 1 and ending the following June 30.

(5) "Student" means, for insurance purposes, a person, who is enrolled in an institution which provides a schedule of courses or classes and, whose principal activity is the procurement of an education. Full-time student status shall be defined by the institution in which the student is enrolled and shall include any usual vacation period if the child was a full-time student at the end of the previous term.

(6) "Summer vacation" means the time between the end of the regular school term of the school system in which the employee was last employed and the beginning of the next regular school term of that system.

(7) "Three continuous years of creditable service" for purposes of s. 40.25 (6) (a) 1. and (7) (a) 2., Stats., means an uninterrupted period of 3 complete annual earnings periods during each of which the participant earned some creditable current service. A period of continuous creditable service is considered interrupted if the participating employee is terminated from employment covered by the Wisconsin retirement system for a period of more than 90 calendar days. Service associated with contributions which have been debited to fund a benefit may not be applied toward continuous creditable service.

(8) "Valid qualified domestic relations order" or "valid QDRO" means a court order to divide a participant's Wisconsin retirement system account or annuity which is determined by the department to satisfy all the criteria of s. 40.02 (48m), Stats., and section ETF 20.35.

(9) "Widow or widower" means the spouse to whom the deceased was married at the time of death. For purposes of determining a beneficiary under s. 40.02 (8) (a) 2., Stats., a judgment, order or decree of divorce or an annulment of the marriage terminates the marital relationship, but a legal separation does not, unless and until converted to a divorce.

History: Cr. Register, February, 1983, No. 326, eff. 3-1-83.; r. and recr. (intro.), am. (2) (intro.), cr. (3m), Register, June, 1983, No. 330, eff. 7-1-83.; cr. (3w), Register, December, 1983, No. 336, eff. 1-1-84.; cr. (3h) and (3s), Register, March, 1984, No. 339, eff. 4-1-84.; am. (1), Register, April, 1984, No. 340, eff. 5-1-84.; emerg. cr. (4m), eff. 1-1-85.; cr. (4m), Register, March, 1985, No. 351, eff. 4-1-85.; cr. (2m), Register, October, 1985, No. 358, eff. 11-1-85.; cr. (1m), Register, May, 1986, No. 365, eff. 6-1-86.; am. (1m) (a), Register, August, 1986, No. 368, eff. 9-1-86.; r. (1) and (3), Register, September, 1986, No. 369, eff. 10-1-86.; r. and recr. (2), Register, January, 1987, No. 373, eff. 2-1-87.; cr. (3p), Register, March, 1987, No. 375, eff. 4-1-87.; cr. (3), Register, June, 1992, No. 438, eff. 7-1-92.; cr. (1g), Register, September, 1992, No. 441, eff. 10-1-92.; cr. (3d), Register, October, 1992, No. 442, eff. 11-1-92.; cr. (7), Register, June, 1995, No. 474, eff. 7-1-95.; cr. (3i), Register, December, 1996, No. 492, eff. 1-1-97.; cr. (3t), Register, July, 1997, No. 499, eff. 8-1-97.; cr. (8) and (9), (1h) renum. from ETF 11.02 (1), Register, July, 1999, No. 523, eff. 8-1-99.; corrections in (3s) made under s. 13.93 (2m) (b) 6. and 7., Stats., Register, July, 1999, No. 523; **CR 00-022; cr. (1k), Register July 2001, No. 547 eff. 8-1-01.**

ETF 10.03 Creditable service. (1) For annual earnings periods beginning on or after January 1, 1985, each participating employer shall determine and report service in hours for each participating employee in the manner prescribed in this section. Earnings which are paid to a teacher, as defined in s. 40.02 (55), Stats., who has contracted to receive such payments on either a 9 or 10 month contract basis, and which are paid after the beginning of a

school year, as defined in s. ETF 10.01 (4m), for services rendered in the preceding school year, are deemed to be received by the teacher on June 30 of the preceding school year for purposes of reporting service to the department.

(2) The full-time equivalent of one day of service is 8 hours. If an employer has established workdays of other than 8 hours as full-time employment for some or all of its employees, the number of hours to be reported within a reporting period is determined by the participating employer by dividing the number of hours for which earnings are paid to the employee in the reporting period by the number of hours which would have been worked in that reporting period by a regular full-time employee of that employer in the same kind of employment and multiplying the result by 40 times the number of weeks and fractions of a week in the reporting period.

(3) For purposes of s. 40.02 (17), Stats., the full-time equivalent of one year of creditable service for a teacher, as defined in s. 40.02 (55), Stats., who is not an executive participating employee, as defined in s. 40.02 (30), Stats., is 1,320 hours and for all other participating employees the full-time equivalent of one year of creditable service is 1,904 hours.

(4) When a participating employee receives earnings from the same participating employer for employment in more than one of the categories under s. 40.23 (2) (b), Stats., then the following tests shall be applied by the participating employer when service and earnings are reported:

(a) If employment in each of the categories meets the requirements of s. 40.22, Stats., by itself then the earnings and service shall be reported separately for each category.

(b) If employment in any one category meets the requirements of s. 40.22, Stats., and all other employment does not, then earnings and service shall be added to and reported under the one category which meets the eligibility requirements of s. 40.22, Stats.

(c) If employment in more than one category meets the qualifying requirements of s. 40.22, Stats., and all other employment does not, then earnings and service for employment in those categories which do not meet the qualifying requirements of s. 40.22, Stats., shall be added to and reported under:

1. That qualifying category in which the greatest number of hours is worked, or

2. The lowest numbered subdivision under sub. (5) (b) if the greatest number of hours worked is equal in 2 or more qualifying categories.

(d) If employment in none of the categories meets the requirements of s. 40.22, Stats., separately, but those requirements are met when the employment is added together then earnings and service shall be added to and reported under:

1. That category in which the greatest number of hours is worked, or

2. The lowest numbered subd. under sub. (5) (b) if the greatest number of hours worked is equal in 2 or more categories.

(5) (a) Fractions of an hour shall be rounded to the nearest hour prior to crediting and if the fraction is one-half hour then the hours credited shall be rounded up to the next whole number.

(b) If the total number of hours reported for an employee within an annual earnings period exceeds the applicable number specified in sub. (3) service shall be allocated and credited in the following sequence:

1. Service as a protective occupation participant not subject to Titles II and XVIII of the federal social security act whose formula rate is determined under s. 40.23 (2m) (e) 4., Stats.

2. Service as a protective occupation participant subject to Titles II and XVIII of the federal social security act whose formula rate is determined under s. 40.23 (2m) (e) 3., Stats.

3. Service as an executive participating employee whose formula rate is determined under s. 40.23 (2m) (e) 2., Stats.

4. Service as an elected official whose formula rate is determined under s. 40.23 (2m) (e) 2., Stats.

5. Service as a teacher whose formula rate is determined under s. 40.23 (2m) (e) 1., Stats.

6. Service of a type not covered under subs. 1. to 5.

(c) The earnings shall be reported and credited in full without regard to any allocation of creditable service under par. (b).

(6) (a) For local elected officials who are participating employees, but serving in positions not considered full-time by the local unit of government, the amount of service shall be determined and reported by the employer as follows:

1. For employment which is essentially ministerial in nature, the number of hours reported shall be the actual number of hours for which the employee is paid if a regular work schedule has been established. If there is no regular work schedule, the number of hours reported may not be greater than the quotient derived from dividing the compensation paid during the reporting period by 2 times the minimum hourly wage rate established by the federal fair labor standards act for non-agricultural employment.

2. For members of governing bodies or other policy-making groups, the number of hours reported shall be the number of hours in actual attendance at meetings of the governing body, the policy-making group or any sub-group thereof and a reasonable amount of time spent in preparation for such meetings, but in no event shall the number of hours determined to have been spent in preparation time exceed twice the number of hours actually spent at the meetings.

(b) In applying the standards set forth in par. (a), it is the responsibility of the local unit of government to maintain the necessary documentation to justify the reasonableness of the basis used in reporting service for local elected officials.

(c) The department may consider other factors in granting creditable service to local elected officials where circumstances warrant and when satisfactory supporting information is provided.

(7) (a) If a participating employee 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 employee'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.

Note: This rule requires a new form which will replace several existing forms. These forms are routinely provided by the department at no charge to reporting officials required to use them.

History: Emerg. cr. eff. 1-1-85; cr. Register, March, 1985, No. 351, eff. 4-1-85; cr. (7), Register, August, 1986, No. 368, eff. 9-1-86.

ETF 10.05 Creditable service for Milwaukee teachers. Creditable service for Milwaukee teachers shall be granted for teaching services performed for governmental agencies other than the city of Milwaukee pursuant to ss. 42.70 (2) (s), 42.78 (1) (a), 42.81 and 42.91, 1979 Stats., only if the requirements in subs. (1) to (6) are satisfied:

(1) The teacher was a member, as defined in s. 42.70 (2) (k), 1979 Stats., of the former Milwaukee teachers retirement fund on August 31, 1958, has not received a separation benefit since that date and the teaching service for which creditable service is requested was prior to September 1, 1958.

(2) The participant has 10 or more years of teaching service in the city of Milwaukee and the outside teaching credit granted, when added to the participant's separate, combined and formula

teaching service in the city of Milwaukee, does not exceed 35 years for benefit computation purposes. If at the time of a benefit computation the total service exceeds 35 years, any payment made previously for outside teaching service including interest which cannot be used shall be transferred to the additional contributions of that participant.

(3) The participant applies in writing for the outside teaching credit giving pertinent details on when, where and for whom the outside teaching service was performed.

(4) The outside teaching service is verified by the school district, successor school district or public retirement plan.

(5) The applicable public retirement plan certifies to the department that the participant is not entitled to any benefit, absolute, contingent or otherwise, from that retirement plan as a result of the teaching service.

(6) The participant makes the contributions which would have been required if the service to be credited had been subject to s. 42.80, 1979 Stats., at the time the teacher became a member, as defined in s. 42.70 (2) (k), 1979 Stats., of the former Milwaukee teachers retirement fund, or if later, at the time the teacher returned to covered Milwaukee teaching after the period of outside teaching. The amount due shall be increased with interest at the effective rate, as defined in s. 40.02 (23), Stats., as though the contributions were in the fund on September 1, 1959.

History: Cr. Register, June, 1983, No. 330, eff. 7-1-83; am. (2), Register, September, 1983, No. 333, eff. 10-1-83; correction in (1) and (6) made under s. 13.93 (2m) (b) 7., Stats., Register, July, 1994, No. 463.

ETF 10.07 Leave of absence. (1) A person on a paid leave of absence from a position in which the person was a participating employee shall continue to qualify as a participating employee.

(2) Service shall be determined and reported by the employer in the following manner:

(a) If the compensation paid during the leave of absence is less than the earnings paid during the participant's immediately preceding service with that employer in a time period of the same length as the leave, then the service shall be computed by dividing the compensation paid during the leave by the earnings paid in that preceding period and multiplying the result by the service reported for that preceding period.

(b) If the compensation paid during the leave of absence is equal to or greater than the earnings paid during the participant's immediately preceding service with that employer in a time period of the same length as the leave, then the service reported shall be the same as in that preceding period.

(3) Compensation paid during a paid leave of absence shall be treated the same as earnings for purposes of ch. 40, Stats.

Note: This rule requires a new form which will replace several existing forms. These forms are routinely provided by the department at no charge to reporting officials required to use them.

History: Cr. Register, March, 1985, No. 351, eff. 4-1-85.

ETF 10.08 Separation from employment. (1) SCOPE.

(a) This section defines separation of employment under s. 40.23 (1) (a) 1., Stats., for purposes of establishing eligibility to receive benefits from the Wisconsin retirement system, including separation benefits, lump sum benefits and retirement annuity benefits as provided by ss. 40.23, 40.24 and 40.25, Stats. For purposes of the Wisconsin retirement system, the terms "separation from employment" and "termination" are used interchangeably. An otherwise valid termination may become void and without effect as the result of reinstatement of the employee under s. 40.25 (5), Stats., and s. ETF 10.01 (3t), or because the employee received remedial payments deemed to be earnings under s. ETF 20.12 for a period in question, and shall thereby be treated as employed during that period.

(b) The effective date of disability annuity benefits shall be determined as provided by ss. 40.23 (1) (b) and (bm) and 40.63 (8) (intro.) and (f), Stats.

(2) TERMINATION OF EMPLOYMENT. (a) No person may receive any retirement annuity, separation benefit or lump-sum payment from the Wisconsin retirement system without first terminating from his or her current participating employment with all participating employers. Whether the termination is a voluntary termination by the employee or an involuntary termination by the employer, the employer and employee shall act with the good-faith intent of ending the employee-employer relationship.

(b) Termination from participating employment occurs when all of the following conditions are met:

1. The employee ceases to render compensable personal services to or on behalf of the employer, and the employer has no further rights to any future services from the employee for which the employee [has received or] will receive compensation. This paragraph does not apply to services rendered as a part-time elected official after the effective date of a participant's waiver of [WRS coverage for] part-time elected service under s. 40.23 (1) (am), Stats.

2. If the employee's termination is voluntary, the employee and employer comply with the employer's policies for voluntary termination, including the filing of a letter of resignation if applicable.

3. As of the end of the day that participating employment terminates, the employee has no rights to any future compensable employment that meets the qualifications for inclusion under the Wisconsin retirement system provided under s. 40.22, Stats. A right to future compensable employment includes, but is not limited to, a contract for future employment with any participating employer, or having already been elected as of the termination date to a term of public office meeting the qualifications for participating employment, which term commences on or after the date of termination of employment, other than a term of public office as a part-time elected official for which the participant has waived WRS coverage under the provisions of s. 40.23 (1) (am), Stats.

Note: This subd. shall not preclude employees of any WRS participating employer from expressing willingness or interest in providing compensable services at some time in the future. For example, retiring judges would not be precluded from expressing interest in serving as a reserve judge after terminating employment.

4. Upon termination of employment the participant is treated consistently with the status of a former employee. This includes, but is not limited to the terminated employee no longer being eligible for benefits available only to active employees. Examples of such benefits may include health, life insurance, income continuation insurance coverage, making deferred compensation or tax-sheltered annuity contributions, worker's compensation coverage, internal grievance, promotion or transfer rights, or rights available to active employees under a collective bargaining agreement. This subd. shall not apply to benefits that may be available to the employer's retired employees, such as severance pay, post-retirement insurance coverage and/or employer payment of premiums, or post-retirement benefits or other rights provided through collective bargaining or other retirement agreements. However, agreements made after the termination date for future compensable services to be rendered by the employee would not be precluded under subd. 3.

5. Immediately upon termination of employment, the participant has no authority to act as a representative of the employer in any capacity or to exercise any authority or control over other employees of the employer, and the employer has no responsibility or liability for any actions of the terminated employee. This subd. shall not apply to employees of any WRS participating employer who provide services for which they have not and will not receive compensation of any kind, including but not limited to payment at some other time or compensatory paid leave.

Example: Emeritus professors could render services for the university after termination for which they would not receive any form of compensation.

6. As of the termination of employment the employer has paid to the employee any accumulated benefits that similarly situated employees of that employer customarily receive upon termination of employment, including but not limited to accumulated vaca-

tion, compensatory time and sick leave, and the employee has no entitlement to any such remaining benefits.

(c) In order to receive a benefit under s. 40.23 or 40.25, Stats., a person terminated from participating employment on or after July 1, 1996, shall remain terminated from all employment meeting the qualifications for inclusion under s. 40.22, Stats., throughout a period beginning with the date of termination from all participating employment and ending on the latest of the following dates:

1. The day after the date which would be the effective date of the annuity as determined in accordance with s. 40.23 (1) (b) and (bm), Stats., as applicable to the annuity in question.

2. The thirty-first day after the benefit application is received by the department as provided in s. 40.23 (1) (a), Stats.

3. The thirty-first day after termination of employment in accordance with this section.

(d) For purposes of determining whether employment meets the qualifications under s. 40.22, Stats., the exclusion of s. 40.22 (2) (L), Stats., does not apply unless the person has met all qualifications for entitlement to an annuity, including termination from participating employment for the period specified in par. (c) 1., 2. and 3. Payment of an annuity or other benefits in error does not qualify a person as an annuitant for purposes of s. 40.22 (2) (L), Stats.

Note: Refer to s. ETF 20.02 (2).

(3) DETERMINING THE DATE OF TERMINATION. (a) The employer shall make the initial determination that an employee has terminated from employment under this section. Except as provided under par. (b), (c) or (d) the date of termination shall be the earliest of the dates determined under all the following applicable subdivisions:

1. The date an unpaid leave of absence expires, if the employer-employee relationship is terminated because the employee fails to return to work following an unpaid leave of absence granted by the employer.

2. The date 3 years after an unpaid leave of absence began, in accordance with s. 40.02 (40), Stats. This subdivision does not apply to a military leave or union service leave.

3. The effective date that the employer discharges the employee, other than as provided in subd. 1.

4. The effective date that the employer determines that the employer-employee relationship terminates, except that the effective date of the termination cannot be earlier than the date on which the employer notifies the employee of the termination.

5. The last date for which the employee receives earnings for personal services rendered to or on behalf of the employer. If the employer has granted an unpaid leave of absence for a period of time after this date, this subdivision does not apply.

6. The date on which the employee's voluntary resignation is effective as accepted by the employer or, if later, the date on which the employer receives the employee's notice of resignation.

7. The date of the employee's death.

(b) Any report of a termination is subject to review by the department. Notwithstanding par. (a), the department is not bound by an employer's report and may determine a different termination date in accordance with this section and s. 40.02 (26), Stats., upon evidence satisfactory to the department.

(c) Except as expressly provided by law, no termination may be effective retroactive to a date earlier than the date on which the employee or employer notifies the other of the decision to terminate the participant's employment.

Note: See ss. ER 18.14 (4) and 21.03 (2) concerning termination retroactive to the date the leave of absence expired.

(d) No termination date may predate the last date for which the employee receives earnings for personal services rendered to or on behalf of the employer, except as provided in sub. (2) (b) 1., and except that operation of s. 40.29, Stats., does not preclude ter-

mination of an employee prior to the expiration of a period for which the employee receives temporary disability compensation under s. 102.43, Stats.

History: Cr. Register, June, 1998, No. 510, eff. 7-1-98.

ETF 10.10 Employee trust funds board and teachers retirement board elections. (1) The purpose of this section is to set forth procedures for all elections of participating employees and annuitants to the employee trust funds board or the teachers retirement board, pursuant to ss. 15.16 (1) (d) and (f), 15.165 (1) and (3) (a) 1., 2., 6. and 7., and 40.03 (2) (p), Stats. Except where noted otherwise, the procedures established in this section shall apply for elections to either the employee trust funds board or the teachers retirement board.

(1m) In this section:

(a) "Annuitant" has the meaning given in s. 40.02 (4), Stats.

(b) "Election category" means the class of participating employees or annuitants who are eligible under s. 15.16 (1) (d) or (f), or 15.165 (3) (a) 1., 2., 6. or 7., Stats., to vote to elect a member to the employee trust funds board or the teachers retirement board.

(c) "Participating employee" has the meaning given in s. 40.02 (4), Stats.

(d) "Teacher" has the meaning given in s. 40.02 (55), Stats.

(2) The secretary shall schedule an election when the term for an elective board position on the employee trust funds board or the teachers retirement board is due to expire or is vacated due to resignation, death or for any other reason. When a term is due to expire, the secretary shall schedule the election to assure that the election is completed and the new board member announced prior to the date the new term commences. If an elective board position is vacant for any reason other than the term expiring, the secretary shall schedule an election at a time determined by the secretary. The annuitant or participating employee elected in an election to fill a position vacated prior to the end of a term shall serve the remainder of the unexpired term.

(3) Annuitants or participating employees shall be eligible to vote if they are an annuitant or participating employee in the election category for which the election is being held and meet the other voting eligibility requirements set forth in this section at the time ballots are printed for distribution to employers or annuitants and the department has record of their eligibility.

(4) For a teacher employed in more than one employment location within an election category specified under s. 15.165 (3) (a) 1. or 2., Stats., the department shall send a ballot to only one location as determined by the department. For a teacher concurrently employed by both a public school and a technical college system district, the department shall send a ballot to both locations, and the teacher shall be eligible to vote in both categories specified under s. 15.165 (3) (a) 1. and 2., Stats.

(6) Participating employees of the state department of public instruction; state department of health and family services; state technical college system; and the state educational communications board, who are classified as teachers under the Wisconsin retirement system, are not employed by a public school or a technical college system district and may not vote in any election to elect a teacher to serve on the teachers retirement board.

(7) Any participating employee or annuitant satisfying the eligibility requirements of s. 15.165 (3) (a) 1., 2., 6. or 7., Stats., on the date he or she files nomination papers with the department and who plans to continue meeting the eligibility requirements when assuming office, if elected, may be nominated for election to the teachers retirement board or any annuitant meeting the eligibility requirements of s. 15.16 (1) (d), Stats., or any participating employee meeting the eligibility requirements of s. 15.16 (1) (f), Stats., on the date he or she files nomination papers with the department and who plans to continue meeting the eligibility requirements when assuming office, if elected, may be nominated for election to the employee trust funds board by satisfying the

requirements of pars. (a) to (c) within the calendar dates established by the department. The department shall publish notice of the election, the nomination timetable and instructions for prospective candidates in the department's newsletter. Prospective candidates may obtain nomination petition forms from the department. A candidate shall do all of the following:

(a) Submit to the department a nominating petition, which shall contain at least 25 but no more than 50 valid signatures of participating employees or annuitants eligible to vote in that election, indicating the name and address of the signer's employer, the signer's social security number and the date signed. For annuitants, the name and address of the signer's employer shall be that of the signer's last participating employer in the Wisconsin retirement system, if the candidate is seeking election to the employee trust funds board, or the signer's last public school or technical college system school employer, if the candidate is seeking election to the teachers retirement board. If more than 50 signatures are submitted, the department shall review for validity only the first 50 signatures based on the earliest date signed and disregard the balance.

(b) Certify that the signers are, to the best of the candidate's knowledge, eligible to vote in the election category for which the candidate is running.

(c) Submit to the department biographical or other information containing no more than 100 words. The department shall print no more than the first 100 words of the candidate's information and send it to eligible voters with the ballots.

(8) The department shall print ballots with the candidates' names in alphabetical order and shall include, when the ballots are distributed, instructions for marking the ballot and the deadline for its return. For elections in which participating employees may vote, the department shall send each employer one ballot individually labeled with the participating employee's name for each participating employee in the election category for which the election is being held who is employed by the employer and whose position is known to the department. A distribution list, prepared by the department and containing the names of participating employees for whom ballots are included, shall accompany the ballots. The department shall require employers to verify, by signing the distribution list, that the employer distributed the ballots within 30 days of the date they were mailed by the department. The employer shall indicate on the distribution list which ballots could not be distributed and shall return the undistributed ballots. For annuitant elections, the department shall send a ballot directly to each annuitant who is eligible to vote in that election at the last home address the department has on file.

(9) All voters shall certify their eligibility to vote in the appropriate election category by signing the ballot and returning it in an envelope.

(10) The teachers retirement board shall appoint an election committee that shall consist of the secretary of the department or the secretary's designee and 2 teachers retirement board members not running for reelection to determine the election results. The employee trust funds board shall appoint an election committee which shall consist of the secretary of the department or the secretary's designee and 2 employee trust funds board members who are not running for reelection to determine the election results. A majority of the election committee appointed by the respective boards shall determine the validity of ballots set aside by the department and certify the election results.

(11) The department shall review each ballot by checking the signature against the name on the ballot. The department shall set aside ballots that it believes may be invalid under pars. (a) to (d) for review by the election committee. The election committee shall deem a ballot invalid if any of the following apply:

- (a) The signature is not the same as the name on the ballot.
- (b) The ballot is not signed.

(c) Too many candidates have been voted for on the ballot.

(d) A ballot is so defective that the committee cannot determine with reasonable certainty for whom the ballot was cast.

(e) The ballot contains the name of a write-in candidate.

(12) If the number of candidates who file nomination papers is equal to or less than the number of positions to be filled within an election category, the department shall not schedule an election and the election committee shall declare all candidates to be elected.

(13) If there is more than one teachers retirement board position to be filled in an election category and an election is held, voters may vote for as many candidates, in the appropriate election category, as there are positions to be filled.

(15) Candidates receiving the largest number of votes shall be elected. The election committee shall break a tie by the drawing of lots. The counting of ballots shall be conducted under the direction of the secretary or his or her designee.

(16) For elections scheduled because a term is due to expire, the department shall notify all candidates of the results before May 1 following the close of the election. If the department calls an election for any reason other than the expiration of a term, the department shall notify all candidates of the results of the election within 15 days of the close of the election.

(17) The department shall retain nominating petitions and ballots for 45 days from the date the candidates are notified in sub. (16). If a candidate wishes to request a recount, the candidate shall submit the request to the department within 30 days of the date the candidates are notified of the election results. A recount shall be conducted under the direction of the secretary or his or her designee.

History: Cr. Register, March, 1984, No. 339, eff. 4-1-84; r. (5) and am. (7) (intro.), Register, January, 1985, No. 349, eff. 2-1-85; am. (10), Register, September, 1992, No. 441, eff. 10-1-92; am. (1) to (7) (a), (7) (c) to (11) (b), (d), (12), (13) and (15) to (17), cr. (1m) and (11) (e), r. (14), Register, April, 1993, No. 448, eff. 5-1-93; corrections made under s 13.93 (2m) (b) 6., Stats., Register, July, 1997, No. 499; am. (1), (1m) (b) and (7) (intro.), Register, December, 2000, No. 540, eff. 1-1-01.

ETF 10.12 Separate retirement system participation in the retirement trust fund.

The governing body of the separate retirement system may request participation in the retirement trust fund by the adoption of a resolution accepting the provisions of this section in a form approved by the department. A certified copy of the resolution shall be forwarded to the department and participation shall be effective on the first day of the month following board approval of the resolution under s. 40.03 (1) (n), Stats. Funds may be delivered or sent to the department subject to the following:

(1) DEPOSITS. (a) Deposits shall be made in accordance with instructions issued by the department.

(b) The separate retirement system may designate any portion of its deposit for investment in the variable retirement investment trust. Deposits shall be invested in the fixed retirement trust unless otherwise designated.

(c) The separate retirement system shall provide the department 30 days advance notice of any deposit in excess of \$10 million. This requirement may be waived by the secretary.

(d) Deposits to the fixed and variable retirement investment trusts shall be accepted on the first working day of the month only. Funds received after the first working day of the month shall be transferred by the department to the local government investment pool as defined in s. 25.50, Stats., until the first working day of the next month.

(2) VALUATIONS. A separate retirement system's investments shall be as follows:

(a) A separate retirement system's proportionate ownership share of the fixed or variable retirement investment trust at the time of the system's original deposit shall be calculated as the ratio

of that system's deposit to the current market value of the trust fund including that system's deposit.

(b) The current market value of the fixed and variable retirement investment trusts shall be determined as of the last day of each month.

(c) Each separate retirement system's investment shall be adjusted to current market value as of the last day of each month. The current market value of each system's investment shall be calculated as the total value of the trust fund as of the last day of the month times the system's proportionate ownership share in the fund as of the first day of that month.

(d) Each separate retirement system's proportionate ownership share in the fixed or variable investment trusts as of the first day of a month shall be calculated as the ratio of the current market value of that system's investment as of the last day of the previous month, plus any deposits and minus any withdrawals made by that system as of the first day of the new month, to the current market value of the total fund as of the last day of the previous month, plus all deposits and minus all withdrawals made by any system as of the first day of the new month.

(e) Each participating separate retirement system shall be given 6 months advance notice of any changes in the method of valuing investments or calculating proportionate ownership shares, unless an earlier effective date for the changes is mandated by statute. A participating separate retirement system may waive this notice requirement.

(f) The costs of administering and investing the assets shall be charged directly against the investment earnings monthly.

(3) REPORTS. The department shall provide, at least quarterly, each separate retirement system a report showing all transactions in its account during the preceding quarter and the current value of the system's investment.

(4) WITHDRAWALS. (a) Requests for withdrawal of funds shall be on a form prescribed by and in accordance with instructions issued by the department.

(b) The separate retirement system shall provide the secretary no less than 21 days advance notice of any withdrawal.

(c) Withdrawals by a separate retirement system shall be limited in any calendar month to one withdrawal paid on the first working day of the month of the greater of:

1. 5% of the system's balance on deposit ~~or~~ as was last calculated by the department,
2. \$2 million, or
3. Such other amount as the secretary, after consulting with respect to each withdrawal with the executive director of the state of Wisconsin investment board, determines may be withdrawn without necessitating the premature liquidation of any investment or imprudently reducing cash holdings of the trust fund or otherwise causing actual harm to the participants of the Wisconsin retirement system who have a beneficial interest in the trust fund and its earnings.

(e) If a separate retirement system's balance on deposit drops below \$2 million, that system's investment shall be refunded and the account closed.

Note: Section ETF 10.12 requires a form which is available at no charge by contacting the department of employee trust funds.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; am. (2) (e) and (f), Register, December, 1990, No. 420, eff. 1-1-91; am. (4) (b) and (c) and r. (4) (d), Register, June, 1998, No. 510, eff. 7-1-98.

ETF 10.15 Annuity reserves. The amounts credited to and the liabilities of the reserves for annuities granted shall be determined by the actuary on the basis of separate male-female experience with adjustments as necessary to reflect actual and projected experience of participants under the retirement system and not on the basis of the combined male-female experience used in individual benefit computations.

History: Renum. from ETF 7.07 and am. Register, December, 1983, No. 336, eff. 1-1-84.

ETF 10.20 Approval of group insurance plans for state employees. (1) In addition to group insurance plans specifically provided in ch. 40, Stats., and pursuant to s. 20.921 (1) (a) 3., Stats., the group insurance board shall approve or disapprove group insurance plans for which payment of premiums is made through payroll deductions.

(a) The group insurance board shall determine, after notice and hearing, whether the group insurance plan fulfills an important coverage need through consideration of, but not limited to, the following factors:

1. Number of employees affected.
2. Amount and variation in premiums.
3. Adequacy of other approved coverage providing the same or similar protection.
4. Duration of contract.
5. History, performance and acceptance of the plan by the employees.
6. New or additional coverage provided.

(b) The group insurance board shall determine whether the plan is adequately supervised through consideration of, but not limited to, the following factors:

1. Continuing representation of employee participants with professional insurance guidance.
2. Maintenance of adequate statistical records relating to retentions, experience, premiums, participants and other data necessary for actuarial computations.
3. Procedures for negotiating coverage.

(2) Notwithstanding approval granted to any plan under sub. (1), the group insurance board may subsequently withdraw its approval, after notice and hearing, upon finding that the plan does not meet the criteria established by sub. (1) (a). Withdrawal of approval shall be effective, at the discretion of the group insurance board, on the first day of the month subsequent to issuance of a finding that the plan does not meet the criteria pursuant to sub. (1) (a) or on the anniversary date of the contract under which the plan is provided.

History: Renum. from ch. Grp 26 and am. Register, December, 1983, No. 336, eff. 1-1-84.

ETF 10.25 Fixed retirement investment trust participation in the variable retirement investment trust. The fixed retirement investment trust may invest in the variable retirement investment trust subject to the following:

(1) COMBINED STOCK FUND. A combined stock fund shall be established and shall operate as a separate account within the variable retirement investment trust as follows:

(a) All investments in common and preferred stock by the fixed retirement investment trust and the variable retirement investment trust shall be made through the combined stock fund account.

(b) The trusts shall transfer funds to be invested in common and preferred stocks to the combined stock fund account. In exchange, the fixed retirement investment trust and variable retirement investment trust shall receive shares in the combined stock fund.

(c) Shares in the combined stock fund may be purchased only as of the first day of each month.

(d) All shares purchased in the combined stock fund shall, at the time of purchase, have a book value of one dollar per share.

(2) INVESTMENT OF COMBINED STOCKS. All funds received in the combined stock fund from the fixed retirement investment trust and the variable retirement investment trust shall be used to invest in common or preferred stocks or the state investment fund.

(3) EARNINGS DISTRIBUTIONS. Earnings shall be distributed from the combined stock fund to the fixed retirement investment trust and the variable retirement investment trust according to the following:

(a) The book value of all investments in the combined stock fund shall be adjusted to current market value as of the last day of each month. The appraisal gain or loss shall be recognized in the month incurred.

(b) As of the last day of each month the combined stock fund shall distribute to the fixed retirement investment trust and the variable retirement investment trust all income recorded for that month including interest received, dividends received, gain or loss realized on the sale of investments and the unrealized gain or loss recognized on the adjustment of investment book value to market value. Following these distributions the unit value of shares in the combined stock fund shall be one dollar.

(c) For any month, the distribution of income between the fixed retirement investment trust and the variable retirement investment trust shall be based on the ratio of the relative number of combined stock fund shares held by each trust as of the first day of that month to the total number of combined stock fund shares outstanding.

(d) Monthly distributions from the combined stock fund to the fixed retirement investment trust resulting from gains or losses realized on the sale of investments or unrealized appraisal gains or losses shall be transferred to the transaction amortization account. Distributions resulting from all other sources shall be recognized as current income to the fixed retirement investment trust in the month of distribution.

(e) All distribution to the variable retirement investment trust shall be treated as current income in the month of distribution.

(4) WITHDRAWALS. The fixed retirement investment trust or the variable retirement investment trust may withdraw funds from the combined stock fund as of the first day of any month. The withdrawal shall be accomplished by selling combined stock fund shares to the combined stock fund. Withdrawals made after the first day of any month shall be deemed to have been made on the first day of that month for purposes of distributing income at the end of that month.

History: Cr. Register, October, 1985, No. 358, eff. 11-1-85; r. and recr. (1), r. (2) and (4) (a), renum. (3), (4) (intro.), (b) to (f) and (5) to be (2) to (4), Register, December, 1990, No. 420, eff. 1-1-91.

ETF 10.30 Effect of variable transfer on benefits. Any gains or losses at the effective date of a transfer pursuant to s. 40.04 (7), Stats., including subsequent interest credits, shall be reflected as an adjustment to the benefit at the time it is payable.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from ETF 8.02 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.31 Variable trust fund participation. (1) EFFECTIVE DATES OF PARTICIPATION. Pursuant to s. 40.04 (7), Stats., an election to participate, or terminate participation, in the variable trust fund shall be made on a form provided by the department. Except as provided in sub. (2), the election to participate in the variable trust fund shall become effective for future contributions on the January 1 following receipt of the form by the department. Participants who elected to terminate participation in the variable trust fund effective on or before January 1, 1999 may elect to participate in the variable trust fund as provided in this section. Pursuant to s. 40.04 (7) (b), Stats., participants who elected to terminate participation in the variable trust fund with an effective date of January 1, 2000 may not re-elect to participate in the variable trust fund.

Note: Election forms can be obtained from the following address: Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

(2) VARIABLE TRUST FUND PARTICIPATION FOR NEW PARTICIPANTS. A person becoming a new participant on or after January 1, 2001 may elect immediate participation in the variable trust fund providing that the department receives the form no later than 30 calendar days after the start of the employee's participating employment. Initial elections to participate in the variable trust fund that are received by the department after this opportunity expires

shall be effective on the January 1 following receipt of the form by the department.

(3) TERMINATING PARTICIPATION IN THE VARIABLE TRUST FUND. (a) Except as provided in par. (c), a participant who elects to terminate participation in the variable trust fund on or after January 1, 2001 may not re-elect to participate.

(b) A participant may elect to terminate participation in the variable trust fund and transfer the participant's variable annuity contribution accumulations to the fixed division on one of the following bases:

1. An unconditional basis effective the January 1 following receipt of the form by the department.

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.

(c) A participant who elects to terminate participation in the variable trust fund on or after January 1, 2001 may re-elect to participate in the variable trust fund only if the participant ceases to be a participant by closing the participant's account through taking a benefit under s. 40.25, Stats., and subsequently becoming a new participating employee.

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

(5) END OF CALENDAR YEAR DETERMINATIONS. For purposes of this section, whenever the last day of the year falls on a Saturday, Sunday or holiday when state offices are closed, an election to participate or terminate variable participation or to transfer variable annuity contribution accumulations to the fixed division which is received on the next succeeding working day shall be deemed to have been received within the preceding calendar year.

History: Cr. Register, December, 1982, No. 324, eff. 1-1-83; cr. (3), Register, October, 1987, No. 382, eff. 11-1-87; CR 00-021: r. and recr., (4) renum. from ETF 10.35, Register July 2001, No. 547 eff. 8-1-01.

ETF 10.32 Additional contributions. When a participant makes an election pursuant to s. 40.04 (7), Stats., and has additional contributions, the election shall be governed by an evaluation of all contributions and shall be effective as prescribed in s. ETF 10.31.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from ETF 8.04 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.33 Multiple accounts or accumulations. An election filed pursuant to s. 40.04 (7), Stats., shall be effective for all accounts and accumulations of the participant 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.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from ETF 8.05 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.34 Rights of beneficiaries. Persons who are receiving or are eligible to receive benefits as beneficiaries of participants under ch. 40, Stats., shall be eligible to file an election to cancel variable participation pursuant to s. 40.04 (7), Stats.

History: Cr. Register, December, 1980, No. 300, eff. 1-1-81; renum. from ETF 8.06 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.50 Sick leave conversion credits. The amount of accumulated unused sick leave under s. 36.30, Stats., for all faculty and academic staff other than such faculty and staff appointed to work for either 52 or 39 weeks per year in the university of Wisconsin system convertible to credits to pay for health insurance premiums shall equal the number of days resulting from multiply-

ing 0.0040708 times the number of hours per year appointed to work, as reported to the department, rounded off to the nearest tenth of a day. The maximum amount of such unused sick leave shall be limited to 8.5 days per year. The secretary of administration may waive this limitation under s. 40.05 (4) (bp) 2. and 3., Stats.

History: Cr. Register, September, 1988, No. 393, eff. 10-1-88.

ETF 10.55 Joint instrumentalities; reporting participating employees, service and earnings. (1) SCOPE. This section applies to reporting and contributions with respect to employment by joint instrumentalities created by 2 or more units of government, when all of the following apply:

(a) At least one of the units of government creating the joint instrumentality is, or subsequently becomes, a participating employer in the Wisconsin retirement system.

(b) The joint instrumentality is not a separate and independent employer within the meaning of s. 40.02 (28), Stats., as determined by the department. A joint instrumentality which has not established itself as a separate unit of government for OASDHI purposes is not a separate and independent employer under this paragraph.

Example: A joint library district is not a separate and independent employer.

(c) There are persons employed by the joint instrumentality. This section does not apply with respect to employees of a unit of government loaned or assigned to perform services for a joint instrumentality. Those individuals remain the employees of their employing unit of government which is subject to the usual reporting and contribution requirements.

Example: If a joint library district's library board hired a librarian but the library was located on the premises of one of the units of government establishing the joint library district, which assigned one of its janitors to the library, then this section would apply with respect to the librarian but not the janitor.

(2) PURPOSE. With respect to the employees of joint instrumentalities subject to this section:

(a) Each participating employer forming a joint instrumentality covered by this section shall be responsible for its share of the retirement benefits of the instrumentality's employees who meet the qualifications for participating employees as both the share and qualifications are determined under this section.

(b) Nothing in this section prevents the units of government forming a joint instrumentality subject to this section from providing for their share of responsibility for the retirement benefits of the employees of the joint instrumentality in the agreement establishing the joint instrumentality. If they fail to expressly address the issue then the share of each participating employer shall be determined as provided in this section.

(c) Whether an employee of a joint instrumentality covered by this section is a participating employee under s. 40.22, Stats., is not affected by the number of units of government which form the joint instrumentality.

(3) PARTICIPATING EMPLOYEES. (a) An employee of a joint instrumentality subject to this section is a participating employee for Wisconsin retirement system purposes if any of the units of government forming the joint instrumentality is a participating employer under s. 40.21, Stats., unless the employee is excluded under s. 40.22 (2), Stats.

(b) In making determinations concerning the work expected of or services rendered by an employee of a joint instrumentality, including determining whether an employee is expected to work at least one-third of what is considered full time employment by s. ETF 20.015, the employee's work for the joint instrumentality shall be considered as a whole, without regard for the number of separate units of government which created the joint instrumentality or any agreement among them apportioning responsibility for expenses or for retirement contributions.

Example: A librarian working 900 hours per year for a joint library district created by six towns and villages, at least one of which is a participating employer, would not be barred from being a participating employee under the WRS by s. 40.22 (2) (a), Stats.

(4) REPORTING REQUIREMENTS. (a) *Report participating employee.* Among the units of government which formed the joint instrumentality, each unit which is a participating employer under s. 40.21, Stats., shall report each employee of the joint instrumentality who qualifies as a participating employee under sub. (3) to the department as its own participating employee.

(b) *Reported earnings.* Earnings shall be reported by each participating employer, in the same manner and subject to the same requirements as for its other participating employees, with respect to each employee of the joint instrumentality required to be reported as a participating employee under sub. (3). The amount of earnings to be reported shall be determined by prorating the gross amount paid to the employee for services rendered to the joint instrumentality which would qualify as "earnings" under s. 40.02 (22), Stats., if the joint instrumentality were itself the employer among the units of government which created the joint instrumentality. If the proration is not specified by the agreement that establishes the joint instrumentality, proration shall be made as are expenses for the joint instrumentality. If no proration of expenses is provided in the agreement, each participating employer shall report the total amount of earnings divided by the number of units of government forming the joint instrumentality during that annual earnings period. If a unit of government joins or leaves a joint instrumentality during an annual earnings period, reported shares of earnings shall be adjusted as of the date of that event.

(c) *Contributions.* Each participating employer shall transmit as required contributions to the department the same percentages of the employee's reportable earnings determined under par. (a) as is required, and in the same manner as, contributions on earnings for its other participating employees in the same employment category.

(d) *Service.* The employee's hours of service for creditable service purposes shall be prorated in the same manner as earnings under par. (a) and reported to the department by each participating employer in the same manner as is required for its other employees.

Example: If a librarian qualifying as a participating employee worked 1,800 hours annually and was paid \$20,000 per year by a joint library district created by a town and a village, both of which are participating employers, and they had agreed to split the expenses, with the town paying 80% and the village 20%, and the agreement was silent on allocating responsibility for the employees, then the town would report 1,440 hours of service and \$16,000 in earnings, while the village reported 360 hours of service and \$4,000 in earnings, with each making the associated contributions. If the village in this example was not a participating employer, it would have no obligation whatsoever while the town's responsibilities would remain exactly as stated.

(5) NON-PARTICIPATING EMPLOYERS. Nothing in this section shall be construed to require any employer which does not participate in the Wisconsin retirement system to make any report to the department or to pay any contributions to the public employee trust fund.

History: Cr. Register, June, 2000, No. 534, eff. 7-1-00.

ETF 10.60 Reports and payments. (1) Every employer, which has one or more employees as a participant under ch. 40, Stats., shall:

(a) Prepare and transmit a coverage report or reports to the department for each calendar month. Such reports shall be in the form prescribed by and in accordance with instructions from the department.

(b) Remit to the department, with the respective coverage reports required under par. (a), the employee and employer contributions or deposits, premiums, payments on the accrued liability or other amounts payable to the department for the calendar month covered by the report.

(2) Every employer which employs 250 or more employees shall submit the detailed annual earnings report required in the administration of subch. II of ch. 40, Stats., in an electronic format designated by the department.

(3) The secretary may, for specified employers or types of coverage, provide for summary reporting on a monthly basis to

accompany the monthly remittance required in sub. (1) (b), and detailed reporting on a quarterly, semi-annual, or annual basis.

(4) The department may designate an agent or depository to receive on its behalf, payments or remittances as provided in sub. (1) (b) and any report or remittance will be considered received in the department's offices as of the date it is received by such a designated agent or depository.

History: Cr. Register, December, 1976, No. 252, eff. 1-1-77; emerg. am. (1) (a) and (b), eff. 8-1-80; am. (1) (a) and (b), Register, November, 1980, No. 299, eff. 12-1-80; renum. from ETF 4.01 and am. (1) (intro.), Register, December, 1982, No. 324, eff. 1-1-83; renum. (2) and (3) to be (3) and (4), cr. (2), Register, September, 2000, No. 537, eff. 10-1-00.

ETF 10.61 Transmittal of initial OASDHI wage reports. Initial monthly and annual wage reports and the required remittance covering the period from the effective date of coverage to the end of the report period in which any employer becomes covered under the agreement between the state and the federal social security administration, as required in the administration of subch. III of ch. 40, Stats., are due 70 calendar days after the approval of the coverage agreement by the social security administration. Whenever the social security administration extends the time for the filing of initial retroactive wage reports or payment of the required remittance, an extension of the due date shall be granted by the department.

History: 1-2-56; r. and recr. Register, December, 1957, No. 24, eff. 1-1-58; am. Register, November, 1969, No. 167, eff. 12-1-69; renum. from SSF 1.05 and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.62 Transmittal of OASDHI adjustment reports. (1) The original and one copy of any adjustment wage report required in the administration of subch. III of ch. 40, Stats., shall be dated and signed by the authorized agent for any coverage group and transmitted, with any required remittance, within 15 calendar days prior to the due date established under federal regulations as defined in s. 40.02 (32), Stats.

(2) When an adjustment wage report is prepared by the social security administration because of errors in reporting "covered wages" which were ascertained by federal authorities, any contributions required, in the administration of subch. III of ch. 40, Stats., shall be remitted within 15 calendar days prior to the due date established under federal regulations as defined in s. 40.02 (32), Stats. A statement from the employer explaining the adjustment will be required.

History: 1-2-56; r. and recr. Register, December, 1957, No. 24, eff. 1-1-58; am. Register, November, 1969, No. 167, eff. 12-1-69; renum. from SSF 1.06 (1) and (3) and am., Register, December, 1982, No. 324, eff. 1-1-83.

ETF 10.63 Due dates. (1) (a) Contribution reports and remittances from state departments, excluding university and other state department reports which pertain to teachers only, required in the administration of subch. II of ch. 40, Stats., are due on the 20th day of the month following the reporting month.

(b) Contribution reports and remittances other than those specified in par. (a) required in the administration of subch. II of ch. 40, Stats., are due on the last working day, excluding Saturdays, Sundays, and holidays when the state offices are closed, of the month following the end of the reporting month.

(c) Detailed annual earnings reports required in the administration of subch. II of ch. 40, Stats., are due on the last working day, excluding Saturdays, Sundays, and holidays when the state offices are closed, of the calendar month following the end of the calendar year.

(d) Premium and coverage reports and remittances required in the administration of subchs. IV and VI of ch. 40, Stats., are due on the 20th day of the calendar month preceding the coverage month.

(e) Premium and coverage reports and remittances required in the administration of subch. V of ch. 40, Stats., are due as follows:

1. For state agencies, on the 20th day of the calendar month following the reporting period.

2. For local government employers, on the 20th day of the calendar month preceding the month of coverage.

(f) Reduction reports and remittances required in the administration of subch. VIII of ch. 40, Stats., are due within 2 working days after the date on which the regular employee payroll payments are issued, excluding Saturdays, Sundays, and holidays when the state offices are closed.

(2) Whenever the 20th day of the calendar month referred to in sub. (1) falls on a Saturday, Sunday or holiday on which state offices are closed, a report or a remittance received on the first working day after the 20th day of the calendar month shall be deemed to have been received on a timely basis.

(3) The secretary may waive charges and interest calculated under s. 40.06 (3), Stats., on any employer's reports and remittances, which are received within one day of the due date specified under subs. (1) and (2) if he or she determines that the waiver will not impair the objective of encouraging timely receipt of contributions and remittances.

History: Cr. Register, December, 1976, No. 252, eff. 1-1-77; emerg. cr. (1) (e), eff. 8-1-80; r. and recr. (1), am. (2) and (3), r. (4), renum. (5) and (6) to be (4) and (5) and am. (4), Register, November, 1980, No. 299, eff. 12-1-80; renum. from ETF 4.02, am. (1), renum. (2) to be ETF 10.64, renum. (3) to be (2), r. (4), renum. (5) to be (3) and am., Register, December, 1982, No. 324, eff. 1-1-83; am. (1) (f) and (2), Register, December, 1983, No. 336, eff. 1-1-84; r. and recr. (3), Register, April, 1986, No. 364, eff. 5-1-86; emerg. r. (1) (c), eff. 6-1-86; r. (1) (b) to (d), Register, September, 1986, No. 369, eff. 10-1-86; r. (1) (a), Register, January, 1987, No. 373, eff. 2-1-87; correction in (1) (g) made under s. 13.93 (2m) (b) 7., Stats., Register, June, 1995, No. 474; r. and recr. (1) and am. (2), Register, July, 2000, No. 535, eff. 8-1-00.

ETF 10.633 Debiting participant account to fund benefit. (1) Except as provided in sub. (2), the date on which a participant's account in the employee accumulation reserve shall be debited to fund the benefit, as provided in s. 40.04 (4) (a) 3., Stats., shall be as follows:

(a) For a retirement annuity under s. 40.23 or 40.24, Stats., or s. ETF 20.04, and for a beneficiary annuity under s. 40.73 (3), Stats., the debit date shall be the twenty-first day of the same month as the date of the first annuity check or other transfer of funds.

(b) For a disability annuity under s. 40.63, Stats., the debit date shall be the twenty-first day of the same month as the date of the first disability annuity check or other transfer of funds.

(c) For a lump sum payment of any kind, including a separation benefit under s. 40.25 (2), Stats., or lump sum payments under s. 40.25 (1) or (4) or 40.73 (1) or (2), Stats., the debit date shall be the date of the benefit check.

(2) If the date specified under sub. (1) falls on a Saturday, Sunday or a holiday under s. 230.35 (4) (a), Stats., then the debit shall be made on the next working day.

(3) The department may correct its accounting of the participant's former account in the employee reserve after debiting the account. No corrections to the amount of the debit may affect the date of the debit provided in sub. (1) or (2) for other purposes, including those of ss. ETF 20.20 (2), (3) and (4), 50.31, and 60.51.

History: Cr. Register, January, 1996, No. 481, eff. 2-1-96; correction in (1) (c) made under s. 13.93 (2m) (b) 7., Stats., Register, July, 1999, No. 523.

ETF 10.635 Late paid earnings. Except for purposes of s. 40.05 (3), Stats., contributions and premiums due on late-paid earnings, including payments for retroactive changes in earning rates and those considered covered earnings under s. 40.02 (22) (b) 9., Stats., shall be determined at the employee and employer rates which would have been in effect if the subsequent changes and decisions had been known at the time the earnings would normally have been payable and shall be subject to s. 40.06 (5), Stats.

History: Cr. Register, July, 1986, No. 367, eff. 8-1-86.

ETF 10.64 Late reporting charges and interest. (1) Except as provided in s. ETF 10.63 (2) and (3) and this subsection, any report or remittance not received within the period specified in this chapter, ch. 40, Stats., or an insurance contract

between the group insurance board and an insurance carrier shall be subject to the charges and interest calculated in accordance with the provisions of s. 40.06, Stats. Reports and remittances required under ss. ETF 10.61, 10.62 and 10.63 (1) (f) are not subject to the interest charges under s. 40.06 (5), Stats.

(2) The employer shall be responsible for and transmit to the department any assessment made against the state by the federal government for late payment of contributions due on any OAS-DHI adjustment report.

(3) When interest is due under s. 40.06 (5), Stats., and the effective rate for the current year is unavailable, the effective rate for the previous calendar year shall be used. The due date specified on the billing notice shall be the next regularly scheduled due date for regular payments specified under s. ETF 10.63, ch. 40, Stats., or contracts between the group insurance board and any insurance carrier, but in no case less than 30 days from the date of the billing notice. When interest is due under s. 40.06 (3), Stats., it shall be assessed on a daily basis from the billing notice due date to the date payment is actually received.

History: Renum. from ETF 4.02 (2) and am., Register, December, 1982, No. 324, eff. 1-1-83; am. (1) and cr. (2), Register, August, 1984, No. 344, eff. 9-1-84; am. (1) and cr. (3), Register, October, 1986, No. 370, eff. 11-1-86.

ETF 10.65 Refund of excess contributions. (1) The department shall refund contributions to be allocated to a participant's account that exceed the limits specified in s. 40.32, Stats., in accordance with s. 40.08 (6), Stats., in the following order:

(a) Employee additional contributions under s. 40.05 (1) (a) 5., Stats., paid directly to the department by the participant shall be refunded to the participant.

(b) Employee additional contributions under s. 40.05 (1) (a) 5., Stats. that are transmitted to the department by the employer shall be refunded as a credit to the employer, to be offset against subsequent employer contributions due to the department, who shall pay the amount of the credit to the employee as specified in s. 40.08 (6) (c), Stats.

(c) Employer additional contributions under s. 40.05 (2) (g) 1., Stats., shall be refunded as a credit to the employer, to be offset against subsequent employer contributions due the department.

(d) Benefit adjustments contributions paid by the participant under s. 40.05 (2m), Stats., that are transmitted to the department by the employer shall be refunded as a credit to the employer, to be offset against subsequent employer contributions due to the department, who shall pay the amount of the credit to the employee as specified in s. 40.08 (6) (c), Stats.

(e) Benefit adjustment contributions paid by the employer under s. 40.05 (2m), Stats., shall be refunded as a credit to the employer, to be offset against subsequent employer contributions due to the department, as provided in s. 40.08 (6) (b) and (c), Stats.

(f) Equal amounts of employee and employer required contributions under s. 40.05 (1) and (2), Stats., shall be refunded as provided in s. 40.08 (6) (b) and (c), Stats.

(2) (a) If the department refunds employe-paid benefit adjustment contributions under sub. (1) (d) and credits employe-paid benefit adjustment contributions under sub. (1) (e), or credits employer required contributions and refunds employee required contributions under sub. (1) (f), the department shall reduce the hours of service recorded under s. ETF 10.03 (1) and the earnings recorded for that calendar year by a percentage equal to the sum of the employee refund and employer credits under sub. (1) (d), (e) and (f) divided by the sum of the benefit adjustment contributions and employee and employer required contributions made by or on behalf of the participant for that calendar year. The department shall grant adjusted creditable service to the nearest hundredth of a year, disregarding over- and under-payments equivalent to less than one one-hundredth of a year of service. If the participant's annual earnings period is not the calendar year, the reduction in creditable service and earnings shall be allocated

equally to all annual earnings periods that fall during the calendar year.

(b) The adjusted creditable service and earnings under par. (a) shall apply only to benefits calculated under s. ETF 50.52 and under ss. 40.23, 40.25, 40.27 and 40.63, Stats.

(3) Nothing in this section shall be interpreted as a basis for a determination of whether any payments credited to an employer are required to be paid by the employer to an employee under contractual agreements or other negotiated agreements or provisions of law.

History: Cr. Register, June, 1998, No. 510, eff. 7-1-98; correction in (2) (b) made under s. 13.93 (2m) (b) 7., Stats., Register, June, 1998, No. 510.

ETF 10.70 Individual personal information. (1) Individual personal information, within the meaning of s. 40.07, Stats., is all information in any individual record of the department, including but not limited to the date of birth, earnings, contributions, interest credits, beneficiary designations, creditable service, marital status, address, and social security number, but not including information in any statistical report, other report or summary in which individual identification is not possible.

(2) Individual personal information may be disclosed as required for the proper administration of benefit programs under ch. 40, Stats., including discussion of this information in any meeting of any board created under s. 15.16 or 15.165, Stats., or disclosure in any written record of the board proceedings.

(3) (a) Pursuant to s. 40.07 (1) (a), Stats., an individual's personal information may be disclosed, except as otherwise prohibited, upon proper identification, to that individual or the duly authorized personal representative of that individual in person, by telephone, or in writing.

(b) Except as provided in par. (d), an individual's authorization to release information to a personal representative shall be in writing, signed, and dated and shall refer specifically to the records in this department.

(c) A written authorization under par. (b) which does not contain an expiration date shall be deemed to have expired 6 months following the date the authorization was signed.

(d) The secretary of the department, or specific departmental employees designated by the secretary, may authorize disclosure of information without written authorization when urgent circumstances exist which warrant an exception to normal procedures and when the person to whom the information is to be given is otherwise authorized to receive it.

(4) In case of death, disabling injury or disease, disclosure of individual personal information shall be made only to a proper beneficiary or the duly authorized representative of the beneficiary or to the legal representative of the individual or the individual's estate whose record is the subject of inquiry.

(5) Notwithstanding sub. (3), disclosure of an individual's beneficiary designation shall only be made under any of the following circumstances:

(a) While the individual is living, to the individual or to his or her duly authorized representative, upon request.

(b) After the death of the individual:

1. Upon request, to the personal representative of the individual's estate, to a beneficiary of the individual, or to the personal representative's or the beneficiary's duly authorized representative;

2. To an insurance carrier or administrator of benefits under ch. 40, Stats., or predecessor as necessary for proper payment of benefits.

(c) To parties determined by the department to have an interest in the designation, when the information is relevant to a pending court action or to a pending appeal under s. 40.03 (1) (j), (6) (i), (7) (f), (8) (f), or 40.80 (2g), Stats.

(d) Nothing in this subsection shall be construed to prohibit the department from communicating with the individual or the individual's guardian about the individual's beneficiary designation at the department's initiative as necessary for the proper administration of the department.

(6) Nothing in this section shall require the department to disclose individual personal information if in the judgement of the department the requestor has not provided adequate evidence of identity or proper authorization to receive the information.

History: Cr. Register, June, 1983, No. 330, eff. 7-1-83; r. and recr. (5), Register, October, 1992, No. 442, eff. 11-1-92; am. (5) (a) and (b) 1., cr. (5) (d) and (6), Register, January, 1996, No. 481, eff. 2-1-96.

ETF 10.71 Transcript fees. (1) The department shall provide a party to an appeal under ch. ETF 11, or a party to department proceedings under s. 227.42, Stats., with a copy of the transcript of any proceedings upon request and payment of a fee. The party shall make the request for the transcript in writing and pay a fee as follows:

- (a) For an existing written transcript, a \$3.00 flat charge plus 25¢ for each page of the transcript for single copies.
- (b) A 10¢ per page charge for additional copies.
- (c) For producing a written transcript from reporter's notes or another medium, the reasonable costs of transcription in addition to the fees provided by pars. (a) and (b).
- (d) For an audio tape, \$10 per copy.
- (e) For other electronic record, the reasonable cost of the medium and copying.

(2) One free copy of the transcript shall be provided to any party who establishes to the satisfaction of the department, that the payment of a transcript fee would prove to be an unreasonable financial burden due to the party's lack of financial resources.

History: Cr. Register, July, 1977, No. 259, eff. 8-1-77; renum. from ETF 3.02 and am. (1) (intro.) and (2), Register, June, 1983, No. 330, eff. 7-1-83; r. and recr. (1) (intro.), am. (1) (a), cr. (1) (c) to (e), Register, June, 1992, No. 438, eff. 7-1-92.

ETF 10.72 Fee for search of historical records. Individuals and employers may be charged an administrative fee of \$5.00 for information concerning an account or record which is not readily available and which requires a search of historical records, either within the department or at the state records center. This charge shall not apply for searches required by s. 40.02 (17) (b) or 40.25 (6) (a), Stats.

History: Cr. Register, April, 1978, No. 268, eff. 5-1-78; renum. from ETF 3.03 am., Register, June, 1983, No. 330, eff. 7-1-83.

ETF 10.75 Power of attorney. (1) As used in this section, "power of attorney" includes all of the following:

- (a) A uniform statutory power of attorney as defined under and containing the language required in s. 243.10, Stats.;
- (b) A uniform statutory power of attorney as defined under and containing the language required in a uniform statutory power of attorney act enacted by a jurisdiction other than the state of Wisconsin, provided the power of attorney meets the requirements of and does not conflict with s. 243.10, Stats.;
- (c) A durable power of attorney as defined under and containing the language required in s. 243.07, Stats.;
- (d) A durable power of attorney as defined under and containing the language required in a uniform durable power of attorney act enacted by a jurisdiction other than the state of Wisconsin, provided the power of attorney meets the requirements of and does not conflict with s. 243.07, Stats.;
- (e) A person's common law authorization, whether durable or non-durable, to act as the person's agent under a power of attorney.

(2) Except as provided in sub. (3), for all benefit plan transactions for which the department requires a person's signature, the department shall accept the signature of the person's agent acting

under power of attorney in lieu of the person's signature provided that all of the following conditions are satisfied:

- (a) The department received the original of the power of attorney which is signed by the person granting the power of attorney, dated, and notarized, or a legible photocopy or facsimile copy thereof. The department may require submittal of the original power of attorney.
- (b) The appointment has not expired.
- (c) The powers delegated under the power of attorney include authority to make the transaction under consideration.

(d) If requested by the department, the agent acting under the power of attorney executes an affidavit stating that he or she does not have knowledge of the termination of the appointment, or of the person's death, disability, incapacity, or incompetency.

(e) The agent acting under the power of attorney provides evidence satisfactory to the department that the person has become disabled or incapacitated, or has been adjudged incompetent. This paragraph applies only if the power of attorney is conditioned on the disability, incapacity, or incompetence of the person.

(3) For all transactions related to the deferred compensation program defined in s. ETF 70.02 (14) for which the administrator defined in s. ETF 70.02 (2) requires a person's signature, the administrator shall accept the signature of the person's agent acting under power of attorney in lieu of the person's signature provided that all of the following conditions are satisfied:

- (a) The power of attorney is on a form approved by the administrator for use in the deferred compensation program or is on a form specified in sub. (1) (a) or (b);
- (b) The administrator received the original power of attorney, which is signed by the person granting the power of attorney, dated, and notarized.

(c) The conditions specified in sub. (2) (b) to (e) are satisfied.

Note: A limited power of attorney form for use in the deferred compensation program is available at no charge from the program administrator at Wisconsin Deferred Compensation Program, Suite 209, 16 North Carroll Street, Madison WI 53703.

(4) The department may decline to act upon the request of an agent acting under an alleged power of attorney if there is reason to believe that the purported agent is not the appointed person, the appointment is not in effect, the authority of the power of attorney does not extend to the particular transaction or the power of attorney is otherwise defective.

History: Cr. Register, September, 1986, No. 369, eff. 10-1-86; r. and recr. Register, December, 1996, No. 492, eff. 1-1-97.

ETF 10.78 Guardianship requirements. (1) When the amount of a single sum benefit payment to a minor, as defined under s. 880.01 (7), Stats., or incompetent, as defined under s. 880.01 (4), Stats., exceeds \$5,000, or when an annuity or disability annuity is payable, payment shall be made by the department to the court appointed guardian, for the benefit of the minor or incompetent, upon receipt of a certified copy of the letters of appointment. Letters of appointment shall be certified within the past 6 months. If the minor is married and has not been adjudged to be incompetent, the department shall make the payment to the minor.

(2) When a single sum benefit of \$5,000 or less is payable, the secretary may authorize payment, for the benefit of the minor or incompetent, to the person providing for or caring for the minor, or to the spouse, parent or blood relative providing for or caring for the incompetent person.

(3) Notwithstanding sub. (2), if a guardianship is identified prior to payment, payment shall be made to the guardian, for the benefit of the minor or incompetent, upon receipt of a certified copy of the letters of appointment.

(4) If there is a guardian of the estate and another guardian of the person, payment shall be made to the guardian of the estate.

History: Cr. Register, September, 1986, No. 369, eff. 10-1-86.

ETF 10.79 Reasonable efforts to locate benefit payees. (1) The department shall make reasonable efforts to main-

tain current addresses on file for participants, other than for participating employees under s. 40.02 (46), Stats., alternate payees, beneficiaries or other potential benefit recipients. These efforts shall include, but shall not be limited to, the following: (a) Require participating employers to report a current address for all terminating participants.

(b) Request social security numbers and addresses for all named beneficiaries on the departmental beneficiary designation form.

(c) Initiate a minimum of one written contact per year to alternate payees and participants, other than participating employees and annuitants, which may be accomplished by sending those persons an annual statement of account or benefit statement.

(d) Publish an article annually in the departmental participant newsletter communicating the importance of notifying the department of address changes.

(2) Before considering a benefit abandoned under s. 40.08 (8), Stats., the department shall make reasonable efforts to locate participants, alternate payees and beneficiaries except those persons whose accounts meet the conditions specified in s. 40.08 (8) (f), Stats. Reasonable efforts to locate potential benefit payees may include, but are not limited to:

(a) Seek current address information for potential benefit payees through locator services available from the social security administration, internal revenue service or other federal or state agencies.

(b) Seek current address information for potential benefit payees through private company data bases or locator services.

(c) Publish the names of potential benefit payees in the official state newspaper with instructions for contacting the department for application information. This paragraph shall not apply to accounts that meet the conditions specified in s. 40.08 (8) (f), Stats.

History: Cr. Register, June, 1998, No. 510, eff. 7-1-98.

ETF 10.80 Invalid benefit applications and beneficiary designations. (1) Except as provided in sub. (2), an application for a benefit, a designation of a beneficiary or any other document which is signed by a guardian as provided in s. 40.08 (9m), Stats., but is not accompanied by a certified copy of an order of a circuit court approving the specific terms of the document is invalid and is deemed not to have been filed with the department. The department shall return any such document to the guardian as soon as administratively feasible, but failure by the department to return such a document shall not be interpreted as approval.

(2) A certified copy of an order of a circuit court approving the specific terms of the document is not required if the document:

(a) Is a benefit application subject to s. 40.08 (9), Stats., and s. ETF 10.78;

(b) Is not required by statute, administrative rule, or contract administered by the department to be signed by the person under guardianship;

(c) Is an insurance application which is required to be filed in order to initiate, increase, continue, or convert insurance coverage or to transfer coverage from one insurance carrier to another; or

(d) Can be revoked or changed in the future without restriction, or is otherwise determined by the department to be without long-term effect on the rights and benefits of the person under guardianship. This paragraph does not apply to designations of beneficiary.

History: Cr. Register, October, 1992, No. 442, eff. 11-1-92.

ETF 10.82 Receipt by the department. (1) DATE OF RECEIPT OR FILING; NONBUSINESS HOURS AND HOLIDAYS EXCLUDED. (a) Except as provided in sub. (2), the date a document is received by, or filed with, the department is the date the original document is physically received at the department at its offices during regular business hours as provided under s. 230.35 (4) (f), Stats., regardless of the date the document was mailed or otherwise intended to be transmitted to the department and regardless of any

mishandling or misdirection by the U.S. postal service or any other agency or person. A document which arrives at the department's offices after 4:30 p.m. or on a holiday as defined by s. 230.35 (4) (a), Stats., may not be received by the department until 7:45 a.m. on the next day on which the department's offices are regularly open for business as provided under s. 230.35 (4) (f), Stats.

(b) No department employee may affix a date stamp to a document received by the department which indicates a date received in conflict with par. (a).

Note: This paragraph does not prohibit a department employee from making a note attached to or on the document, separate from the official receipt stamp, concerning the circumstances under which the document arrived at the department, including dates or times.

(c) A document bearing the department's date stamp indicating receipt is conclusively presumed for all purposes associated with benefits under ch. 40, Stats., to have been received by the department on the date indicated by the stamp. This presumption may be rebutted only by clear and convincing evidence that the document was received by or filed with the department, as provided in par. (a), on a different date than shown by the official date stamp. The department may correct a date stamp the secretary determines was affixed in violation of par. (b).

(2) RECEIPT OF FACSIMILE DOCUMENTS. (a) Notwithstanding sub. (1) (a), a document specified in this subsection may be received by, or filed with, the department on a date prior to receipt of the original when all of the following conditions are satisfied:

1. A copy of the document is received on the department's facsimile machine connected to telephone number (608) 267-4549, (414) 227-3820 or to such additional telephone number as the employee trust funds board may designate at a regular meeting, upon the recommendation of the secretary. A new facsimile telephone number may be utilized immediately after designation by the ETF board, as recorded in the minutes of the board meeting, pending amendment of this rule to include the additional number.

2. The facsimile transmission includes the full social security number of the participant, alternate payee or beneficiary to whose Wisconsin retirement system benefits the document pertains.

3. The document is one specifically identified in par. (b).

4. The facsimile is actually received on the department's facsimile machine in complete and legible form.

5. The original document, unaltered in any respect from the facsimile, is received at the department's offices no later than 14 calendar days after the facsimile is received.

(b) This subsection applies only to the following documents:

1. Form ET-1518, request for continuation of employee reimbursement account coverage.

2. Form ET-2154, application for group life insurance continuation coverage.

3. Form ET-2301, application for group health insurance, but limited to an application by an annuitant under s. 40.51 (16), Stats.

4. Form ET-2311, application for group health insurance continuation or conversion coverage under s. 40.51 (3), Stats.

5. Form ET-2313, election to cancel variable participation under s. ETF 10.31.

6. Form ET-2320, designation of beneficiary as provided by s. 40.02 (8), Stats.

7. Form ET-2321, alternate form for designation of beneficiary as provided by s. 40.02 (8), Stats.

8. Form ET-2322, application for living benefits, if sent to the department instead of to the group life insurer.

9. Form ET-2330, application for the local government annuitant health program under s. 40.51 (10), Stats.

10. Form ET-3301, application for a separation benefit under s. 40.25 (2), Stats.

11. Form ET-4301, application for an annuity or lump sum payment under s. 40.24 or 40.25 (1), Stats.

12. Form ET-4305, application to delay initiation of group health insurance premium deductions from accumulated sick leave credits as provided by s. 40.05 (4) (b), Stats.

13. Form ET-4311, employer's agreement to pay cost of actuarial reduction for retirement before normal retirement age under s. 40.23 (2m) (g) 1., Stats.

14. Form ET-4315, application for purchase of forfeited service under s. 40.25 (6) (a) 3., Stats., excluding any application based on use of any funds for payment other than an existing employee additional contribution account balance under s. 40.05 (1) (a) 5., Stats.

15. Form ET-4317, application by a retired state employee or survivor of a deceased state employee to begin group health insurance premium deductions from previously escrowed sick leave credits as provided by 40.05 (4) (b), Stats.

16. Form ET-4319, special retirement annuity application or application to change retirement annuity option previously selected as provided by s. 40.24 (4), Stats.

17. Form ET-5302, application for regular disability annuity benefits under s. 40.63 (1) (a), Stats.

18. Form ET-5303, medical report form for total and permanent disability for regular disability annuity benefits under s. 40.63 (1) (d) or long-term disability insurance benefits under s. ETF 50.50 (6).

19. Form ET-5304, medical report form for special disability annuity under s. 40.63 (4) or long-term disability insurance benefits under s. ETF 50.58 (1) (a) 3.

20. Form ET-5306, request for waiver of life insurance premiums due to disability.

21. Form ET-5313, long-term disability insurance benefit claim form under s. ETF 50.48 (1).

22. Form ET-5315, employer's certification of long-term disability under s. ETF 50.48 (3).

23. Form ET-5321, long-term disability insurance election form under s. ETF 50.46.

24. Form ET-5333, application to change disability annuity option previously selected as permitted by ss. 40.24 (4) and 40.63 (8) (intro.), Stats.

25. Form ET-6309, application for death benefits under s. 40.73, Stats.

26. Form ET-7291, participant's instructions for resolving multiple conflicting applications for Wisconsin retirement system benefits.

27. Written request from the participant to cancel an application for a separation, retirement or lump sum benefit as provided by s. ETF 20.20. Paragraphs (a) 5 and (e) do not apply to this request.

28. Written request from the participant to cancel a disability annuity application as provided by s. ETF 50.31. Paragraphs (a) 5 and (e) do not apply to this request.

29. Written request from the beneficiary to cancel an application for a death benefit or beneficiary annuity as provided by s. ETF 60.51. Paragraphs (a) 5 and (e) do not apply to this request.

30. Written request from an annuitant to change the election of a particular annuity option, as permitted by s. 40.24 (4) or 40.63 (8) (intro.), Stats.

31. A written appeal of a department determination to the employee trust funds board, group insurance board, Wisconsin retirement board, teachers retirement board or deferred compensation board as provided by s. 40.03 (1) (j), (6) (i), (7) (f) or (8) (f) or 40.80 (2g), Stats., respectively, and by s. ETF 11.03 (4).

32. Withdrawal of a waiver of benefits under s. 40.08 (3), Stats.

33. A physician's letter, in response to a specific written request for clarification from the department, stating whether an applicant for a disability annuity or long-term disability insurance benefits is disabled to the requisite degree.

(c) Each facsimile arriving on the department's facsimile machine shall be date stamped by the department in accord with sub. (1).

(d) 1. If pars. (a) and (b) apply, a document will be deemed received by, or on file with, the department on the date the facsimile of the document is received at the department's offices, as evidenced by the date stamp affixed under par. (c).

2. If pars. (a) and (b) do not apply, then the date of receipt or filing is the date the original document, not the facsimile, was received. If the original document is never received by, or filed with, the department, then for purposes of administering benefits under ch. 40, Stats., the document shall be deemed never to have been received by the department, regardless of receipt of a facsimile of the document.

(e) The department will not take any action to process a facsimile until the original document is received and the facsimile is compared to the original.

(f) Nothing in this section shall require the department to undertake to advise any person that a facsimile transmission has not been received in a complete and legible form or otherwise fails to comply with par. (a) or (b). Any attempt to file documents with the department by facsimile is entirely at the risk of the person transmitting the facsimile to the department.

History: Cr. Register, December, 1994, No. 468, eff. 1-1-95; am. (2) 27., 28. and 29., Register, January, 1996, No. 481, eff. 2-1-96.

ETF 10.84 Response to requests. (1) The department shall generally attempt to respond to requests to provide documents such as informational brochures, blank forms and annuity or disability estimates in the order in which such requests are received by the department.

(2) When the department responds to a request for information, forms, estimates or similar documents, if the requestor is not actually available in the department's offices for delivery by hand, the standard method of transmission of requested documents to the requestor shall be through the U.S. mails or through the requestor's participating employer, if any, at the discretion of the department.

(3) In extraordinary circumstances, as determined by the department, the department may elect to transmit requested documents by facsimile.

History: Cr. Register, December, 1994, No. 468, eff. 1-1-95.