

No. 422, A.]

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CHAPTER 492.

AN ACT to amend 62.13 (9) (a) 1 and (c) 3, (9a) and (10) (a) and (g) and to create 62.135 of the statutes, relating to contractual rights of firemen and policemen.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 62.13 (9) (a) 1 and (c) 3, (9a) and (10) (a) and (g) of the statutes are amended to read:

62.13 (9) (a) 1. Each city of the second or third class shall have a police pension fund. There shall be paid into such fund the following: Two and one-half per cent of receipts from licenses; * * * 4 per cent of the salary of each member of the department; twenty-five per cent of all fines imposed for violations of city ordinances; fines imposed on members for violation of department rules; deductions from salaries for time lost on account of sickness; rewards in moneys, fees, gifts or emoluments that may be paid or given for or on account of any service of the department or any member thereof, except when allowed to be retained by said member by resolution of the board of trustees of said fund, or given to endow a medal or other permanent competitive award; receipts from sales of unclaimed property; and earnings upon the deposit, loan or investment of said fund.

(c) 3. A member of the department who has served 22 years or more may apply to be retired or may be retired on motion of the board, except that a member joining the police department after January 1, 1940, must also have attained the age of * * * 55 years.

Upon such retirement, or upon discharge after such service, the board shall order to be paid him a monthly pension equal to one-half his monthly compensation at such time, *provided, however, that in the event that such member received an increase in his compensation in the year preceding his retirement, which said increase was granted for the purpose of increasing his pension, such increase in compensation shall be disregarded in computing the amount of his pension, and provided further that in the event that a member has been promoted in rank within the year preceding his retirement and said promotion results in an increase in his compensation, his pension shall be computed on the basis of the current compensation for the position from which he was promoted.*

(9a) In cities of the fourth class the council may annually and from time to time provide by ordinance for the pensioning, out of the general fund or otherwise, of members of the police department who have served for a term of 20 years or more, and shall have reached the age of 55 years, or who shall be disabled or superannuated, and for the widows and orphans of deceased members. Such pension shall not exceed one-half the salary of such officer at the time of his pensioning or death. *It is declared to be the policy of the legislature that no ordinance enacted pursuant to the provisions of this section shall be amended after June 1, 1951 so as to increase or decrease the contributions of policemen for pension purposes or in any way to increase or decrease the benefits to policemen or their beneficiaries or change any of the requirements for eligibility to such benefits, nor shall this section or any ordinance enacted pursuant thereto be repealed until all of the obligations created by such ordinances have been paid.* No person who, prior to January 1, 1948 had not contributed to a police pension fund established pursuant to this subsection shall be permitted to contribute to such fund or become a member thereof on or after said date; nor shall he or his widow or child be, or become, entitled to receive any benefit from such fund or under any such ordinance which may have been passed after December 31, 1947 pursuant to this subsection. Any person who, after December 31, 1947, becomes a member of the police department in a city of the fourth class, or who was a member of such department on said date, but who, in each such case had not, on or before such date, properly contributed to a police pension fund established pursuant to this subsection, and who can otherwise qualify, shall be, or become, a participating employe under section 66.90 to 66.919. If any such participating employe shall be entitled to a prior service credit, he shall be given such credit at the 2 rate unless the municipality by which he is employed shall have elected to become a participating municipality under said section, in which case the rate elected by such municipality shall be used.

(10) (a) Each city of the second and third class having a paid fire department shall have a firemen's pension fund. There shall be paid into such fund the following: Receipts from taxation of fire insurance companies or agents; * * * 4 per cent of the salary of each member of the department; fines imposed on members for violation of department rules; deductions from salaries for time lost on account of sickness; rewards in moneys, fees, gifts or emoluments that may be paid or given for or on account of any service of the department or any member thereof, except when allowed to be retained by said member by resolution of the board of trustees of said fund, or given to endow a medal or other permanent competitive award; and earnings upon the deposit, loan or investment of said fund.

(g) Each city of the fourth class shall install a pension system for full-time firemen pursuant to this subsection, unless the common council shall adopt a pension plan for such firemen in the same manner as provided for policemen by section 62.13 (9a), or unless the city shall act or shall have acted to become a participating municipality pursuant to sections 66.90 to 66.919, in which event members of the fire department shall be included under the provisions of sections 66.90 to 66.919 if they can otherwise qualify thereunder provided there is not existing in such city a system created pursuant to this section. *It is declared to be the policy of the legislature that no ordinance enacted pursuant to the provisions of this section shall be amended after June 1, 1951 so as to increase or decrease the contributions of firemen for pension purposes or in any way to increase or decrease the benefits to firemen or their beneficiaries or change any of the requirements for eligibility to such benefits, nor shall this section or any ordinance enacted pursuant thereto be repealed until all of the obligations created by such ordinances have been paid.* No person who, prior to January 1, 1948 had not contributed to a firemen's pension system established pursuant to this paragraph or section 62.13 (9a) shall be permitted to contribute to such a system or become a member thereof on or after such date; nor shall he or his widow or child be, or become, entitled to receive any benefit from either such system or under any ordinance which may have been passed on December 31, 1947, pursuant to this paragraph or section 62.13 (9a). Any person who after December 31, 1947 becomes a full-time fireman in a city of the fourth class or who was such a full-time fireman on said date, but who, in each such case had not, on or before such date, properly contributed to

a firemen's pension system established pursuant to this paragraph, or section 62.13 (9a), and who can otherwise qualify, shall be, or become, a participating employe under sections 66.90 to 66.919. If any such participating employe shall be entitled to a prior service credit, he shall be given such credit at the 2 rate unless the municipality by which he is employed shall have elected to become a participating municipality under said section, in which case the rate elected by such municipality shall be used.

SECTION 2. 62.135 of the statutes is created to read:

62.135 CONTRACTUAL RIGHTS OF FIREMEN AND POLICEMEN. Firemen and policemen have been attracted to and have remained in service despite ability to receive higher wages and salaries in other employment because of the deferred compensation for their services promised to them in the form of pensions and death benefits in retirement systems of which they have been contributing members. The purpose of creating this section is to strengthen the fire and police service in cities and villages in which a firemen's and policemen's pension system exists by establishing the security of pensions and all other benefits provided by the firemen's and policemen's pension funds in such cities and villages.

(1) All pensions and other benefits of firemen and policemen, whether in service or retired and of beneficiaries, including widows and children of deceased firemen and policemen, by or for whom contributions shall have been made to the firemen's and policemen's pension fund established pursuant to sections 61.65 and 62.13 shall be assured by benefit contracts.

(2) Every fireman and policeman and beneficiary shall be deemed to have accepted the provisions hereof and shall by such acceptance have a benefit contract as of the effective date of the creation of this subsection unless, within 30 days thereafter, he files with the board of trustees a written notice electing to have no such contract. The pensions and all other benefits in the amounts and on the terms and conditions and in all other respects as provided in sections 61.65 and 62.13 and then in effect in such city or village shall be obligations of such benefit contracts on the part of the city or village and the board of trustees and each fireman and policeman and beneficiary having such a benefit contract shall have a vested right to such pensions and other benefits and they shall not be diminished, impaired or increased by subsequent legislation nor by any other means.

(3) The board of trustees may issue to each fireman and policeman and beneficiary who shall have such a benefit contract a written or printed contract or may supplement any certificate or other evidence of participation issued to him by indorsement stating that the fireman or policeman or beneficiary has a benefit contract according to the terms of this subsection, but the contract shall be in full force and effect whether or not any written or printed evidence thereof shall be so issued.

(4) It is declared to be the policy of the legislature that no provisions of section 61.65 or section 62.13 (9) or (10) shall be amended so as to increase or decrease the contributions of firemen or policemen into the firemen's or policemen's pension fund, or in any way to increase or decrease the benefits to firemen, policemen or their beneficiaries or change any of the requirements for eligibility to such benefits, nor shall section 61.65 or section 62.13 (9) or (10) be repealed until all of the obligations of such funds have been paid.

Approved June 27, 1951.
