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AN ACT to repeal 20.551 (10), 66.902 (1a), 66.903 (1) (a) 7, (d) and (2) (a) 3, 66.904 (1) (a) 10 and 12 and (c), 66.905 (7); to renumber and amend 66.902 (3) (r); to amend 20.551 (13), 61.65 (6) and (7), 62.13 (9) (e), (9a), (10) (f) and (g), 66.901 (4a), (5) (a) and (i), (11), (13) and (21), 66.902 (1), (1b), 66.903 (2) (a) 2, 66.904 (1) (a) 1 and 3 and (b) 2, 66.905 (1) (intro. par.), (3) and (8), 66.906 (2) (b) 2 and (4) (a), 66.9065 (1) (b), (4) (a) and (b), (6) (a) 2 and (b) and (8) (b), 66.907 (2) (c) 2 and (e), 66.91 (2), 66.912 (1) (t), 66.915 (5), 66.916 (1) (a) and 66.917 (1) (b); to repeal and recreate 66.903 (1) (a) 6 and (2) (a) 1a; and to create 66.902 (3) (r), 66.907 (2) (cc) and 66.909 (1) (dd) of the statutes, relating to the clarification and modification of various provisions pertaining to the Wisconsin retirement fund.

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

SECTION 1. 20.551 (10) of the statutes is repealed.

SECTION 2. 20.551 (13) of the statutes is amended to read:

20.551 (13) TRANSFER TO WISCONSIN RETIREMENT FUND; COUNTY JUDGES; MUNICIPAL AND INFERIOR JUDGES. There is appropriated from the general fund * * * annually * * * beginning July 1, 1956, such sums as may be necessary to make the municipality contributions to the Wisconsin retirement fund for *county judges and for full-time judges of courts of record, municipal and inferior (other than county courts) as provided by s. 66.905 (8).*

SECTION 3. 61.65 (6) and (7) of the statutes are amended to read:

61.65 (6) No person who, prior to January 1, 1948, had not contributed to a police pension fund established pursuant to this section shall be permitted to contribute to such fund or become a member thereof on or after such date; nor shall he or his widow, child or dependent parent be, or become, entitled to receive any benefit from such fund. Any person who, after December 31, 1947, becomes a member of the police department in a village having a population of 5,000 or more according to the last federal census, 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 section, and who can otherwise qualify, shall be, or become, a participating employe under ss. 66.90 to 66.918. * * *

(7) No person who, prior to January 1, 1948, had not contributed to a firemen's pension fund established pursuant to this section, shall be permitted to contribute to such fund or become a member thereof on or after such date; nor shall he or his widow, child or dependent parent be, or become, entitled to receive any benefit from such fund. Any person who, after December 31, 1947, becomes a member of the fire department in a village having a population of 5,500 or more according to the last federal census, 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 fireman's pension fund established pursuant to this section, and who can otherwise qualify, shall be, or become, a participating employe under ss. 66.90 to 66.918. * * *

SECTION 4. 62.13 (9) (e), (9a), (10) (f) and (g) of the statutes are amended to read:

62.13 (9) (e) 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 such date; nor shall he or his widow, child or dependent parent be, or become, entitled to receive any benefit from such fund. Any person who, after December 31, 1947, becomes a member of the police department in a city of the second or third 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 ss. 66.90 to 66.918. * * *

(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 * * * 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 ss. 66.90 to 66.918. * * *

(10) (f) No person who, prior to January 1, 1948, had not contributed to a firemen's pension fund established pursuant to this subsection shall be permitted to contribute to such fund or become a member thereof on or after such date; nor shall he or his widow, child or dependent parent be, or become, entitled to receive any benefit from such fund. Any person who, after December 31, 1947, becomes a member of the fire department in a city of the second or third 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 firemen's pension fund established pursuant to this subsection, and who can otherwise qualify, shall be, or become, a participating employe under ss. 66.90 to 66.918. * * *

(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 * * * *sub.* (9a), or unless the city shall act or shall have acted to become a participating municipality pursuant to ss. 66.90 to 66.918, in which event members of the fire department shall be included under * * * ss. 66.90 to 66.918 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 * * * 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 * * * *sub. (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 * * * *sub. (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 * * * *sub. (9a)*, and who can otherwise qualify, shall be, or become, a participating employe under ss. 66.90 to 66.918. * * *

SECTION 5. 66.901 (4a) of the statutes is amended to read:

66.901 (4a) An employe *other than an annuitant receiving a retirement annuity or a disability annuity who is* currently in the service of a participating municipality, or an employe who is on a leave of absence, subject to the limitations in s. 66.903 (1) (b).

SECTION 6. 66.901 (5) (a) of the statutes is amended to read:

66.901 (5) (a) Who are * * * teachers within the meaning of ss. 42.20 to 42.54.

SECTION 7. 66.901 (5) (i) of the statutes is amended to read:

66.901 (5) (i) Who are elected to office by vote of the people * * * unless any such elected person * * * *requests* the board in writing to be included within * * * this fund. Any elected person included at his request shall be included during any subsequent term or part thereof which he may serve in the same office or in any other elective office in the same municipality or any other participating municipality, and at all times while he is included shall be subject to the compulsory retirement provisions of s. 66.906 (1). Persons so electing to participate shall be considered employes on the effective date of participation of the employing municipality except as provided in s. 66.903 (1) (a) 5, only if such election is received by the board within 90 days of such effective date and if such person was in the service of such municipality on such effective date. In all other cases any person so electing to participate shall become an employe as of the first day of the month following the receipt by the board of notice of such election. The administrative determination to the effect that the compulsory retirement provisions in s. 66.906 (1) apply to all persons who have once elected or shall once elect to be included in accordance with this paragraph is hereby declared to express and confirm the intention of the legislature.

SECTION 8. 66.901 (11) of the statutes is amended to read:

66.901 (11) The *monthly rate of* earnings obtained by dividing * * * the *employe's* total earnings during the period of the 5 consecutive calendar years in which * * * *his* total earnings * * * were the highest, by the number of *months constituting the* calendar quarter years in such period during which any earnings were received by such employe; provided that the

earnings for all calendar years of prior service of any employe shall be considered as being equal to earnings determined at the rate upon which prior service credits are granted under s. 66.904 (1) (a) 1 and 8.

SECTION 9. 66.901 (13) of the statutes is amended to read:

66.901 (13) The person so designated *for that particular purpose* by a participant or annuitant in the last written designation of beneficiary on file with the board * * * *at the time of death*; or if no person so designated survives, or if no designation is on file, the estate of such participant or annuitant. A designation of beneficiary may be signed and filed by a guardian when accompanied by a certified copy of an order of a circuit or county court approving the specific terms thereof.

SECTION 9a. 66.901 (21) of the statutes is amended to read:

66.901 (21) A period of 3 months beginning on January 1, April 1, July 1 or October 1 of any year. *A person receiving current or prior service credit in any calendar quarter year shall be deemed to have completed service for such quarter year.*

SECTION 10. 66.902 (1) of the statutes is amended to read:

66.902 (1) Any municipality, except a city of the first class, a county having a population of 500,000 or more and the state * * *, shall be included within, and shall be subject to, the provisions of this fund by so electing, in accordance with this section. * * * *If the official notice of election to be included has been received by the board on or before November 15 the effective date of participation of such municipality shall be the ensuing January 1; otherwise the effective date shall be the January 1 after the ensuing January 1.* The state * * * is hereby included, effective January 1, 1948. Except as provided in * * * *sub. (1b)*, a municipality which has not elected to participate but some of whose employes will be included within and be subject to this fund on or after January 1, 1948 shall be included within and be subject to this fund effective January 1, 1948 as though such municipality had elected to participate herein, provided that, until such municipality does actually so elect and such election becomes effective, its employes included within and subject to this fund shall be only those specified by ss. 61.65 (6) and (7), 62.13 (9) (e), (9a), (10) (f) and (g).

SECTION 11. 66.902 (1a) of the statutes is repealed.

SECTION 12. 66.902 (1b) of the statutes is amended to read:

66.902 (1b) A county or city which has not elected to become a participating municipality but whose *county judge or full-time judges* of courts of record, municipal or inferior (other than county courts), have become participating employes shall be included within and be subject to ss. 66.90 to 66.918 except that until such county or city does so elect and such election becomes effective only its full-time judges of courts of record, municipal or inferior (in addition to county judges), shall be included, and except that all municipality contributions for such judges shall be made by the state as provided in s. 66.905 (8). * * *

SECTION 13. 66.902 (3) (r) of the statutes is renumbered 66.901 (4) (k) and amended to read:

66.901 (4) (k) * * * It is hereby declared and determined that the offices of lieutenant governor, assemblyman, state senator, chief clerk and sergeant at arms of the assembly, and chief clerk and sergeant at arms of the senate require the actual performance of duty for more than 600 hours in each year.

SECTION 13a. 66.902 (3) (r) of the statutes is created to read:

66.902 (3) (r) Any elected state officer who was elected prior to August 30, 1957, but who was not eligible to be included under the fund before said date, and who, after such date and having served in such elective office continuously therefrom, files with the fund an election under s. 66.901 (5) (i) and within 60 days thereafter makes all normal contributions from January 1, 1957, to the first day of the month following the date of filing such election, shall be credited with prior service credits as of January 1, 1957, for eligible state service prior thereto at the rate of 2 times the municipality credit for current service and with municipality credits from January 1, 1957, to the first day of the month following the date of filing of such election.

SECTION 14. 66.903 (1) (a) 6 of the statutes is repealed and re-created to read:

66.903 (1) (a) 6. In all counties under 500,000, every county judge whose official oath is filed on or after January 1, 1954 and every other full-time judge of a court of record, municipal or inferior, whose official oath is filed on or after January 1, 1956, shall be included within the fund and be subject to ss. 66.90 to 66.918 notwithstanding s. 66.901 (5) (i) except that in computing his normal contributions, all fees and all salary as juvenile judge shall be disregarded and no prior service credit shall be granted because of such inclusion.

SECTION 15. 66.903 (1) (a) 7 of the statutes is repealed.

SECTION 16. 66.903 (1) (d) of the statutes is repealed.

SECTION 17. 66.903 (2) (a) 1a of the statutes is repealed and re-created to read:

66.903 (2) (a) 1a. The normal contribution rate for any participating employe of the following municipalities for whom a higher contribution rate is not provided by subd. 1, shall be 4 per cent, effective as of the dates specified:

a. State, effective January 1, 1958;

b. Any municipality whose governing board adopts a resolution electing the 4 per cent rate either as a part of the resolution adopted pursuant to s. 66.902 (2) or in a separate resolution, effective the January 1 following the expiration of one month after a certified copy of such resolution is received by the fund.

SECTION 18. 66.903 (2) (a) 2 of the statutes is amended to read:

66.903 (2) (a) 2. Additional contributions of such amount from any payment of earnings as shall be received for any employe but not to exceed * * * \$1,000 in any calendar year. *Each such amount shall be an even multiple of \$1.*

SECTION 19. 66.903 (2) (a) 3 of the statutes is repealed.

SECTION 20. 66.904 (1) (a) 1 and 3 of the statutes are amended to read:

66.904 (1) (a) 1. For prior service, each participating employe who is an employe of a participating municipality on the effective date, shall be credited, as of such date, with a prior service credit of an amount equal to 2 times the accumulated value, as of such date, of the contributions which would have been made during the entire period of prior service of such employe, assuming the earnings of such employe to have been uniform during such period of prior service and equal to the monthly earnings obtained by dividing the total earnings during the period of the 3 calendar

years immediately preceding the effective date, by the number of months in such period for which any earnings were received by such employe; the rate of contribution to have been 3 per cent except that for policemen, including the chief and all other officers, county undersheriffs, deputy sheriffs and traffic policemen, the rate shall be 5 per cent, and for firemen, including the chief and other officers, the rate shall be 7 per cent *unless on the effective date such employment is included under the federal old age, survivors, and disability insurance system in which event the rate shall be 5 per cent*; the contributions for each calendar year to have been made at the end of such year; and the contributions to have accumulated with interest at the rate of 3 per cent per annum compounded annually.

3. * * * Upon termination of an annuity in accordance with s. 66.906 (4) (a) or * * * 66.907 (2) (e), each * * * *participant whose annuity is so terminated* shall be credited, as of the date such annuity is terminated, with additional, normal, municipality and prior service credits of amounts equal to the then present value of the portion of the terminated annuity which was originally provided by the corresponding type of credit.

SECTION 21. 66.904 (1) (a) 10 and 12 of the statutes are repealed.

SECTION 22. 66.904 (1) (b) 2 of the statutes is amended to read:

66.904 (1) (b) 2. All amounts credited to participants during the year * * * in accordance with par. (a) 3 or because of certifications in accordance with par. (a) 4 remaining in such accounts at the end of the year shall be improved with interest at the end of such year for each full month elapsing between the date of credit and the end of the year, at one-twelfth of the effective rate of interest for the year.

SECTION 23. 66.904 (1) (c) of the statutes is repealed.

SECTION 24. 66.905 (1) (intro. par.) and (3) of the statutes are amended to read:

66.905 (1) (intro. par.) Except as provided in * * * *sub. (8)*, each participating municipality shall make contributions to the fund as follows:

(3) Computations of the rates of municipality contributions for * * * *each* calendar year shall be made * * * from the information available at the time of making such computation and on the assumption that the employes in each municipality at such time will continue in service until the end of such calendar year at their respective rates of earnings in effect at such time. Such rates shall become effective, after certification by the board, as of the beginning of the calendar year to which they are applicable and shall remain in effect during such year.

SECTION 25. 66.905 (7) of the statutes is repealed.

SECTION 26. 66.905 (8) of the statutes is amended to read:

66.905 (8) Notwithstanding any other provision, the cost of all prior service credits and municipality current service credits granted *on and after January 1, 1954 to county judges and on and after January 1, 1956, to full-time judges of courts of record, municipal or inferior (other than a county court) * * * for such service* shall be paid by the state. Each county under 500,000 having such a judge and each city in a county of under 500,000 having such a judge shall submit a separate report to the fund each month pursuant to s. 66.903 (2) (e) for such judges * * * unaccompanied by any municipality contribution. This report shall exclude all fees and all salary as juvenile judge. The fund shall consolidate all of such reports each month and apply to the total participating earnings shown thereon the municipality contribution rate for the state and transmit such consolidated report to the department of administration together with a voucher for payment to the Wisconsin retirement fund from the

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general fund of the municipality contribution payable thereto as indicated by the consolidated report so submitted. Thereupon the department of administration shall promptly approve such voucher for payment and the state treasurer shall forthwith issue his check therefor to the Wisconsin retirement fund.

SECTION 27. 66.906 (2) (b) 2 and (4) (a) of the statutes are amended to read:

66.906 (2) (b) 2. The annuity which can be provided on the date such annuity begins from the total accumulated municipality and prior service credits of the participant at such time * * * *but* the amount of accumulated prior service credits so applied shall not exceed the amount which would result in an annuity provided by all credits other than additional credits equal to 60 per cent of the final rate of earnings.

(4) (a) Notwithstanding the fact that any annuity is payable for life, if any annuitant under age 65 receiving a retirement annuity enters the service of any participating municipality by which he was employed within 5 years prior to the beginning date of the annuity, the annuity payable to such annuitant at that time shall be terminated as of the end of the month prior to the date upon which such person received total earnings in all such services in excess of \$1,200 in any calendar year. If an annuitant who has attained 65 is re-employed by the participating municipality by which last employed prior to the approval of the annuity and receives total earnings therefrom in any year in excess of the greater of \$1,200 or one-half of his annual final rate of earnings the annuity shall be terminated as of the end of the month prior to the receipt of such excess. Earnings under this subsection shall be construed to include also any payment received from any municipality for personal services, including services performed on a contractual basis. * * *

SECTION 28. 66.9065 (1) (b), (4) (a) and (b), (6) (a) 2 and (b) and (8) (b) of the statutes are amended to read:

66.9065 (1) (b) Such segregation shall continue * * * *in effect as long as the person filing the notice of segregation continues to be a participant* and may not be reduced.

(4) (a) Any participating employe who has acted pursuant to sub. (1) may by written notice to the fund provide that a specified amount of the credits accumulated in accounts in his name pursuant to s. 66.904 (1) (b) be segregated for a variable annuity. The aggregate amount so segregated *shall be an even multiple of \$1 and* shall not exceed 10 per cent of the accumulated credits in all his accounts as of the beginning of the calendar year in which the original notice under sub. (1) is effective, *except that if the aggregate amount that may be transferred pursuant to par. (b) is less than \$100 the filing of the written notice hereunder shall effectuate the transfer of the entire amount.* Such segregation shall be effective as of the beginning of the calendar quarter year following the receipt by the fund of such notice and shall be improved with interest for each month of the current year prior to such segregation at one-twelfth of the effective rate of interest for the preceding year *but if such notice is received after June 30, 1961 it shall be effective on the January 1 following its receipt.* For the purposes of this subsection credits to which a participant is entitled pursuant to s. 66.904 (1) (a) 8 and 9 shall be considered as included in his accumulated credits at the beginning of the calendar year in which his original notice under sub. (1) was effective and any credits which were not segregated for a variable annuity under par. (a) or (b) solely because action entitling a participant to credits pursuant to s. 66.904 (1) (a) 8 or 9 was completed after the date as of which such a segregation was effective shall be so segregated as of the beginning of the calendar year following such action.

(b) * * * *He may by written notice * * * to the fund* provide for the segregation of credits for a variable annuity in the same manner as under par. (a) in an amount not in excess of the amount computed under the 10 per cent segregation limit as originally determined under par. (a), but the aggregate segregation of accumulated credits under this subsection shall not exceed 50 per cent of the accumulated credits in all his accounts as at the beginning of the calendar year in which the original notice under sub. (1) was effective. *Not more than one segregation under this subsection shall be made effective in any one calendar year.*

(6) (a) 2. All amounts so segregated during the year pursuant to sub. (4), or because of re-establishment of credit after cancellation of an annuity * * *, remaining so segregated at the end of the year shall then be credited or debited at one-twelfth of the rate of net gain or loss for the year for each full month from the date so segregated to the end of the year.

(b) Credits segregated for a variable annuity at the beginning of each year and all amounts so segregated within the year pursuant to sub. (4), or because of re-establishment of credit after cancellation of an annuity * * *, not remaining in such accounts at the end of the year because of the granting of annuities or death benefits during the year shall be credited with interest, on the first day of the month in which the first annuity or death benefit payment is due, for each full month elapsing between the first day of the year or the date of credit, as the case may be, and the first day of the month in which such first annuity or death benefit payment is due, at one-twelfth of the effective rate of interest for the previous year.

(8) (b) A disability annuity granted pursuant to s. 66.907 to a participant whose accounts include amounts segregated for a variable annuity shall consist of a fixed annuity and a variable annuity, the respective initial amounts of which shall be determined on the basis of the ratio of all classes of the accumulated credits of the participant not segregated for a variable annuity at the date * * * the disability annuity begins, to his accumulated credits so segregated at that date.

SECTION 29. 66.907 (2) (c) 2 of the statutes is amended to read:

66.907 (2) (c) 2. The sum of the amount of the annuity that can be provided from the accumulation of additional credits on the date the disability annuity begins, plus the lesser of the following amounts: 50 per cent of the final rate of earnings, or 1½ per cent of the final rate of earnings multiplied by the number of years of prior service and of current service including in the latter assumed service between the date the disability occurred and the date on which the applicant will attain the age of 65. The number of such total years shall be determined to the nearest full year. Whenever the applicant qualifies for disability benefits or for old-age benefits as a retired worker under the federal old-age and survivors insurance system, the amount of his disability annuity, other than the amount attributable to his additional contributions, shall be reduced by 20 per cent of the amount thereof, but in no event shall such reduction lower the disability annuity below that which could have been provided under subd. 1. Such reduction shall be effective with the annuity *payment* for the eighth month * * * after the annuity begins * * * except during such period as the disability annuitant * * * *furnishes* evidence to the fund that he is not eligible for benefits from the federal old-age and survivors insurance system.

SECTION 30. 66.907 (2) (cc) of the statutes is created to read:

66.907 (2) (cc) If a person who has received a separation benefit subsequently becomes a participant, his service prior to the payment of such separation benefit shall be disregarded for purposes of determining his eligibility for, or the amount of, any benefit under this section.

SECTION 31. 66.907 (2) (e) of the statutes is amended to read:

66.907 (2) (e) If the report of any such physician indicates that the annuitant has recovered from disability and is able to perform the duties of any regular position for which the annual compensation exceeds \$1,200, or if the annuitant refuses to submit to such examination, the disability annuity shall terminate as of the end of the month previous to the date of determination by the board of such recovery or refusal. * * *

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* * *

SECTION 32. 66.909 (1) (dd) of the statutes is created to read:

66.909 (1) (dd) A participant or annuitant may elect by written notice to the board that a death benefit payable to a minor beneficiary shall be paid pursuant to par. (d).

SECTION 33. 66.91 (2) of the statutes is amended to read:

66.91 (2) Such separation benefits shall be paid in the form of a single cash sum as soon as practicable after receipt by the board of both a written application by the participant for such benefits, and a written notice from the last employing municipality certifying that such participant has been separated from the service. The amount of any separation benefit shall be the sum of the accumulated additional credits and normal credits of the participant, *but including only such interest credited as of the beginning of the year in which the date of separation occurs* * * *.

SECTION 34. 66.912 (1) (t) of the statutes is amended to read:

66.912 (1) (t) Establish such rules as are deemed necessary or desirable for the efficient administration of the fund and make, amend or repeal rules which shall change the time or period within which or by which or for which reports must be made or other acts must be performed as specified in ss. 66.903 (2) (e), 66.905 (1) (a), (4), * * * (8), 66.915 (5) and 66.917 (1) (a) or elsewhere in the statutes.

SECTION 35. 66.915 (5) of the statutes is amended to read:

66.915 (5) (a) Interest for the year, at the prescribed rate, shall be charged or credited as the case may be, at the end of each year, on the balances at the beginning of the year in the prior service obligation account and in the current service obligation account. Interest shall be credited at the end of the year on all contributions for prior service in accordance with s. 66.905 (1) (a) and (5) at the prescribed rate, assuming that all contributions were received by the fund on the due date and also assuming that the contribution for each month was one-twelfth of the total contribution for prior service for the year. Interest shall be credited at the end of the year on all contributions for prior service received in accordance with s. 66.905 (1) (b) at the prescribed rate from the date of receipt.

(b) Interest shall be charged on accounts receivable from any municipality, except the state, for both employe and municipality contributions not received by the fund * * * *on its last working day* of the calendar month following the due date at the rate of * * * *one-half of one per cent* for each month or fraction thereof, from the due date to the date received by the fund with a minimum charge of \$3, and such interest or minimum charge shall be paid forthwith to the fund, and if it is not paid within 60 days after it is payable, it shall be collected as provided in s. 66.917 (1a).

(c) Any such interest chargeable on employe and municipality contributions from a department, board or commission of the state shall be

payable if the monthly payroll report provided for by s. 66.903 (2) (e) is not received by the fund on or before the twentieth day of the calendar month following the due date; when any such interest is payable the board of trustees shall certify the amount thereof with an explanation of such charge, together with a voucher in payment therefor to the department of administration which shall forthwith approve such voucher and charge the same to the appropriation of the department, board or commission which failed to submit its payroll report to the board of trustees on time. The state treasurer shall forthwith issue his check or checks therefor to the Wisconsin retirement fund.

SECTION 35a. 66.916 (1) (a) of the statutes is amended to read:

66.916 (1) (a) The annuity payment surplus shall be determined as of the end of each year as the amount by which the reserve for annuities previously granted exceeds the actuarially determined liability with respect to such annuities. Whenever such surplus exceeds * * * 25 per cent or there is a deficiency exceeding 15 per cent * * * of such reserve, the tables used for the determination of annuities shall be revised in such manner as the board deems appropriate.

SECTION 36. 66.917 (1) (b) of the statutes is amended to read:

66.917 (1) (b) Authorized and directed to pay to the board concurrently with each remittance of employe contributions *deducted from earnings*, the corresponding municipality contribution out of the general fund or any special fund from which the earnings * * * were paid, except as provided in s. 66.905 * * * (8).

SECTION 37. The repeal or revision of any statute or portion thereof by this act shall not affect any rights created or action taken or required pursuant thereto prior to the effective date of this act.

SECTION 38. This act shall take effect September 1, 1961.

Approved July 19, 1961.
