

1983 Assembly Bill 32

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1983 Wisconsin Act 247

AN ACT to repeal 20.515 (1) (x); to amend 40.04 (2) and 40.04 (3) (intro.); and to create 40.03 (1) (n), 40.03 (2) (q) and 40.04 (2) (d) of the statutes, relating to allowing separate retirement systems to include funds in the public employee trust fund, to administrative costs of the department of employee trust funds and to granting rule-making authority.

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

SECTION 1. 20.515 (1) (x) of the statutes, as created by 1983 Wisconsin Act 27, is repealed.

SECTION 2. 40.03 (1) (n) of the statutes is created to read:

40.03 (1) (n) May allow any separate retirement system for employees of one or more employers to deliver or send funds representing assets of that system to the department. If the department accepts delivery or transmission, the department shall purchase shares of the fixed retirement investment trust or variable retirement investment trust or both with those funds, subject to rules under sub. (2) (q). Each retirement system shall pay as provided in s. 40.04 (2) for the costs of investing and administering any of its funds sent or delivered to the department.

SECTION 3. 40.03 (2) (q) of the statutes is created to read:

40.03 (2) (q) Shall adopt rules governing the times when separate retirement systems may send or deliver funds under sub. (1) (n) or withdraw those funds, the amounts of money that may be sent, delivered or withdrawn, the valuation of money that has been sent, delivered or withdrawn, and the distribution of investment income among the retirement systems. These rules may modify the accounting and valuation bases and the investment earnings distribution procedures of the Wisconsin retirement system to the extent necessary to achieve equity among the various retirement systems.

SECTION 4. 40.04 (2) of the statutes, as affected by 1983 Wisconsin Act 27, is amended to read:

40.04 (2) (a) An administrative account shall be maintained within the fund from which administrative costs of the department, including except charges for services performed by others and for payments required of the department by the state of Wisconsin investment board, shall be paid.

(b) Except as otherwise provided in this section, investment income of this fund and moneys received for services performed or to be performed by the department shall be credited to this account.

(c) The secretary shall estimate the administrative costs ~~and the payments to the state of Wisconsin investment board~~ to be incurred by the department in each fiscal year and shall also estimate the investment income which will be credited to this account in the fiscal year. The estimated administrative costs ~~and investment board payments~~ less the estimated investment income shall be equitably allocated by the secretary, with due consideration being given to the derivation and amount of the investment income, to the several benefit plans administered by the department. In determining the amount of the allocation, adjustments shall be made for any difference in prior years between the actual administrative costs, ~~investment board payments~~ and investment income from that originally estimated under this ~~subsection~~ paragraph. An amount equal to the adjusted allocated costs shall be transferred to this account from the investment earnings credited to the respective benefit plan accounts and from payments by the respective insurers for administrative services.

SECTION 5. 40.04 (2) (d) of the statutes is created to read:

40.04 (2) (d) The costs of investing the assets of the benefit plans and retirement systems, including all costs due to s. 40.03 (1) (n), shall be paid from the appropriation under s. 20.515 (1) (r) and charged directly against the appropriate investment income or reserve accounts of the benefit plan or retirement system receiving the services.

SECTION 6. 40.04 (3) (intro.) of the statutes, as affected by 1983 Wisconsin Act 27, is amended to read:

40.04 (3) (intro.) A fixed retirement investment trust and a variable retirement investment trust shall be maintained within the fund under the jurisdiction and management of the investment board for the purpose of managing the investments of the retirement reserve accounts and of any other accounts of the fund as determined by the board, including the accounts of separate retirement systems. Within the fixed retirement investment trust there shall be maintained a transaction amortization account and a current income account, and any other accounts as are established by the board or the investment board. A current income account shall be maintained in the variable retirement investment trust. All costs of owning, operating, protecting and acquiring property in which either trust has an interest shall be charged to the current income or transaction amortization account of the trust having the interest in the property.
