

CHAPTER 42.

TEACHERS' AND STATE EMPLOYEES' RETIREMENT ACTS.

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42.20 Definitions. In ss. 42.20 to 42.54, inclusive, unless the context otherwise requires:

"Employer" means this state or any subdivision thereof authorized by law to employ teachers or to pay their salaries.

"Fiscal year" is the year beginning July first and ending June thirtieth.

"Interest" means the actual rate earned by deposits.

"Junior teacher" designates a teacher who shall not have arrived at the twenty-fifth birthday anniversary on the first day of July preceding.

"Member's deposit" means any deposit made in the retirement deposit fund by or on behalf of a member, excluding the state deposit.

"Net interest" means the gross interest earned by deposits less expense of investment and depreciation of principal.

"State college" means any college under the control and management of the board of regents of state colleges.

"Prior service" means service rendered as a teacher in the public schools, the state colleges or the university, prior to July 8, 1921.

"Public schools" mean all schools supported wholly or in part by public funds, and under the control and management of this state, or any subdivision thereof, empowered by law to employ teachers, except schools under the control and management of the board of regents of state colleges or the regents of the university of Wisconsin and except schools in cities of the first class included under s. 38.24.

"Required deposit" means the deduction in accordance with ss. 42.40 and 42.41 (1) from the compensation received by a senior teacher deposited in the retirement deposit fund.

"School year" means 120 teaching days, or in case of service in this state prior to July 8, 1921, not less than 75 per cent of the then legal school year.

"Senior teacher" designates a teacher who shall have arrived at the twenty-fifth birthday anniversary on the first day of July preceding.

"State deposit" means the deposit made by the state in the retirement deposit fund on behalf of any member.

"Teacher" means any person legally or officially employed or engaged in teaching as a principal occupation.

"Teaching" includes the exercise of any educational function for compensation, in any of the public schools, the state colleges, or the university, or in any school, college, department or institution, within or without this state, in instructing or controlling pupils or students, or in administering, directing, organizing or supervising any educational activity.

"University" means any college, school or department under the control and management of the regents of the university of Wisconsin.

"Year of teaching experience" means a fiscal year during which the teacher was employed as a teacher not less than a full school year.

History: 1953 c. 61, 441.

42.21 Title of act; administration of. This act, consisting of ss. 42.20 to 42.54 and all amendments thereto, shall be known as the "State Teachers' Retirement Law." The state teachers retirement system hereby established shall be administered by and under the state teachers retirement board.

History: 1951 c. 511; 1953 c. 204.

42.22 State teachers retirement board. (1) There is created a state teachers retirement board. The board shall be provided with suitable offices and shall be supplied with necessary furniture, supplies, postage, stationery, equipment and printing on the same basis as other state departments.

(2) The board shall be composed of 7 members. The original 7 members shall be appointed by the governor. Three members of the board shall be members of, and represent, the public school retirement association. One of the members who is first appointed shall serve until November 15, 1952 and the other until November 15, 1953. The third member appointed shall serve until November 15, 1955. Two of the members of the board shall be members of, and represent, the state colleges retirement association. One of the members who is first appointed shall serve until November 15, 1952 and the other until November 15, 1953. The remaining 2 members of the board shall be members of, and represent, the university retirement association. One of the members who is first appointed shall serve until November 15, 1952 and the other until November 15, 1953. As the term of any member shall expire his successor shall be elected by the retirement association which he represents for a term of 3 years. All members of the board, whether appointed or elected, shall serve until their successors have been appointed or elected and shall have qualified. The members of the board shall be paid a salary of \$25 for each day actually devoted to the performance of their duties, including time spent in travel, and shall also be reimbursed their actual and necessary expenses.

(3) Regular meetings of the board shall be held each month, and special meetings shall be held upon the call of its executive secretary or any 3 members of the board.

(4) The board shall elect one of its members chairman, one vice-chairman and one secretary. The chairman shall preside at all meetings of the board. The vice-chairman shall act in lieu of the chairman in the event of the absence or disability of the chairman. The secretary shall keep the minutes of the meetings of the board.

(5) The executive head of the board shall be the executive secretary thereof. He shall be appointed by the board. He shall furnish a bond for the faithful performance of his duties in such sum and with such sureties as the board may require, the cost of which shall be borne by the board.

(6) The executive secretary shall have the direction of all employes of the board. He shall be authorized to act for the board, pursuant to its direction and under such regulations as it may adopt, in all matters concerning the administration of the state teachers retirement system which the board may see fit to delegate to him.

History: 1951 c. 511; 1953 c. 61, 204, 458, 540.

42.23 Refunds. The state teachers retirement board may refund any money paid in error into any of the funds of the state teachers retirement system, including money paid in error by an employer. To effect such a refund the executive secretary of said board shall certify to the director of budget and accounts the name of each person entitled to a refund and the amount thereof. Thereupon, and notwithstanding s. 20.06, the director of budget and accounts shall draw his warrant for the amount and in favor of the person so certified, and the state treasurer shall pay the same and charge it to the appropriation made by s. 20.727 (3).

History: 1951 c. 511; 1953 c. 204.

42.24 State treasurer ex officio treasurer of state teachers retirement system; bond. The state treasurer shall be ex officio treasurer of the state teachers retirement system, and shall give an additional bond in such amount and with such corporate sureties as shall be required and approved by the state teachers retirement board, the cost of which shall be borne by the board.

History: 1951 c. 511; 1953 c. 204.

42.25 Public school retirement association. The public school retirement association shall include as members all senior teachers in the public schools and all teachers and former teachers in the public schools who have a credit in the retirement deposit fund or

have a reserve in the annuity reserve fund or who shall be entitled to a present or future benefit under the teachers' insurance and retirement law.

42.27 State colleges retirement association. The state colleges retirement association shall include as members all senior teachers in the state colleges and all teachers and former teachers in the state colleges who have a credit in the retirement deposit fund or have a reserve in the annuity reserve fund.

History: 1953 c. 61.

42.28 University retirement association. The university retirement association shall include as members all senior teachers in the university and all teachers and former teachers in the university who have a credit in the retirement deposit fund or have a reserve in the annuity reserve fund, but shall exclude all part-time teachers at the university below the grade of instructor and all teachers who are or may be entitled to any benefit from the Carnegie foundation for the advancement of teaching under any plan in force prior to November 17, 1915.

History: 1951 c. 637.

42.30 Association representatives. Subject to the provisions of s. 42.22, the members of each retirement association shall elect their representatives on the state teachers retirement board prior to the beginning of their respective terms in such manner and at such time as shall be prescribed in the by-laws of the respective associations. Any vacancy on the board shall be filled by the governor for the unexpired term.

History: 1951 c. 511; 1953 c. 204.

42.31 State teachers retirement board; organization. (1) The state teachers retirement board from time to time shall adopt such by-laws and make such rules for the transaction of the business of the state teachers retirement system and for the control of the several funds hereby created and the payment of the benefits hereby provided as it shall deem necessary and proper and shall perform all duties necessary or convenient for putting into effect and carrying on the state teachers retirement system.

(2) The state teachers retirement board shall employ such actuarial, legal, medical or other technical service and such clerical and other services as may be necessary, fix the compensation therefor, and may allow actual and necessary expenses incurred in the performance of duty.

History: 1951 c. 511; 1953 c. 204.

42.32 Custody and disposition of funds. The state teachers retirement board shall receive, hold and pay out according to law, all deposits by the members and by the state and all accretions thereto and other moneys belonging to the several funds of the state teachers retirement system.

History: 1951 c. 511; 1953 c. 204.

42.33 Assets, benefits, fund transfers. (1) The state teachers retirement board shall at all times maintain assets:

(a) In the "Annuity Reserve Fund" at least equal to the net present value of the prospective benefit payments according to the basic assumptions for the rates on which benefits have been granted;

(b) In the "Retirement Deposit Fund" equal to the liabilities for deposits and interest accretions;

(c) In the "Contingent Fund" as follows: The assets held in the contingent fund shall as of June 30 of each year be at least equal to the following ratios to the present value of all future payments of benefits from the contingent fund, namely: The actual percentage of such assets to such present value on June 30, 1922, which percentage shall be increased by 2-1/2 per cent for each year thereafter, so that such assets shall equal such present value in not exceeding 40 years from June 30, 1922.

(2) The state teachers retirement board shall establish and maintain such reserve or surplus funds as the interests of the members and the future solvency of the funds may require. The state teachers retirement board shall as of June 30 of each year make such valuations of the several funds as are necessary for the purposes of the state teachers retirement system.

(3) For the purpose of determining the actual cost of annuities and other benefits based upon life contingencies, the state teachers retirement board shall combine the mortality experience of the contingent fund and the annuity reserve fund, and shall annually apportion, distribute and transfer the cost of such benefits between the said funds in accordance with such combined mortality experience.

(4) The state teachers retirement board may from time to time transfer from the contingent fund to the annuity reserve fund amounts not exceeding in the aggregate at any time 5 per cent of the then net present value of the prospective benefit payments then

chargeable to the annuity reserve fund; provided, that no distribution of gains and savings shall be made from the annuity reserve fund until all of such sums transferred shall have been repaid to the contingent fund with interest.

History: 1951 c. 511; 1953 c. 204.

42.34 Teachers retirement board to fix annuities. The state teachers retirement board shall make such investigations of the mortality, disability, service and compensation experience of the several funds as shall be necessary. On the basis of such investigation the board shall determine, adopt and certify the rates at which the annuities and other benefits shall be granted. The rates shall be adequate to provide for all benefits as near as may be at actual cost, but shall not be less than the rates based on the minimum standard prescribed by law for granting annuities in this state. The rates last adopted by the state annuity and investment board shall continue to be the prevailing rates until changed by action of the state teachers retirement board. No revision of rates shall affect adversely the rights of any beneficiary or annuitant under an application made prior to the date when such revision becomes effective. The state teachers retirement board shall from time to time order and make such distribution of gains and savings as it may deem equitable.

History: 1951 c. 511; 1953 c. 204.

42.35 Classification, exceptions. (1) Members of each retirement association, all of whom shall be members of the state teachers retirement system, are classified as follows:

Class A. All persons who, on the day preceding July 8, 1921, were members of, or entitled to a benefit from, the teachers' insurance and retirement fund.

Class B. Senior teachers employed in the public schools, the state colleges or the university, after July 8, 1921, who prior to said date were teachers in any of said schools but were not members of the teachers' insurance and retirement fund.

Class C. All members not included in Class A or in Class B.

(2) Persons residing outside of the United States and teaching temporarily in the state of Wisconsin shall not come under the provisions of the state teachers retirement system.

(3) Persons on leave from an educational institution not under the state teachers retirement system and who are visiting professors, visiting associate professors, visiting assistant professors, or visiting lecturers at the university of Wisconsin shall not come under the provisions of the state teachers retirement system provided their employment at the university is for not more than one year. If their employment at the university is continued for more than one year they will, at the start of the second year of such employment, come under the provisions of the state teachers retirement system.

History: 1951 c. 511, 637; 1953 c. 61, 204.

42.37 Teachers retirement board, duties. The state teachers retirement board shall:

(1) Determine the age, sex, prior service, compensation and teaching experience of members.

(2) Determine the amounts deposited by members, the amounts to be deposited by the state on account of members, and the benefits payable to members.

(3) Maintain individual records and individual accounts for members.

(4) Furnish to any member upon written request not oftener than once in any year a statement of the account of the member.

History: 1951 c. 511; 1953 c. 204.

42.38 Court review. Any order, rule or determination of the state teachers retirement board may be reviewed in the manner provided in ch. 227.

History: 1951 c. 511; 1953 c. 204.

42.39 Reports to be furnished board. Every employer shall furnish to the state teachers retirement board such reports and such information as said board may require, and the state superintendent of public instruction and the county, district and city superintendents shall give such aid and co-operation in furnishing or obtaining any such reports or information as may be required by said board.

History: 1951 c. 511; 1953 c. 204.

42.40 Required deposits. Each senior teacher shall make a deposit in the retirement deposit fund equal to 6 per cent of all compensation received for teaching service performed by such teacher. Any member, or any person on behalf of any member, may make additional deposits whenever said member has any credits in the retirement deposit fund. All amounts deposited by or on behalf of any teacher shall be held for the benefit of the individual teacher in the retirement deposit fund for the purpose of providing an annuity or other benefit as provided by ss. 42.20 to 42.54.

42.41 Deductions from salaries; pay roll. (1) Every employer shall deduct and withhold from the compensation as a teacher of each senior teacher on each and every pay roll for each and every pay roll period hereafter 6 per cent of the compensation of such senior teacher, which is paid by such employer. Any person or officer whose duty it is to prepare the pay roll for the payment of any of said teachers who receive their salaries from the state treasury shall, on each such pay roll, indicate the entire monthly salary of each teacher, the amount to be paid such teacher, and the amount, if any, to be deducted for the retirement deposit fund, and shall indicate on said pay roll the total of such deductions as the amount to be paid to the retirement deposit fund.

(2) Whenever deductions shall be made from compensation on any pay roll the employer shall immediately send to the state teachers retirement board a copy of such pay roll in such form as approved by such retirement board with a remittance payable to the order of the treasurer of the state of Wisconsin for all deductions from the compensation of teachers on such pay roll. Junior teachers for whom no deduction is made may be omitted from such copy of the pay roll. The remittances may be by draft, money order or check or otherwise according to rule adopted by said board. A junior teacher may or may not make deposits as the teacher may elect.

(3) The state teachers retirement board shall immediately transmit to the state treasurer all payments received and shall audit the pay rolls of all employers and shall determine the amount deductible from the compensation of members on each pay roll.

History: 1951 c. 511; 1953 c. 204.

42.42 Information to board. (1) **PRIOR CONTRACTS.** Every contract of employment as a teacher made after July 8, 1921 shall specify that it is subject to the provisions of the state teachers retirement law, and give the date of the birth of the teacher, and such other information as the state teachers retirement board may require for the identification of the teacher. In any case when such contract was made before July 1, 1947 no deduction without the consent of the teacher shall be made in excess of the deduction authorized when the contract was made.

(2) **EMPLOYER'S STATEMENT TO RETIREMENT BOARD.** On or before September 30 in each year, the employer shall mail to the state teachers retirement board a statement giving the name, address, and date of birth of all teachers employed for the ensuing school year, and such other information as the board may require for the identification of such teacher. Any teacher thereafter employed during the school year shall be reported within 30 days after such employment.

(3) **INFORMATION TO BE FURNISHED BOARD BY TEACHER.** Upon receiving notice of the employment of a senior teacher for the first time, the state teachers retirement board shall immediately mail to the teacher a blank calling for such information as the board may require for the identification of the teacher and the determination of the state deposit and other rights of the teacher, which blank properly filled shall be returned to the board promptly. The state deposit for the fiscal year shall not be made for any teacher unless such information is received on or before July 31 of the following fiscal year.

(4) **CERTIFICATE TO TEACH BY BOARD.** The state teachers retirement board shall issue to every member a certificate of membership, which shall contain such information as, with the information derived from the pay roll, shall be necessary to determine the state deposit on behalf of such member and shall be in such forms as the board shall prescribe.

History: 1951 c. 511; 1953 c. 204.

42.43 Employers' duties as to funds. Every employer shall be responsible for the payment to the state teachers retirement board of the required deposits to be made by every senior teacher in the service of such employer. No employer shall, without the consent of the member, withhold or deduct from any member's compensation on any pay roll any amount in excess of the required deduction for the period covered by such pay roll.

History: 1951 c. 511; 1953 c. 204.

42.44 Salary less deductions to be complete payment. Notwithstanding any other law, rule or regulation affecting the salary, pay, compensation or tenure of any member, payment of such salary, pay or compensation to such member less the required deductions herein provided shall be a full and complete discharge and acquittance of all claims for service rendered by such member during the period covered by such payment.

42.45 State deposit; basis. (1) The state deposit on behalf of each teacher shall be an amount equal to the following percentage upon the required deposit made by such teacher during the fiscal year, namely, to 50 per cent of the required deposit add 5 per cent of the required deposit for each year of teaching experience excluding the year for which deposit is made, provided that the total shall not exceed 200 per cent of the required deposit; provided, that in computing the state deposit, any amount of required

deposit on account of any amount of annual compensation in excess of \$3,000 shall be disregarded in applying the above percentages. If the teacher received compensation for service as a teacher in the public schools, the state colleges, or the university, for not less than a school year during the fiscal year the state deposit shall be increased by \$25. All state deposits shall be credited as of June 30 except that whenever, prior to the end of the fiscal year, a member's deposit accumulation is to be paid out in a single sum as a withdrawal pursuant to s. 42.49 (1), or as a death benefit pursuant to s. 42.50, or transferred pursuant to s. 42.48 immediately before such withdrawal or transfer, the account of the member shall be credited with the same state deposit which it would have received on the following June 30. All amounts credited as state deposits shall be charged to the sums transferred to the state teachers retirement system therefor pursuant to s. 42.46.

(2) In computing the state deposit, a member who left the teaching profession to serve, and who served, the United States or any of its allies in World War I or in World War II in or with the army, including the WAACS, in or with the navy, including the WAVES, in or with the marines, including the U. S. Marine Corps Women's Reserve, in or with the coast guard, including the SPARS, or in the American Field Service, shall be credited with teaching experience for the time so served upon proof of such service and honorable discharge therefrom being furnished to the state teachers retirement board, or having been furnished to its predecessor. In computing the state deposit, any member who left the teaching profession under agreement with the federal government to take training to teach, and who taught, persons in any of the aforesaid main or auxiliary branches of the United States military service during World War II shall be given like credit for the time spent in such training as well as in such teaching upon proof of such training and teaching being furnished to said board.

(3) Any member who left the teaching profession in Wisconsin from a position in which he was making or in which he had been compelled to make required deposits or in which he would have been compelled to make required deposits if he had been a senior teacher to serve, and who served, the United States or any of its allies in World War I, in World War II, or after June 25, 1950 and during a period of national emergency, in or with the army, including the WAACS, and WACS, in or with the navy, including the WAVES, in or with the marines, including the U. S. Marine Corps Women's Reserve, in or with the coast guard, including the SPARS, or in the American Field Service who teaches in Wisconsin after August 4, 1951, in a position in which such member is compelled to make required deposits or in which he would have been compelled to make required deposits if he had been a senior teacher, shall be credited with teaching experience for the time so served upon proof of such service and honorable discharge therefrom being furnished to the state teachers retirement board, or having been furnished, to its predecessor. Any member who left the teaching profession in Wisconsin from a position in which he was making or in which he had been compelled to make required deposits under agreement with the federal government to take training to teach, and who taught persons in any of the aforesaid main or auxiliary branches of the United States military service during World War II, or after June 25, 1950 and during a period of national emergency, and who teaches in Wisconsin after August 4, 1951, in a position in which such member is compelled to make required deposits, shall be given like credit for the time spent in such training as well as in such teaching upon proof of such training and teaching being furnished, or having been furnished to said board.

(4) Any member who shall receive credit as teaching experience for military or teaching service as provided in sub. (3), who shall so elect may make deposits for the period for which he received such credit as teaching experience, and as of the following June 30, such member shall be credited with corresponding state deposits calculated according to the state deposit formula in effect on June 30, 1947. The deposits which may be made by the member pursuant to such election shall be equal to the required deposits which should have been made by such member for such portion of the period covered by such election during which he would have been a senior teacher had he remained in teaching, computed on the basis of the monthly salary received during the first fiscal year after such period in which said member returned to teaching in a position in which said member was compelled to make required deposits. Any state deposits which shall be made pursuant to this subsection shall be forfeited by the member for whom they were made unless he shall have had at least 4 years of teaching experience under the state teachers retirement system after completion of any of the military service or training and teaching described in sub. (3), except that such state deposits shall not be forfeited if the member shall have taught for a period at least equal to 50 per cent of the time, not exceeding 8 years, between the date of completion of such military service or training and teaching and the date of his death.

42.46 Maintaining status of funds. (1) The state teachers retirement board shall annually, as soon after June 30 as shall be practicable, ascertain the teaching experience of, and the amount of, required deposits made during the year by each member, and on the basis thereof determine the state deposit to be made by the state in the retirement deposit fund of the state teachers retirement system on account of service rendered during the year for each member. Said board shall also determine annually, as soon after June 30 as shall be practicable, the amount of money which must be placed in the contingent fund of the state teachers retirement system in order to maintain the ratio of assets to liabilities therein which is required by s. 42.33 (1) (c). Said board shall thereupon certify to the director of budget and accounts who shall forthwith prepare a warrant therefor, and upon such warrant the state treasurer shall, as of June 30, 1951 transfer the aforesaid amounts to the state teachers retirement system from the funds appropriated for the purpose. The amount transferred for the retirement deposit fund shall be credited to the individual accounts of the members for the purpose of providing an annuity or other benefit as provided in ss. 42.20 to 42.54.

(2) The state teachers retirement board shall annually, prior to July 15, estimate the amount of the state deposit to be made by the state in the retirement deposit fund of the state teachers retirement system for each member on account of service rendered during the current fiscal year and the amount of money which must be placed in the contingent fund of the state teachers retirement system in order to maintain the ratio of assets to liabilities therein required by s. 42.33 (1) (c). Thereupon said board shall certify such estimate to the director of budget and accounts who shall prepare a warrant each month for one-twelfth of said estimated amounts and upon such warrants the state treasurer shall transfer the sums specified therein to the state teachers retirement system from funds appropriated for the purpose. When the state teachers retirement board shall have determined the exact amounts which were payable by the state to the state teachers retirement system for the retirement deposit fund and the contingent fund thereof respectively for the preceding fiscal year as required by sub. (1) hereof, a final certification thereof shall be made by said board to the director of budget and accounts and a final payment pursuant thereto shall be made to or from the state teachers retirement system, whichever the case may be, as determined from the aforesaid final certification.

History: 1951 c. 511, 734; 1953 c. 204.

42.47 Apportionment of earnings. As of June 30 of each year the state teachers retirement board shall determine the earnings to be apportioned to the several funds. Such earnings shall be apportioned and credited to the several funds at the rates determined by the board, provided that the rate of apportionment to the annuity reserve fund shall be at least equal to the interest rate used in the valuation of the benefits payable from such fund.

History: 1951 c. 511; 1953 c. 204.

42.475 Interest on withdrawals and transfers. Whenever a member's deposit accumulation, or state deposit accumulation, or both, are to be paid out in a single sum, either as a withdrawal by the member pursuant to s. 42.49 (1) or as a death benefit pursuant to s. 42.50, or shall be transferred to the annuity reserve fund pursuant to s. 42.48, interest shall be credited to the amount to be so paid out or transferred for each 3-month period which shall have elapsed since the preceding June 30 at one-fourth of the rate at which earnings were apportioned on such June 30. The interest so credited shall be charged to the earnings for the current fiscal year and shall be paid out or transferred, as the case may be, with the amount to which it was so credited.

History: 1953 c. 157.

42.48 Application for benefits. A member may apply at any time to the state teachers retirement board, on a form furnished by it, for a benefit. The board shall determine the benefit to be paid to the member, which shall be certified by the said board to the director of budget and accounts. The director of budget and accounts shall thereupon issue his warrants upon which the state treasurer shall make payments accordingly. If the benefit applied for is other than a single payment the said board shall transfer the amount of the member's individual accumulation covered by the application as so certified, from the retirement deposit fund to the annuity reserve fund, and the benefit shall thereafter be paid from the annuity reserve fund. The state treasurer shall make payment by check to the order of the member or beneficiary and the personal indorsement of the payee shall be sufficient receipt and shall constitute a statement that the payee is entitled to the payment of such benefit in full compliance with the requirements of the law.

History: 1951 c. 511; 1953 c. 204.

42.49 Annuities, how computed; withdrawals; total disability. (1) Upon the expiration of 6 months after filing application with the state teachers retirement board by

a member who has ceased to be employed as a teacher in the public schools, state colleges or university in this state, and who is not on a leave of absence from a teaching position, the accumulation from the member's deposits, or any part thereof, may be withdrawn:

(a) In a single payment, or

(b) In such instalments as the state teachers retirement board shall approve.

(2) When a member has ceased to be employed as a teacher, and is not on a leave of absence from a teaching position, the accumulation from the member's deposits may be applied by the member as a net single premium at the rate certified by the state teachers retirement board, to the purchase of an annuity, the first payment to be made in such month and year after the application for the annuity is received by the board as the member shall direct, which annuity may be:

(a) An annuity payable monthly to the member during life;

(b) An annuity payable monthly to the member during life, with a guaranty of at least 180 monthly payments; and in the event of the death of the member before 180 monthly payments have been made, the remainder of the 180 monthly payments shall be continued to one beneficiary or divided equally, or as the member otherwise specified, between 2 or more beneficiaries designated by the member until payments shall have been made for 180 consecutive months after such annuity began. Unless prohibited by the member in his designation, any such beneficiary may elect at any time to receive the then present value of his benefit in a single sum. Upon the death of any designated beneficiary after he has become entitled to receive monthly payments hereunder, the then present value of his benefit shall be paid in a single sum to his estate. Upon the death of the member before payment has been made for 180 months, the then present value of the remainder of such payments shall be paid in a single sum to the estate of the member in cases where no beneficiary was designated or where the member's estate was designated as beneficiary. In the event of the death of any designated beneficiary prior to the death of the member, then upon the death of the member, the then present value of the benefit, if any, which would have been payable to said beneficiary, shall be paid in a single sum to the estate of the member; or

(c) An annuity payable monthly to the member during life, and after death of the member, monthly payments of one-half the monthly amounts paid to the member to be continued to such beneficiary during life as the member shall have designated in the original application for a retirement allowance; or

(d) An annuity payable monthly to the member during life, and after the death of the member, the same monthly payment to be continued to such beneficiary during life as the member shall have designated in the original application for a retirement allowance; or

(e) In such annuity or annuities as the state teachers retirement board shall approve.

(3) When a member has ceased to be employed as a teacher, and is not on leave of absence from a teaching position, the accumulation from the state deposits may be applied by the member, except as provided in sub. (7), to the purchase of an annuity in the same manner as provided in sub. (2) (a), (b), (c) or (d), except that the first payment cannot be made before the 50th birthday anniversary of the member; provided, that the state teachers retirement board, upon application by or on behalf of any member accompanied by satisfactory evidence that such member by reason of a physical or mental disability is incapable of rendering further satisfactory service as a teacher, may authorize such annuity payments to be made prior to the 50th birthday anniversary of such member. When a member ceases to be employed as a teacher after August 3, 1947 and is not on a leave of absence from a teaching position, and has attained the age of 60 years or more, and has had not less than 30 years of teaching experience of which not less than 20 years were in the public schools, the state colleges, or the university in this state, and has applied the entire accumulation from the member's deposits as provided in sub. (2), and the accumulation from the state deposits has been applied by the member to the purchase of an annuity as herein provided, and when the annuity purchased by such accumulation from the state deposits, together with the annuity, if any, provided for the member under s. 42.51 (3), when computed as an annuity payable monthly to the member during life is less than an annuity of \$2 per month for each year of the member's teaching experience, not exceeding 35 years, in the public schools, state colleges or university in this state, the annuity to the member shall be increased so that the member shall be paid an annuity for life equal to such annuity, or the actuarial equivalent of such life annuity. The increase in the annuity shall be paid from the contingent fund. The increased annuity herein provided shall not be available for any member who has at any time withdrawn any amount from the retirement deposit fund or received any annuity under ss. 42.20 to 42.54, except that (a) the increased annuity shall be available for any member who has withdrawn any amount from the retirement deposit fund provided that the amount with-

drawn be repaid to the retirement deposit fund, with interest at the rate of 3 per cent per annum from the date of withdrawal to the date of repayment, before application is made for an annuity under this section, and (b) the increased annuity shall be available for any member who makes the repayment required by (a) immediately preceding, who has been an annuitant under ss. 42.20 to 42.54, who returned to teaching and made required deposits prior to August 3, 1947, and who, after July 31, 1949, taught in a position which compelled such member to make required deposits, provided that when such member makes application for such increased annuity, all of the accumulations then to the credit of such member in the retirement deposit fund shall be used to increase the annuity last granted to such member and the increased annuity must be taken in the form of the annuity so last granted, which shall be decreased by that portion of the annuity or annuities previously granted to such member from his state deposit and prior service accumulations.

(3b) Any member with years of teaching experience other than in the public schools, the state colleges, or the university in this state, who, after July 1, 1951, teaches in a position in which such member is compelled to make required deposits, may have such years of teaching experience counted as the equivalent of years of teaching experience in the public schools, the state colleges or the university in this state for all purposes under the provisions of sub. (3), subject to the following requirements and limitations:

(a) Any member claiming teaching experience under this subsection shall make written application and certify to the state teachers retirement board such information as said board may require concerning such experience and no such teaching experience shall be allowed unless approved by the board.

(b) No member may be allowed years of teaching experience under this subsection, the total of which exceeds two-fifths of the total years of teaching experience both within and without the state of Wisconsin. Where the years of teaching experience other than in the public schools, the state colleges or the university in this state shall exceed two-fifths of the total years of teaching experience both within and without the state of Wisconsin, the years of such experience allowed shall be counted in reverse chronological order.

(c) When such teaching experience is approved by the board, it shall be entered upon the member's account as years of teaching experience subject to the payment of deposits and interest as required herein.

(d) No years of teaching experience claimed under this subsection shall be approved unless the member shall certify and furnish such proof as the board may require that the member is not otherwise entitled to the payment of any benefits on account of such teaching experience except the return of the member's contribution either with or without interest.

(e) When a member claiming years of teaching experience under this subsection shall make application for an annuity under sub. (3), such member shall pay into the retirement deposit fund a sum equal to the deposits which would have been required of the teacher had such years of teaching experience been in the public schools, the state colleges or the university in this state at the same times and at the same salaries, together with interest at 3 per cent per annum, calculated on the deposit for each year of such teaching experience from July 1 next following the actual year of teaching experience to July 1 nearest the retirement date.

(f) Nothing in this subsection shall be construed to require any state deposit for any year of teaching experience counted under this subsection.

(3c) When a member who, after July 29, 1951, taught in a position which compelled such member to make required deposits, ceases to be employed as a teacher, and is not on a leave of absence from a teaching position, and has attained the age of 60 years or more, and has had not less than 30 years of teaching experience of which not less than 20 years were in the public schools, the state colleges, or the university in this state, and has applied the entire accumulation from required deposits as provided in sub. (2) and the accumulation from the state deposits has been applied by the member to the purchase of an annuity as provided in sub. (3):

(a) If the annual amount of the annuity provided under sub. (3), together with the annual amount of the annuity, if any, provided for the member under s. 42.51 when computed as an annuity payable to the member during life is less than one-one hundred fortieth of the average annual salary received by the member for the last 5 years of teaching experience in the public schools, the state colleges, or the university in this state, provided that any excess of such average over \$4,800 shall be disregarded, multiplied by the number of years of the members' teaching experience not exceeding 35 years in the public schools, the state colleges, or the university in this state, the said annuity to the member shall be increased so that the member shall be paid an annuity for life equal to such amount, or the actuarial equivalent of such life annuity, and

(b) If the sum of the annual annuity provided in par. (a) and the annual annuity purchased by the accumulation of required deposits when computed as an annuity payable to the member during life is less than one-seventieth of the average annual salary as defined in par. (a), multiplied by the number of years of the member's teaching experience not exceeding 35 years in the public schools, the state colleges, or the university in this state, the annuity to the member shall be increased so that the member shall be paid an annuity for life equal to such amount, or the actuarial equivalent of such life annuity. Any such increases in the annuity shall be paid from the contingent fund. Any increased annuity herein provided shall not be available for any member who has at any time withdrawn any amount from the retirement deposit fund or received any annuity under ss. 42.20 to 42.54, except that

(c) The increased annuity shall be available for any member who has withdrawn any amount from the retirement deposit fund provided that the amount withdrawn be repaid to the retirement deposit fund, with interest at the rate of 3 per cent per annum from the date of withdrawal to the date of repayment, before application is made for an annuity under this subsection, and

(d) The increased annuity shall be available for any member who makes the repayment required by par. (c), who has been an annuitant under ss. 42.20 to 42.54, and who returned to teaching and made required deposits prior to July 29, 1951, provided that when such member makes application for such increased annuity, all of the accumulations then to the credit of such member in the retirement deposit fund shall be used to increase the annuity last granted to such member and the increased annuity must be taken in the form of the annuity so last granted, which shall be decreased by that portion of the annuity or annuities previously granted to such member from his required deposit, state deposit and prior service accumulations.

(3m) When a member ceases to be employed as a teacher after July 29, 1951, and is not on a leave of absence from a teaching position, and has attained the age of 60 years or more and has had not less than 25 years of teaching experience in the public schools, the state colleges, or the university in this state, or has attained the age of 55 years or more and has had not less than 30 years of teaching experience in the public schools, the state colleges, or the university in this state, and has applied the entire accumulation from the member's deposits as provided in sub. (2), and the accumulation from the state deposits has been applied by the member to the purchase of an annuity as herein provided, and when the annuity purchased by such accumulation from the state deposits, together with the annuity, if any, provided for the member under s. 42.51 (3), when computed as an annuity payable monthly to the member during life is less than an annuity of \$2 per month for each year of the member's teaching experience, not exceeding 35 years, in the public schools, state colleges or university in this state, the annuity to the member shall be increased so that the member shall be paid an annuity for life equal to such annuity, or the actuarial equivalent of such life annuity. The increase in the annuity shall be paid from the contingent fund. The increased annuity herein provided shall not be available for any member who has at any time withdrawn any amount from the retirement deposit fund or received any annuity under ss. 42.20 to 42.54, except that (a) the increased annuity shall be available for any member who has withdrawn any amount from the retirement deposit fund provided that the amount withdrawn be repaid to the retirement deposit fund, with interest at the rate of 3 per cent per annum from the date of withdrawal to the date of repayment, before application is made for annuity under this section, and (b) the increased annuity shall be available for any member who makes the repayment required by (a) immediately preceding, who has been an annuitant under ss. 42.20 to 42.54, who returned to teaching and made required deposits prior to July 29, 1951, and who, after such date teaches in a position in which such member is compelled to make required deposits, provided that when such member makes application for such increased annuity, all of the accumulations then to the credit of such member in the retirement deposit fund shall be used to increase the annuity last granted to such member and the increased annuity must be taken in the form of the annuity so last granted, which shall be decreased by that portion of the annuity or annuities previously granted to such member from his state deposit and prior service accumulations.

(4) If, before attaining age 50, a member who has made required deposits for not less than a school year during each of 5 fiscal years and who was employed in teaching or was on leave of absence from teaching in this state, within the 12-month period immediately preceding the occurrence of disability, becomes physically or mentally incapacitated to such extent that the member is wholly, and presumably will be permanently, unable to engage in teaching, and furnishes due proof thereof and that such disability has then existed for 60 days, the member shall be paid from the contingent fund an annuity during the continuance of such disability in monthly payments of \$25 each in addition to any other benefit payable to such member. The said state teachers retirement board may

at any time not more than once in any year require proof of the continuance of such disability and if the member shall fail to furnish satisfactory proof thereof, or if it appears at any time that the member has become able to engage in teaching, such annuity shall cease. A member who has attained age 50 but who has not attained the minimum age required to qualify for the minimum benefit as provided in s. 42.49 (3) who has made required deposits for not less than a school year during each of 5 fiscal years, and who was employed in teaching or was on leave of absence from teaching in this state within the 12-month period immediately preceding the occurrence of disability, and becomes physically or mentally incapacitated as provided in this subsection, and furnishes due proof thereof, and that such disability has then existed for 60 days, shall be entitled to the increased annuity described in sub. (3) upon application therefor to the state teachers retirement board provided only that said member has had not less than 20 years of teaching experience in schools, departments or institutions included in the state teachers retirement system, and applies the entire accumulation from a member's deposits at the time that such disability occurs toward the purchase of an annuity. The increased annuity herein provided shall not be available for any member who has at any time withdrawn any amount from the retirement deposit fund or received any annuity under ss. 42.20 to 42.54, except that (a) the increased annuity shall be available for any member who has withdrawn any amount from the retirement deposit fund provided that the amount withdrawn be repaid to the retirement deposit fund, with interest at the rate of 3 per cent per annum from the date of withdrawal to the date of repayment, before application is made for an annuity under this section, and (b) the increased annuity shall be available for any member who makes the repayment required by (a) immediately preceding, who has been an annuitant under ss. 42.20 to 42.54, who returned to teaching and made required deposits prior to July 29, 1951, and who after such date teaches in a position in which such member is compelled to make required deposits, provided that when such member makes application for such increased annuity, all of the accumulations then to the credit of such member in the retirement deposit fund shall be used to increase the annuity last granted to such member and the increased annuity must be taken in the form of the annuity so last granted, which shall be decreased by that portion of the annuity or annuities previously granted to such member from his state deposit and prior service accumulations. The state teachers retirement board may at any time not more than once in any year during each of the first 5 years after such disability annuity has been granted require proof of the continuance of such disability and if the member shall fail to furnish satisfactory proof thereof, or if it appears at any time during said 5-year period that the member has become able to engage in teaching, such increase in the annuity shall cease.

(5) Any benefit payable for any month during which the member shall receive compensation as a teacher shall be withheld from the member and be paid into the retirement deposit fund to be accumulated, and to be applied, on the application of the member, as provided in the case of the accumulation from state deposits; provided, that any part of the benefit which is payable from the contingent fund shall be withheld for the benefit of the contingent fund.

(6) Any member, who prior to the 36th birthday anniversary of such member, has permanently removed from the state of Wisconsin, shall be paid the accumulation from the member's deposits, on filing with the state teachers retirement board a written request therefor and a full and complete discharge and release of all right, interest or claim on the part of such member under the state teachers retirement law.

(7) Any member, after attaining the age of 50 years, having ceased to be employed as a teacher, and whose accumulation from state deposits does not exceed \$1,500 shall be paid such accumulation in a single payment upon filing an application therefor with the state teachers retirement board in such form as said board may require; provided that such payment shall be made only with, or after, the withdrawal of the accumulation from said member's own deposits.

History: 1951 c. 511, 553, 555, 556, 633, 735; 1953 c. 61, 204, 478.

Benefits payable under the teachers retirement law, including the additional annuity payments provided by 42.535, Stats. 1951, for previously retired teachers, are payable from public funds, rather than from private funds. State ex rel. Thomson v. Giessel, 262 W 51, 53 NW (2d) 726.

42.50 Death benefits, how paid. (1) Any member may, by written notice to the state teachers retirement board, in such form as it shall approve, designate a sole beneficiary, or 2 or more beneficiaries to whom any death benefit payable at the death of the member shall be paid. The member may, from time to time, by a like written notice, change any of the aforesaid designations. If no beneficiary shall have been named by the member, or if no designated beneficiary survives the member, such death benefit shall be paid in a single sum to the estate of the member. Such death benefit shall be the full

amount of the accumulation in the retirement deposit fund to the credit of the member from all member's deposits and all state deposits.

(2) Such death benefit shall be payable, as the member shall have directed, either:

(a) As an annuity payable monthly during the life of one beneficiary.

(b) As an annuity payable monthly for life to each of 2 or more beneficiaries, with the death benefit used to purchase such annuities divided as specified by the member. If the member does not specify the division of the death benefit, it shall be divided equally in the purchase of the annuities. If one or more of the designated beneficiaries dies before the member, the benefit, if any, which would have been payable to the deceased beneficiary or beneficiaries shall be payable to the surviving beneficiary or beneficiaries in equal shares.

(c) As an annuity payable monthly to one beneficiary during life, and in the event of the death of said beneficiary before 180 monthly payments have been made, the remainder of the 180 monthly payments shall be continued to one beneficiary or divided equally, or as the member otherwise specified, between 2 or more beneficiaries designated by the member until payments shall have been made for 180 consecutive months after such annuity began. Unless prohibited by the member in his designation, any secondary beneficiary hereunder may elect at any time to receive the then present value of his benefit in a single sum. In the event of the death of the primary beneficiary prior to the death of the member, then upon the death of the member, the payments shall be made to the secondary beneficiary or beneficiaries designated by the member. Upon the death of the secondary beneficiary after he has become entitled to receive monthly payments hereunder, the then present value of his benefit shall be paid in a single sum to his estate. Upon the death of a secondary beneficiary before he has become entitled to receive any payment hereunder, the amount, if any, to which he would have been entitled, shall be paid to the remaining secondary beneficiary, or to the remaining secondary beneficiaries, in equal shares, if there are 2 or more, with the other payments to said beneficiary or beneficiaries;

or

(d) To one beneficiary, or divided equally or as the member otherwise specified between 2 or more beneficiaries in instalments certain or in a single sum. In the event that any beneficiary dies after he has become entitled to receive part, but has not received all, of the benefit which would be payable to him under this paragraph, the then present value of his benefit shall be paid to his estate in a single sum. If the member does not specify the division of the death benefit, it shall be divided equally in the purchase of the annuities. Where 2 or more beneficiaries are designated hereunder and one or more of the designated beneficiaries dies before the member, the benefit, if any, which would have been payable to the deceased beneficiary or beneficiaries shall be payable to the surviving beneficiary or beneficiaries in equal shares.

(3) In any case under this section where the member shall not have designated the method of payment of the death benefit, the beneficiary may elect which of the methods of payment specified in sub. (2) (a), (c) or (d) shall be used, and if the plan specified in par. (c) is selected, he may designate the secondary beneficiary or beneficiaries thereunder, as the member could have; in such a case where there are 2 or more beneficiaries, they may elect that the method of payment specified in sub. (2) (b) or (d) shall be used and if said beneficiaries cannot agree upon either one of such methods, the state teachers retirement board may make payments in a single sum to each beneficiary upon the expiration of 4 months after the death of the member.

History: 1951 c. 511; 1953 c. 204.

42.51 Computation for prior service; credits and retirement, Class A. (1) As of the close of the fiscal year preceding the date of issue of a certificate of membership to any member of Class A or Class B, the state teachers retirement board shall cause a computation to be made separately for such member of the accumulation which would have resulted at such date from state deposits on account of the compensation for prior service as if ss. 42.20 to 42.54 had been in effect during such prior service. In making such computation the board shall credit each teacher with time absent from his profession while serving as a soldier, sailor, marine or nurse in the armed forces of the United States during World War I, upon proof of such service being furnished the board.

(2) In making such computation, the rate of interest assumed shall be 4 per cent per annum, and such averages and other methods of approximation may be employed as shall produce substantially correct results. The amount of such computation shall be carried forward and accumulated at the rate of interest used for deposits in the retirement deposit fund.

(3) When any member of Class A or Class B who has taught at least 25 years in the public schools, the state colleges or the university shall be paid an annuity under s. 42.49 (3) the annuity shall be increased by the annuity which would be granted at the rates

then in force on an accumulation equivalent to the amount of the computation above defined, and such additional annuity shall be paid from the contingent fund. No accumulation from state deposits or transfer of funds shall be required in case of such additional annuity. This section shall not authorize or include any increase in or addition to the death benefit provided in s. 42.50.

(4) Upon the issue of a certificate of membership to any member of Class A, the state teachers retirement board shall determine the accumulation as of July 8, 1921, resulting from the payments by such member to the teachers' insurance and retirement fund with interest thereon at the actual rate earned by said fund. The said board shall thereupon transfer the amount of such accumulation to the credit of said member in the retirement deposit fund as of July 8, 1921.

(5) Any member of Class A, having elected to retire before July 8, 1921, shall from said date, be paid the benefits provided under the teachers' insurance and retirement fund law, subject to all the conditions thereof, except the pro rata reduction authorized thereby, as if said law had continued in effect during the payment of such benefits. Such payments shall be made from the contingent fund, except as other provision shall be made therefor.

(6) Any member of Class A who shall have complied with ss. 42.20 to 42.54 and who shall elect to retire after July 8, 1921, may elect to relinquish any other benefits under ss. 42.20 to 42.54 and to receive in lieu thereof the benefits provided under the teachers' insurance and retirement fund law as if said law continued in effect until such benefits are fully paid, subject to all the conditions of said law, except the pro rata reduction authorized thereby; provided, that if the member shall, before such election to retire, have received any benefit derived from required deposits, the amount so received, with interest, shall be repaid by a pro rata reduction of the future benefits so elected by such member. The accumulation to the credit of the member in the retirement deposit fund shall be applied at the rates then in force toward the payment of the benefit so elected and any remaining part of the benefit so elected shall be paid from the contingent fund.

(7) Notwithstanding the provisions of s. 42.54, any member of Class A who, after July 7, 1921, did not teach, and was not under contract to teach, in a position which required such member to make deposits in the state teachers retirement system, and who has not received, and is not eligible to receive, an annuity as a result of the deposits which such members made in the teachers' insurance and retirement fund shall, by making application therefor to the state teachers retirement board, be paid in a single sum, and without interest, the amount which such member paid into such fund and did not withdraw heretofore.

History: 1951 c. 511; 1953 c. 61, 204.

42.52 Exemption of benefits from process. The benefits payable to, or other right and interest of any member, beneficiary, or distributee of any estate under any provision of the state teachers retirement law shall be exempt from any tax levied by the state or any subdivision thereof, and exempt from levy and sale, garnishment, attachment or any other process whatsoever, and shall be unassignable except as specifically provided herein.

History: 1953 c. 204.

42.53 State teachers retirement board, succession. The state teachers retirement board shall succeed to and be vested with all the property, rights, powers and duties, and be subject to all the obligations and liabilities, of the teachers' insurance and retirement fund and of the board of trustees of the teachers' insurance and retirement fund in the administration of said fund and of the state annuity and investment board in the administration of ss. 42.20 to 42.54.

History: 1951 c. 511; 1953 c. 204, 441.

42.531 Contracts subject to change. The legislature hereby declares that any contract or contractual relationship, which may be created after July 29, 1951 between this state and any person whomsoever by virtue of any or all of the provisions of ss. 42.20 to 42.54, shall be subject to absolute revocation or to any change which the legislature may see fit to make in the event that said persons, or the teaching positions which they may occupy, shall be included under or be covered by the old-age and survivors insurance system provisions of the federal social security act.

History: 1951 c. 556.

42.54 Repeals and reservations. Sections 42.01 to 42.18, inclusive, of the statutes of 1919 are repealed except that any provisions of said sections fixing the amounts and the conditions of payment of any benefits under ss. 42.20 to 42.54 shall remain in force and may be referred to for determining such conditions and benefits until all such benefits have been fully paid.

STATE EMPLOYEES' RETIREMENT SYSTEM

42.65 Refund to members; credit to estate of deceased. (1) Upon filing an application therefor with the state of Wisconsin investment board, a person who is not eligible for retirement may withdraw his deposit accumulations in the employees' savings fund. In case of the death of a member while in the state service or after leaving the state service otherwise than by retirement under sections 42.60 to 42.70, his estate or named beneficiary shall receive the deceased member's deposit accumulations; provided that where the amount payable hereunder or under section 42.64 (3) to the estate of a member or a beneficiary is less than \$200 and it appears to the state of Wisconsin investment board that there will be no administration of said estate said board, in its discretion, may apply said amount, or any part thereof, in payment of, or reimbursement for, expense incurred in connection with the last illness, or funeral, of said member or beneficiary, or pay said amount to such person or persons as it may deem legally or equitably entitled thereto.

History: 1951 c. 511.

42.68 Management of fund; investments; reserve. (1) The deposits made by members of the retirement system for state employes and all interest accretions thereto shall be known as the "employees' savings fund". Whenever an annuity has been granted under sections 42.60 to 42.70, the accumulation of the member's deposits in the employees' savings fund shall be transferred to the annuity reserve fund and the annuity payable from such member's accumulation of deposits shall thereafter be paid from the annuity reserve fund. The appropriation to pay the state pension under the state employes' retirement system shall be credited to the annuity reserve fund and pensions payable to state employes under said system shall be paid from said fund. Such funds shall be managed by the state of Wisconsin investment board and shall be invested in securities authorized by section 206.34. A separate account in the employees' savings fund shall be maintained for each member and, as of June 30 of each year, the state of Wisconsin investment board shall credit the account of each member of the retirement system for state employes, and the annuity reserve fund, exclusive of sums transferred thereto under section 42.69 (3) with interest at the actual rate earned during the fiscal year as determined by the board subject to section 20.726 (2) and section 42.68 (2). The state of Wisconsin investment board shall from time to time order and make such distribution of gains and savings as it may deem equitable.

(2) The state of Wisconsin investment board shall establish and maintain such reserve or surplus funds as the interests of the members and the future solvency of the funds of the state employes' retirement system may require.

History: 1951 c. 511.

42.69 Administration by state of Wisconsin investment board. (1) Sections 42.60 to 42.70 shall be administered by the state of Wisconsin investment board. No annuity shall be paid until January 1, 1944. All applications or claims for annuities or benefits or for refunds of deposits, and proofs in support of any such claims, shall be made to the state of Wisconsin investment board in such manner and form as said board may prescribe. Said board may make rules and regulations for filing, hearing and determining claims and for carrying into effect sections 42.60 to 42.70. The board shall cause to be made at least once in every 3 years after the effective date of said sections an actuarial study of the state employes' retirement system.

(2) The state of Wisconsin investment board shall have control of the investment and collection of the principal and interest of the state employes' retirement fund the same as of other funds of the state as provided in section 25.17 (1) and to dispose of securities as provided in section 25.17 (2). Out of the income of said fund the state of Wisconsin investment board shall be reimbursed at the end of each fiscal year for the expenses incurred by the board in connection with the investment of said fund and the collection of the principal and interest.

(3) When the state of Wisconsin investment board has determined the amount of pensions payable from the funds specified in section 20.726 (1) for a given month, it shall certify to the director of budget and accounts the total amount so payable and the director of budget and accounts shall thereupon transfer the amount so certified to the state employes' retirement fund.

History: 1951 c. 511.

42.70 Exemption of funds and benefits from taxation, execution and assignment. All moneys and assets of the state employes' retirement system and all benefits and allowances, and every portion thereof, both before and after payment to any beneficiary or estate granted under the state employes' retirement system shall be exempt from any state, county or municipal tax, and from attachment or garnishment process, and shall not be seized, taken, detained or levied upon by virtue of any execution, or any process or

proceeding or judgment whatsoever issued out of or by any court of this state for the payment in whole or in part of any debt, claim, damage, demand or judgment against any member, annuitant or beneficiary of the state employees' retirement system, and no such member, annuitant or beneficiary shall have any right to assign his benefit or allowance, or any part thereof, provided that:

(1) The state of Wisconsin investment board may retain out of the proper annuity or other benefit such amount as said board in its discretion may determine to be necessary for the purpose of reimbursing the fund for any money paid to the annuitant, member, beneficiary or estate through misrepresentation, fraud or error.

(2) In all cases in which any amounts become payable to a minor or to a person adjudged insane, or mentally incompetent, the state of Wisconsin investment board, in its discretion, may waive guardianship proceedings, and pay such amounts to the person providing for, or caring for, such minor, or to the wife, parent, or other person providing for, or caring for, such insane or incompetent person.

History: 1951 c. 511.

42.71 State employees' retirement system transferred. (1) Effective January 1, 1948, sections 42.60, 42.61, 42.62, 42.63, 42.64 and 42.66 are repealed, provided, however, that said sections may be referred to for the purpose of determining the applicability of the remaining portions of sections 42.60 to 42.70 which constituted the state employees' retirement system. It is the intention of the legislature that said system shall continue to function, substantially as before, until its liabilities are discharged and its assets liquidated except that:

(a) After December 31, 1947, no person may acquire membership in said system, and no new accounts may be established, or further deposits made therein, based on wages or salary earned subsequent to said date.

(b) No copies of pay rolls shall be submitted to the state of Wisconsin investment board covering sums earned after December 31, 1947.

(c) After December 31, 1947, no person may retire or be retired under said system; except that notwithstanding any other provisions of this subsection or sections 66.90 to 66.918, a member of the state employees' retirement system who can and does elect to retire under said system effective January 1, 1948, or a member thereof who shall have attained age 70 or more prior to January 1, 1948, and whose services shall not have been extended to January 31, 1948, pursuant to section 42.62 (4) shall be retired under the provisions of said system effective January 1, 1948, unless such member shall be an appointed state officer. A member of the state employees' retirement system who shall have attained age 70 or more prior to January 1, 1948, and whose services shall have been extended to January 31, 1948, pursuant to section 42.62 (4) shall be retired under the provisions of sections 66.90 to 66.919 effective January 31, 1948, notwithstanding the provisions of section 66.906 (1) (a) and (b) unless such person can and does elect to retire under the provisions of the state employees' retirement system effective January 1, 1948, or the first day of some month prior thereto, unless such person is an appointed state officer.

(d) Persons who are active members of the state employees' retirement fund on December 31, 1947 shall be or become participating employees under ss. 66.90 to 66.918 in accordance with section 66.903 (1) (a) 4 and their accounts and a corresponding amount of assets in the state employees' retirement fund shall be transferred to the Wisconsin retirement fund in accordance with section 66.904 (1) (a) 4.

History: 1951 c. 511.