



STATE OF WISCONSIN
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

801 W Badger Road
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax (608) 267-4549
http://etf.wi.gov

CORRESPONDENCE MEMORANDUM

DATE: February 13, 2012
TO: Employee Trust Funds Board
Teachers Retirement Board
Wisconsin Retirement Board
FROM: David H. Nispel, General Counsel
Steve Hurley, Office of Policy, Privacy and Compliance
SUBJECT: Status of Proposed Administrative Rules

This memo is for informational purposes only. No Board action is required.

This memorandum presents rules that staff are working on and the status of those rules. When rules are in final draft form, they are brought to the Boards for approval. In some instances, rules must be approved by all three Boards. In other instances, only one or two Boards will need to approve the rule.

As of February 13, 2012, there are eight rules which can be divided into the following categories:

- Employee Trust Funds (ETF), Wisconsin Retirement (WR), and Teachers Retirement (TR) Boards 5
ETF and TR Boards 1
ETF Board Only 1
WR Board Only 1

I. Rules Approved by ETF, WR, and TR Boards

Status: Submitted to the Governor for Approval (December 2011)

- CR 11-040, Technical rule relating to making technical updates and corrections to existing ETF rules.
CR 11-041, Qualified Domestic Relations Orders (QDROs) rule relating to changes to domestic partnerships, correct minor drafting errors, and to clarify how QDROs will be implemented in various situations that are currently not addressed in the statutes or rules.

Reviewed and approved by Robert J. Conlin, Secretary
[Signature]
Date 2/15/12

Table with 3 columns: Board, Mtg Date, Item #. Row 1: JI, 3.8.12, 4E

- CR 11-042, Internal Revenue Code (IRC) compliance rule relating to clarifying how ETF administers IRC conditions under § 401 (a) as codified in § ETF 10.08, 20.02, and as governed by § 40.23 (1) (a) 1., Wis. Stats. ETF also seeks to clarify language in the Code to ensure compliance by better informing both employees and employers of IRC requirements.
- CR 11-044, Appeal procedures rule relating to updating ETF 11 to improve and clarify the process for members, the administrative law judge, the boards that decide appeals, ETF, and others involved in the appeals process.

II. Rules to be Approved by ETF, WR, and TR Boards

Status: Statement of Scope Published in Wisconsin Administrative Register – ETF Staff Drafting Rule

- Annual federal compensation limits rule relating to clarifying how ETF administers federal compensation limits under Section 401 (a) (17) of the IRC as provided in § 40.03 (2) (t), Wis. Stats.

III. Rules to be Approved only by ETF and TR Boards

Status: Proposed rule submitted to the Wisconsin Legislative Council Rules Clearinghouse – Public Hearing scheduled for March 26, 2012

- Election rule relating to changes to streamline the administrative process for the election of persons to the TR Board and ETF Board and to allow for the use of modern voting technologies.

IV. Rules to be Approved only by ETF Board

Status: Proposed rule submitted to the Wisconsin Legislative Council Rules Clearinghouse – Public Hearing will be scheduled

- CR 11-045, IRC compliance rule relating to clarifying how ETF administers provisions of the IRC, including §§ 415 (b), 415 (c) and 401 (a) (17) as provided in § 40.03 (2) (t), Wis. Stats. This scope statement incorporates the scope statement on § 401 (a) (17) that was published in the Administrative Register.

V. Rules to be Approved only by WR Board

Status: Statement of Scope Published in Wisconsin Administrative Register – ETF Staff Drafting Rule

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- Duty disability rule relating to clarifying the existing rule regarding the administration of the duty disability program and streamlining the process of applying for and making a departmental determination regarding duty disability benefit.

Staff will be available at the March 8, 2012, Board meeting to answer any questions you may have.