



STATE OF WISCONSIN
Department of Employee Trust Funds
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CORRESPONDENCE MEMORANDUM

DATE: November 8, 2011
TO: Employee Trust Funds Board
Teachers Retirement Board
Wisconsin Retirement Board
FROM: David H. Nispel, General Counsel
Steve Hurley, Director
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 is designed to show 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 will need to be approved by all three Boards. In other instances, just one or two Boards will need to approve the rule.

As of November 8, 2011, there are eight rules which can be divided into the following categories:

- Employee Trust Funds (ETF), Wisconsin Retirement (WR), and Teachers Retirement (TR) Boards5
ETF and TR Boards 1
ETF Board Only 1
WR Board Only 1

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

Status: Approved by the Group Insurance Board (GIB) on August 23, 2011, approved by the ETF, TR, and WR Boards on September 15, 2011, and scheduled before the Deferred Compensation (DC) Board on November 15, 2011 (last of the five Boards to approve)

- CR 11-040, Technical rule relating to making technical updates and corrections to existing ETF rules.

Reviewed and approved by Robert J. Conlin, Deputy Secretary.
[Signature]
Date 11/14/2011

Table with 3 columns: Board, Mtg Date, Item #. Row 1: JI, 12.1.11, 5C

Status: Scheduled before the ETF, TR, and WR Boards on December 1, 2011 (these rules do not need to be approved by the GIB and DC Boards)

- CR 11-041, Qualified Domestic Relations Orders (QDRO) 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.
- CR 11-042, Internal Revenue Code 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 employee and employer of IRC requirements.

Status: Approved by the GIB on November 8, 2011, scheduled before the DC Board on November 15, 2011, and scheduled before the ETF, TR, and WR Boards on December 1, 2011

- CR 11-044, Appeal procedures rule relating to updating Administrative Code 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.

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

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

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

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

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

III. 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, Internal Revenue Code 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.

IV. Rules to be Approved only by WR Board

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

- 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 December 1, 2011, Board meeting to answer any questions you may have.