

(8) (a) Every member shall pay \* \* \* \$100 for each share of the capital of the building and loan finance corporation issued to it, provided that no association shall subscribe for or hold shares of such capital to an amount in excess of 10 per cent of the resources of such association.

(b) Such shares shall not be transferable, except that a member which is not liable to the building and loan finance corporation for any obligation direct or contingent, may transfer its shares therein to another building and loan association, by and with the consent of the board of directors of the building and loan finance corporation; or it may retire from membership and receive back the value of such shares as shown on the books of the corporation but not exceeding the sums as it has paid for its shares, upon giving one year's notice in writing of such intention, but no withdrawal shall be permitted by the board of directors, which shall reduce the total amount of the capital of the building and loan finance corporation below \* \* \* \$50,000.

(18) (a) The term "association" shall mean a building and loan association organized under the laws of this state \* \* \*, or the United States.

SECTION 27. This act shall take effect upon passage and publication.

Approved June 25, 1941.

No. 406, A.]

[Published June 30, 1941.

### CHAPTER 321.

AN ACT to repeal 16.09 (2) (c) and (d), 16.11 (5) and 16.16 (2); to repeal and recreate 16.11 (1); to renumber 16.25 to be 16.25 (1); to amend section 16.01 (2), 16.03 (1), 16.05 (2), 16.105 (1), 16.17 (3), 16.18 (1), 16.19 (3), 16.22, 16.24 (1) (a) and (2); and to create 16.11 (5) and (6), 16.25 (2) and 16.29 (4) of the statutes, relating to the bureau of personnel and the state's civil service.

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

SECTION 1. Subsection (2) of section 16.01 of the statutes is amended to read:

(16.01) (2) When a vacancy occurs in the position of director of personnel the members of the personnel board shall forthwith \* \* \* *prepare and* conduct an examination for the position in the manner usually followed and prescribed by chapter 16 for all other positions. \* \* \* The \* \* \* *personnel board* shall certify \* \* \* the top 3 names to the governor, who shall make the appointment. The governor may remove the director of personnel with the approval of the personnel board *for just cause*.

SECTION 2. Subsection (1) of section 16.03 of the statutes is amended to read:

(16.03) (1) The personnel board in the bureau of personnel shall consist of 3 members, who shall be appointed by the governor by and with the advice and consent of the senate for terms of 6 years expiring on July 1 or until their successors have been appointed and qualified. *The members of the board shall be citizens of the United States and residents of the state for not less than 5 years and shall have a recognized sympathy for and knowledge of the application of merit principles in public employment and shall not, when appointed, nor for 3 years then last past before the date of appointment, have been a member of any local, state, or national committee of a political party, or an officer or a member of a committee in any partisan club or organization, or have held or been a candidate for any elective public office. No member of the board shall become a candidate for or hold any of these offices while serving as such member. Violation of this provision shall be grounds for removal.* The board shall elect one of its members as chairman of the board.

SECTION 3. Subsection (2) of section 16.05 of the statutes is amended to read:

(16.05) (2) Keep minutes of its own proceedings and other official actions. All such records shall, subject to reasonable regulations, be open to public inspection. Examination and roster or pay roll cards, and minutes of board proceedings shall be kept and preserved. All other records including correspondence, applications and examination or test material may be destroyed after 5 years, *except that the bureau shall keep intact a complete record of all persons who secure employment for a period of at least 5 years from the date of their separation from the service.*

SECTION 4. Paragraphs (c) and (d) of subsection (2) of section 16.09 of the statutes are repealed.

SECTION 5. Subsection (1) of section 16.105 of the statutes is amended to read:

(16.105) (1) The director, with advice and approval of the personnel board, shall ascertain and record the duties and responsibilities of, and establish grades and classes for, all positions to which this chapter applies. *Each class shall include positions requiring duties which are substantially similar in respect to the authority, responsibility, and character of the work required in the performance thereof and shall be designated by a title indicative of such duties. Each class shall be so defined that the same requirements as to education, experience, capacity, knowledge, and skill are demanded of incumbents for the proper performance of their duties, that the same tests of fitness may be used in choosing qualified appointees; and that the same schedule of pay can be made to apply with equity under like working conditions. As far as practicable the natural or probable lines of promotion to and from the class of position shall be designated or indicated.* The titles of positions so established shall be used in all reports and pay rolls and in all estimates requesting the appropriation of money for personal services.

SECTION 6. Subsection (1) of section 16.11 of the statutes is repealed and recreated to read:

(16.11) (1) All examinations for positions in the classified service shall be of such character as to determine the qualifications, fitness, and ability of the persons examined to perform the duties of the class for which the register is being established. The examinations may be written, oral, physical, or in the form of a demonstration of skill, or any combination of such types. The examinations may take into consideration such factors, including education, experience, aptitude, capacity, skill, knowledge, character, physical fitness, and other qualifications, as in the judgment of the director, enter into the determination of the relative fitness of the applicants. A person failing in the written portion of any such examination shall not be permitted to participate or continue with any other remaining portion of such examination. No question shall be so framed as to elicit information concerning the political or religious opinions or affiliation of an applicant. Every precaution shall be taken to

prevent any unauthorized person from gaining any knowledge of the nature and content of the tests that is not available to every applicant. The director shall utilize appropriate scientific techniques and procedures in rating the results of examinations and determining the relative ratings of the competitors. If 2 or more competitors have like averages in the total examination, the order in which their names shall appear on the register shall be determined by that component part of the several parts of the total test as in the judgment of the director has been determined as most significant in relation to the job for which the examination is given.

SECTION 6a. Subsection (5) of section 16.11 of the statutes is repealed.

SECTION 7. Subsections (5) and (6) of section 16.11 of the statutes are created to read:

(16.11) (5) Whenever an oral examination of applicants is to be required, the director shall list in the examination announcement the qualifications which will be appraised in the oral examination. The system of oral examinations shall be designed to produce objective data upon which oral ratings shall be assigned and shall be designed to appraise such factors as ability to assume responsibility, initiative, or ability to cooperate with others. Applicants shall be given an opportunity to produce actual evidence of occasions when they have demonstrated the qualifications being measured. Applicants may use names, dates, and places, or other factual data necessary to substantiate evidence given. A record of each oral examination shall be kept for the purpose of validation and review, and for contributing to the objectivity of the entire process.

(6) The director may appoint specially constituted boards of examiners for the purpose of conducting oral examinations as a part of the recruitment procedure for certain positions. Each such board may include one representative from the bureau and from 1 to 3 other well-qualified members, of whom at least 1 or 2 shall not be permanent employes of the state. The outside members shall be well-qualified, impartial, and of recognized attainment in their respective fields. Whenever such oral examinations of applicants are required, all questions asked and answers made shall be recorded and made a part of the records of such applicants.

SECTION 8. Subsection (2) of section 16.16 of the statutes is repealed.

SECTION 9. Subsection (3) of section 16.17 of the statutes is amended to read:

(16.17) (3) Appointments shall be made from the eligible list most nearly appropriate, and a new and separate list shall be created for a stated position only when there is no appropriate list existing from which appointments may be made. The director with the advice and approval of the board shall have authority to establish separate eligible lists in various localities, *provided that the director shall have given proper publicity to the intent of the bureau to establish such lists.* For legislative positions, eligible lists shall be established and certification made therefrom according to state senatorial districts. No person shall be appointed or employed under any title not appropriate to the duties performed, and no person shall be transferred to, or assigned to perform the duties of, any position subject to a competitive examination, unless he has previously passed an open competitive examination equivalent to that required for such position.

SECTION 10. Subsection (1) of section 16.18 of the statutes is amended to read:

(16.18) (1) Appointing officers shall give written notice to the bureau of personnel of the existence of any vacancy to be filled in any office or employment in the competitive division, under the provisions of sections 16.01 to 16.30, and within 10 days after the receipt of such notice the director shall certify from the register of eligibles appropriate for the grade and class in which the position is classified, the 3 names at the head thereof, which have not been certified 3 times to the department or office in which the vacancy exists. *Whenever an employing officer notifies the bureau of personnel of a vacancy or vacancies to be filled he shall indicate whether he wishes certification to be made from an appropriate reemployment or original employment register for the grade or class.* Whenever eligibles are certified, they must always be those candidates who have been graded highest in an examination held in pursuance of sections 16.01 to 16.30, and the rules made in accordance therewith, except that there shall be no restriction as to age in the case of veterans and except that other conditions being

equal, a preference shall be given in favor of veterans of any of the wars of the United States. Preference is hereby defined to mean that whenever an honorably discharged veteran competes in any examination conducted by the bureau he shall be accorded 5 points, and if such veteran has a disability which is directly or indirectly traceable to war service, he shall be accorded another 5 points, in addition to earned ratings therein. In every case after a name has been certified 3 times, it may be dropped from the list by the director, but certificates for temporary appointment shall not be counted as one of such certificates.

SECTION 11. Subsection (3) of section 16.19 of the statutes is amended to read:

(16.19) (3) No promotion shall be made to a position in the competitive division from a position in the exempt division, *nor shall any promotion be made except as provided in subsection (1) of section 16.105.*

SECTION 12. Section 16.22 of the statutes is amended to read:

16.22 (1) All original appointments to the competitive division of the classified service shall be for a probationary period of 6 months, but dismissal may be made at any time during such period. \* \* \* *Upon such dismissal, the appointing authority shall forthwith report to the director and to the employe removed his action and the reason therefor. No more than 3 employes shall be removed successively from the same position during their probationary periods without the approval of the director. The director may remove an employe during his probationary period if he finds after giving him notice and an opportunity to be heard, that such employe was appointed as a result of fraud or error.*

(2) *Fifteen days prior to the expiration of an employe's probationary period, the director shall notify the appointing officer as to the date on which the probationary period will terminate, and thereupon the appointing authority shall notify the director in writing whether or not the services of the employe have been satisfactory and whether or not he will continue the employe in his position. A copy of such notice shall be given to the employe.*

(3) *If any employe is removed from his position during*

or at the end of his probationary period, and the director determines that he is suitable for appointment to another position, his name may be restored to the list from which it was certified. If any such employe was a regular employe in another position in the classified service immediately prior to his appointment, his name shall be placed on the reemployment list for the class of position in which he was a regular employe.

SECTION 13. Paragraph (a) of subsection (1) and subsection (2) of section 16.24 of the statutes are amended to read:

(16.24) (1) (a) After the public hearing before the board, the board shall either sustain the action of the appointing officer, or shall reinstate the employe fully \* \* \*. Any action brought against the appointing officer by the employe for failure to comply with the order of the board to reinstate shall be brought and served within 60 days from the date of the board's findings.

(2) Provisional employes as defined in subsection (1), emergency employes as defined in subsection (2), and temporary employes as defined in subsection (4) of section 16.20 may be dismissed or laid off at any time at the discretion of the appointing officer. Seasonal employes provided for in subsection (3) of section 16.23 may be dismissed or laid off at any time during the first 6 months of service, and, if such service extends beyond 6 months, they may be laid off at the expiration of the seasonal period, at the discretion of the appointing officer. In case of a reduction in force because of stoppage or lack of work or funds or because of material change in duties or organization, permanent employes shall be laid off in accordance with rules established by the bureau. *The seniority and service ratings of employes shall be considered, in such manner as the rules shall provide, in determining the order of lay-offs and reinstatements. The appointing officer shall confer with the director relative to a proposed lay-off a reasonable time before the effective date thereof in order to assure compliance with the rules. Persons so laid off shall be placed on the appropriate reinstatement list.* Resignations from the classified service shall be regulated by the rules of the bureau.

SECTION 14. Section 16.25 of the statutes is renumbered to be subsection (1) of said section 16.25.

SECTION 15. Subsection (2) of section 16.25 of the statutes is created to read:

(16.25) (2) In cooperation with appointing officers and principal supervisors, the director shall establish, and may from time to time amend, standards of performance and output for employes in each class of positions in the classified service or for groups of classes, and a system of service ratings based upon such standards. In such manner and with such weight as shall be provided in the rules, service ratings shall be considered in determining salary increases and decreases within the limits established by the salary schedules; as a factor in promotion tests; as a factor in determining the order of lay-off when forces must be reduced because of lack of funds or work, or material changes in duties or organization and the order in which names are to be placed on reemployment lists; and as a means of discovering employes who should be promoted, demoted, transferred, or dismissed. In such manner and at such times as the rules may require, each appointing officer shall report to the director the service ratings of employes in his division or such information as the director may request as a basis for determining such service ratings. Any employe shall be given reasonable opportunity to see his service ratings and discuss the same with a representative of the bureau and the rating officer of his department.

SECTION 16. Subsection (4) of section 16.29 of the statutes is created to read:

(16.29) (4) When an employe becomes physically or mentally incapable of or unfit for the efficient and effective performance of the duties of his position by reason of **infirmities** due to age, disabilities, or otherwise, it shall be the duty of the appointing officer either to transfer him to less arduous duties or place him on a part-time service basis and at a part-time rate of pay or as a last resort retire him from the service. In either case the same method of procedure shall be followed and the same right of appeal to the personnel board as provided in section 16.24.

SECTION 17. This act shall take effect upon passage and publication.

Approved June 25, 1941.