

HOUSE BILL NO. HB0067

Wyoming retirement system amendments.

Sponsored by: Joint Appropriations Interim Committee

A BILL

for

1 AN ACT relating to the Wyoming retirement system; amending
2 provisions of the Wyoming retirement act to provide
3 consistency in the act; amending a definition to allow
4 local elected officials to decline participation in the
5 retirement system as specified; amending a definition to
6 specify that firefighters in the Wyoming army national
7 guard are eligible to participate in a pension plan as
8 specified; amending calculations for past due employer
9 contribution payments and redeposit of contributions under
10 the system; modifying redeposit payments as specified;
11 updating archaic language; repealing a provision requiring
12 a written election for employees of the legislature to
13 participate in the retirement system; repealing archaic
14 language designating a program coordinator for the deferred
15 compensation program; and providing for an effective date.

16

1 *Be It Enacted by the Legislature of the State of Wyoming:*

2

3 **Section 1.** W.S. 9-3-402(a)(iii), (vi)(Q), (vii) by
4 creating a new subparagraph (N), (xii) and (xxv), 9-3-413,
5 9-3-415(d), 9-3-424(a), 9-3-602(a)(x), 9-3-617(b),
6 9-3-702(a)(viii), 9-3-709 and 9-3-713(a)(ii) and (iii) are
7 amended to read:

8

9 **9-3-402. Definitions.**

10

11 (a) As used in this article:

12

13 (iii) "Actuarial equivalent amount" means a
14 benefit of equal value computed upon the basis of ~~a-unisex~~
15 ~~mortality table based on the average of the 1971 group~~
16 ~~annuity mortality tables for males and females set back one~~
17 ~~(1) year and six and one quarter percent (6.25%) interest~~
18 ~~per year~~ the actuarial assumptions determined by the board;

19

20 (vi) "Employer" or "participating employer"
21 means:

22

1 (Q) The ~~state legislature~~ legislative
2 service office;

3

4 (vii) "Member" means and includes any full-time
5 or regular part-time employee of an employer, including
6 substitute teachers if treated by the employer as regular,
7 part-time employees and including law enforcement officers
8 and firefighter members, but "member" does not mean:

9

10 (N) An elected member of a county,
11 municipal or school district commission, council or board,
12 if:

13

14 (I) The commission, council or board
15 on which the elected member serves participates in the
16 system;

17

18 (II) The elected member is otherwise
19 employed by an entity participating in the system; and

20

21 (III) The elected member elects in
22 writing at the beginning of the member's service on the
23 commission, council or board not to become a member of the

1 system, for purposes of his service as an elected official,
2 under rules adopted by the board. An election pursuant to
3 this subdivision is irrevocable during the remainder of the
4 member's service on the commission, council or board.

5
6 (xii) "~~Regular~~Interest" means interest
7 compounded annually at the rate or rates determined by the
8 board, not exceeding the average amount of interest
9 actually earned per annum by the account;

10
11 (xxv) "Firefighter member" means any employee of
12 ~~the~~a Wyoming ~~air~~-national guard fire department crash and
13 rescue unit employed on a full-time basis for firefighting
14 and rescue operations within the department;

15
16 **9-3-413. Employer's contributions; payable monthly;**
17 **transfer to account; interest imposed upon delinquent**
18 **contributions; recovery.**

19
20 Except as provided by W.S. 9-2-1022(a)(xi)(F)(III) or (IV),
21 9-3-431 and 9-3-432, each employer including employers of
22 firefighter members, shall on a monthly basis, pay into the
23 account a contribution equal to seven and twelve hundredths

1 percent (7.12%) until June 30, 2014, of the salary paid to
2 each of its members covered under this article. For the
3 period from July 1, 2014 through June 30, 2015, each
4 employer, excluding employers of firefighter members, shall
5 on a monthly basis, pay into the account a contribution
6 equal to seven and sixty-two hundredths percent (7.62%) of
7 the salary paid and thereafter eight and thirty-seven
8 hundredths percent (8.37%) of the salary paid. After June
9 30, 2014 employers of firefighter members shall pay into
10 the account a contribution equal to seven and twelve
11 hundredths percent (7.12%) of the salary paid. Employer
12 contributions for any month, together with the members'
13 contributions for that month, if any, shall be transferred
14 to the board not later than the twelfth day of the
15 following month. These contributions shall be credited to
16 the account in a manner as directed by the board. Any
17 employer failing to transfer contributions under this
18 section in sufficient time for the board to receive the
19 contributions by the twenty-fifth day of the month due
20 shall be assessed interest at the ~~rate of eight percent~~
21 ~~(8%) per annum~~ assumed rate of return as determined by the
22 board, compounded annually. Interest imposed under this
23 section shall be payable not later than the twelfth day of

1 the next succeeding month. If the contributions and any
2 interest imposed under this section are not transferred to
3 the board when due, they may be recovered, together with
4 court costs, in an action brought for that purpose in the
5 first judicial district court in Laramie County, Wyoming.

6
7 **9-3-415. When retirement permitted; service credit.**
8

9 (d) Any vested member may elect to make a one-time
10 purchase of up to five (5) years of service credit as
11 authorized and limited by section 415(c) and 415(n) of the
12 Internal Revenue Code and established in rules promulgated
13 by the board. Any member electing to purchase service
14 credit shall pay into the account a single lump-sum amount
15 equal to the actuarial equivalent of the benefits to be
16 derived from the service credit, ~~computed on the basis of~~
17 ~~actuarial assumptions approved by the board and~~ the
18 individual's attained age and the benefit structure of the
19 appropriate plan. A member may purchase service credit
20 with personal funds or, subject to rules and regulations
21 established by the board, through rollover contributions.
22 Unless received by the system in the form of a direct
23 rollover, the rollover contribution shall be paid to the

1 system on or before sixty (60) days after the date it was
2 received by the member. Service credit purchased under
3 this subsection shall qualify as service credit defined in
4 W.S. 9-3-402(a)(xxi), 9-3-602(a)(iii), 9-3-702(a)(iii) and
5 15-5-402(a)(iv) but shall not be used to determine whether
6 a member is a general member initially employed after
7 August 31, 2012.

8
9 **9-3-424. Refund of contributions upon termination of**
10 **employment; procedure; redeposit; limitation on refund.**

11
12 (a) Except as provided in subsection (b) of this
13 section, any member covered by this article, including an
14 at-will contract employee under W.S.
15 9-2-1022(a)(xi)(F)(III) or (IV), who terminates his
16 employment or any employee of the agricultural extension
17 service of the University of Wyoming who has not elected to
18 continue to be covered by this article is entitled to a
19 refund of his account. In addition, any member who is
20 entitled to a refund who is an at-will contract employee
21 under W.S. 9-2-1022(a)(xi)(F)(III), shall be entitled to a
22 refund of all contributions made to his account plus any
23 employer matching contributions made by that member. In

1 addition, any member who is entitled to a refund who is an
2 at-will contract employee under W.S.
3 9-2-1022(a)(xi)(F)(IV), shall be entitled to a refund of
4 all contributions made to his account including any
5 employer matching contributions made by that member. The
6 refunds shall be made only upon written request to the
7 board. A member may elect, at the time and in the manner
8 prescribed by the system, to have the refund of his account
9 paid directly to an eligible retirement plan as specified
10 by the member. Any member who withdraws from the system
11 under this section shall forfeit all rights to further
12 benefits, employer matching contributions and service
13 credit under the system. Any person who later returns to
14 service covered by this article may redeposit a single
15 lump-sum amount equal to the amount of the contributions
16 withdrawn, ~~in lump sum,~~ together with ~~regular interest,~~ an
17 amount equal to the actuarial equivalent of the benefits to
18 be derived from the redeposit, past employer contributions,
19 the individual's attained age and the benefit structure of
20 the appropriate plan, and upon earning not less than two
21 (2) years service credit, may reestablish his service
22 credits as of the time of withdrawal of his contributions.
23 For service prior to July 1, 2002, any law enforcement

1 member covered under W.S. 9-3-432 may redeposit the amount
2 of contributions withdrawn for service covered under W.S.
3 9-3-432, in a lump sum, together with ~~regular~~ interest and
4 the actuarial equivalent of the difference between the
5 benefit provided under W.S. 9-3-415 through 9-3-419 and the
6 benefit provided under W.S. 9-3-432, and upon earning not
7 less than two (2) years service credit, may reestablish his
8 service credit as of the time of withdrawal of his
9 contributions. Any redeposit payment pursuant to this
10 subsection shall be made not later than ~~seven (7)~~ ten (10)
11 years following the date of reemployment or prior to
12 retirement, whichever first occurs. A member may make a
13 redeposit under this subsection with personal funds or,
14 subject to rules and regulations established by the board,
15 through rollover contributions. Unless received by the
16 system in the form of a direct rollover, the rollover
17 contribution shall be paid to the system on or before sixty
18 (60) days after the date it was received by the member.
19 Unless otherwise permitted by section 401(a)(8) of the
20 Internal Revenue Code, forfeitures shall not be applied to
21 increase the benefits that any employee would otherwise
22 receive under the system.

23

1 **9-3-602. Definitions.**

2

3 (a) As used in this article:

4

5 (x) "~~Regular~~Interest" means interest compounded
6 annually at such rate or rates as shall be determined by
7 the board, not exceeding the average amount of interest
8 actually earned per annum by the fund;

9

10 **9-3-617. Refund of contributions upon termination of**
11 **employment; redeposit of withdrawn contributions; purchase**
12 **of service credits.**

13

14 (b) Any employee who later returns to service covered
15 under this article may redeposit the amount of the
16 contributions withdrawn, in lump sum, together with ~~regular~~
17 interest, and upon earning not less than two (2) years
18 service credit, may reestablish his service credits as of
19 the time of withdrawal of his contributions. Any redeposit
20 payment pursuant to this subsection shall be made not later
21 than ~~seven (7)~~ten (10) years following the date of
22 reemployment or prior to retirement, whichever first
23 occurs.

1

2 **9-3-702. Definitions.**

3

4 (a) As used in this act:

5

6 (viii) "~~Regular~~Interest" means interest
7 compounded annually at such rate or rates as shall be
8 determined by the board, not exceeding the average amount
9 of interest actually earned per annum by the account;

10

11 **9-3-709. Refund of contributions upon termination of**
12 **employment; procedure; redeposit; limitation on refund.**

13

14 Any employee covered by this act who terminates his
15 employment is entitled to a refund of the amount of the
16 employee's contributions plus ~~regular~~ interest thereon. The
17 refunds shall be made only upon written request to the
18 board. Any employee who withdraws from the system under
19 this section shall forfeit all rights to further benefits,
20 employer matching contributions and service credit under
21 the system. Any person who later returns to service covered
22 by this act may redeposit the amount of the contributions
23 withdrawn, in lump sum, together with ~~regular~~ interest, and

1 upon earning not less than two (2) years credited service,
2 may reestablish his service credits as of the time of
3 withdrawal of his contributions. Any redeposit payment
4 pursuant to this section shall be made not later than ~~seven~~
5 ~~(7)~~ten (10) years following the date of reemployment or
6 prior to retirement, whichever first occurs.

7

8 **9-3-713. Election to transfer into the system**
9 **established under this act.**

10

11 (a) Any Wyoming supreme court justice, district judge
12 or circuit court judge appointed before July 1, 1998, may
13 elect to be covered under the retirement system established
14 under this act subject to the following terms and
15 conditions:

16

17 (ii) For county judges, the board shall transfer
18 the funds in the judge's member account in the retirement
19 system as defined in W.S. 9-3-402(a)(i) and the matching
20 employer contributions along with ~~regular~~ interest on both
21 to the account created in W.S. 9-3-702(a)(i) to fund
22 retirement under this act;

23

(iii) A circuit court judge making an election under this section shall also pay to the board an amount determined by the board which shall be deposited into the retirement system account used to fund the retirement benefits under this act. The amount shall be equal to three and sixty-five hundredths percent (3.65%) of his salary for each year of service to be credited under this act plus ~~regular~~ interest, or an amount sufficient to cover the unfunded liability for retirement benefits under this section after the transfer under paragraph (ii) of this section, whichever is less. Notwithstanding paragraph (i) of this subsection, a circuit court judge appointed before July 1, 1998, may elect to be covered under this act by providing notice to the board not later than December 31, 2003, or prior to retirement, whichever is earlier, and making any payment required under this paragraph.

17

18 **Section 2.** W.S. 9-3-402(a)(vii)(D), 9-3-501(a)(vi),
19 9-3-505(a)(iii) and 9-3-506 are repealed.

20

21 **Section 3.** This act is effective July 1, 2015.

22

23

(END)