

FISCAL NOTE

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
PUBLIC EMPLOYEE PLAN - FUND 592	(\$2,200,000)	(\$2,200,000)	(\$2,200,000)
LAW ENFORCEMENT PLAN - FUND 547	(\$147,000)	(\$147,000)	(\$147,000)
WARDEN & PATROL PLAN - FUND 548	(\$20,000)	(\$20,000)	(\$20,000)

Source of expenditure (decrease):

The bill provides that interest will cease to accrue to member pension accounts for members who are not vested and not actively employed. This condition has the effect of limiting the accrued interest and reducing the size of the refund to which the member is entitled if the member decides to cash out their account.

Assumptions:

Member refund activity in the future is reliably estimated by past behavior, per the studies on this topic conducted by WRS' actuary. The Judicial Plan and Guard Firefighter Plan are both too small to reliably estimate, but no material expenditure decreases are anticipated in these two plans.

The Wyoming Retirement System (WRS) states that the effect of the bill is modest in the short-term, but over 30 years, the actual refunds paid will be smaller and the liability of the pension plan for those that haven't refunded yet will be reduced. The change has the potential to improve funding status with a measurable impact in the longer view. The improved funded status for each of the Public Employee Plan, Law Enforcement Plan, and Warden and Patrol plan at thirty (30) years out is less than 1%.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Retirement System