

SENATE FILE NO. SF0117

State employees-special pay plan.

Sponsored by: Senator(s) Sessions, Case, Meier and Mockler
and Representative(s) Law, Morgan, Nicholas
and Reese

A BILL

for

1 AN ACT relating to state employee compensation; authorizing
2 the Wyoming retirement board to establish special pay
3 plans; and providing for an effective date.

4

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

6

7 **Section 1.** W.S. 9-3-405 by creating a new subsection

8 (b) is amended to read:

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10 **9-3-405. Retirement board duties and powers.**

11

12 (b) The board may establish special pay plans
13 that upon retirement or separation from service, entitle an
14 employee of the state to a contribution to a qualified
15 retirement plan established in the employee's name.
16 Special pay plans established under this paragraph shall be

1 in compliance with section 401(a) of the federal Internal
2 Revenue Code, which reduce the federal tax burden on
3 accumulated vacation, sick or other accumulated leave
4 payments to employees upon retirement or separation from
5 service. In the event an employee elects to withdraw his
6 contribution to the special pay plan prior to reaching age
7 fifty-five (55), the state shall reimburse the employee the
8 difference between any Federal Insurance Contributions Act
9 (FICA) and any Medicare tax savings to the employee and any
10 early withdrawal penalty imposed by the Internal Revenue
11 Service.

12

13 **Section 2.** This act is effective immediately upon
14 completion of all acts necessary for a bill to become law
15 as provided by Article 4, Section 8 of the Wyoming
16 Constitution.

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18

(END)