

SENATE FILE NO. SF0072

Wyoming retirement plan contributions-2.

Sponsored by: Joint Appropriations Interim Committee

A BILL

for

1 AN ACT relating to the Wyoming retirement system;
 2 increasing employee and employer contributions; providing
 3 for contribution rates by employers and employees;
 4 repealing obsolete and inconsistent language; providing
 5 appropriations; and providing for an effective date.

6

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

8

9 **Section 1.** W.S. 9-2-1022(a)(xi)(F)(IV), 9-3-412(a),
 10 (b), (c)(i) and 9-3-413 are amended to read:

11

12 **9-2-1022. Duties of department performed through**
 13 **human resources division.**

14

15 (a) Subject to subsection (b) of this section, the
 16 department through the human resources division shall:

17

1 (xi) Promulgate reasonable rules:

2

3 (F) Necessary to administer a program
4 whereby at-will contract employees may be utilized by
5 agencies to meet programmatic needs. These rules shall be
6 structured so that:

7

8 (IV) Notwithstanding subdivision (III)
9 of this subparagraph, if the employment contract so
10 provides, an at-will, year-round, full-time brand
11 inspection contract employee authorized to carry out the
12 duties specified by W.S. 11-20-201 may be eligible for
13 membership in the state employees' and officials' group
14 insurance plan in accordance with W.S. 9-3-207, and the
15 state retirement system under W.S. 9-3-412, provided the
16 employee pays the total premium or total contribution
17 required, or the portion of the premium or contribution, if
18 any, the employment contract directs the employee to pay
19 and the employee's wages under the contract are reported on
20 an Internal Revenue Service Form W-2 Wage and Tax
21 Statement. Subject to the limitations of W.S. 9-3-412(c),
22 the Wyoming livestock board shall have sole discretion to
23 determine the amount of the total premium or contribution
24 to be paid by the employee and the amount to be paid by the

1 board, if any. The amounts shall be stated in the
2 employment contract. The time limitations provided in
3 subdivision (V) of this subparagraph shall not apply to any
4 employee under this subdivision;

5

6 **9-3-412. Members' contributions; payroll deductions;**
7 **employer authorized to pay employee's share.**

8

9 (a) Except as otherwise provided in this section and
10 W.S. 9-3-431 and 9-3-432, every member covered under this
11 article and firefighter members, shall pay into the account
12 ~~five and fifty seven hundredths percent (5.57%)~~ seven
13 percent (7%) of his salary. Payments shall be deducted each
14 pay period from each member's salary by the chief fiscal
15 officer of each participating employer. Employee
16 contributions shall be transferred to the account in
17 accordance with subsection (c) of this section.

18

19 (b) ~~From and after July 1, 1983 and~~ Eexcept as
20 provided by W.S. 9-2-1022(a)(xi)(F)(III) or (IV), in order
21 to be treated as employer contributions for the sole
22 purpose of determining tax treatment under the United
23 States Internal Revenue Code, section 414(h) the
24 contributions required by subsection (a) of this section

1 shall be paid by the employer for state employee members
2 and may be paid by the employer for member employees of
3 political subdivisions of this state. ~~in order to be~~
4 ~~treated as employer contributions for the sole purpose of~~
5 ~~determining tax treatment under the United States Internal~~
6 ~~Revenue Code, section 414(h). Unless otherwise specified~~
7 ~~by contract,~~ Any contract employee authorized to
8 participate in the state retirement system under W.S.
9 9-2-1022(a)(xi)(F)(III) shall pay the entire member
10 contribution and the entire employer contribution under
11 W.S. 9-3-413. ~~From and after July 1, 2007 and~~ For the
12 contributions as provided by W.S. 9-2-1022(a)(xi)(F)(IV),
13 the contributions required by subsection (a) of this
14 section may be paid by the Wyoming livestock board for
15 state employee members in order to be treated as employer
16 contributions for the sole purpose of determining tax
17 treatment under the United States Internal Revenue Code,
18 section 414(h). The amounts shall be stated in the
19 employment contract.

20

21 (c) The contributions under subsection (b) of this
22 section shall be paid from the source of funds which is
23 used in paying salary to the member. The employer may pay
24 these contributions by a reduction in cash salary of the

1 member or by an offset against a future salary increase, or
2 by a combination of a reduction in salary and an offset
3 against a future salary increase, provided:

4
5 (i) No salary reduction, offset or combination
6 thereof shall exceed the percentage amount actually
7 deducted from a member's salary for contributions to the
8 Wyoming retirement system; ~~as of July 1, 1983; and~~

9
10 (ii) Except as provided in paragraphs (iii) and
11 (iv) of this subsection, any employer may pay any amount of
12 a member's share of retirement contributions without a
13 salary reduction, offset or combination thereof;

14
15 (iii) For state employee members five and fifty-
16 seven hundredths percent (5.57%) of the member's salary
17 shall be paid by the employer without any salary reduction
18 or offset. The remaining portion of the state employee's
19 contribution shall be paid through a reduction in cash
20 salary of the state employee unless specified otherwise by
21 legislative act; and

22
23 (iv) For full-time brand inspection contract
24 employees authorized to participate in the state retirement

1 system under W.S. 9-2-1022(a)(xi)(F)(IV), not more than
2 five and fifty-seven hundredths percent (5.57%) of the
3 contract employee's salary shall be paid by the livestock
4 board unless specified otherwise by legislative act.

5
6 **9-3-413. Employer's contributions; payable monthly;**
7 **transfer to account; interest imposed upon delinquent**
8 **contributions; recovery.**

9
10 Except as provided by W.S. 9-2-1022(a)(xi)(F)(III) or (IV),
11 9-3-431 and 9-3-432, each employer including employers of
12 firefighter members, shall on a monthly basis, pay into the
13 account a contribution equal to ~~five and sixty eight~~
14 ~~hundredths percent (5.68%)~~ seven and twelve hundredths
15 percent (7.12%), of the salary paid to each of its members
16 covered under this article. ~~and may on a monthly basis, pay~~
17 ~~into the account any amount of the members' share of~~
18 ~~retirement contributions.~~ Employer contributions for any
19 month, together with the members' contributions for that
20 month, if any, shall be transferred to the board not later
21 than the twelfth day of the following month. These
22 contributions shall be credited to the account in a manner
23 as directed by the board. Any employer failing to transfer
24 contributions under this section in sufficient time for the

1 board to receive the contributions by the twenty-fifth day
2 of the month due shall be assessed interest at the rate of
3 eight percent (8%) per annum. Interest imposed under this
4 section shall be payable not later than the twelfth day of
5 the next succeeding month. If the contributions and any
6 interest imposed under this section are not transferred to
7 the board when due, they may be recovered, together with
8 court costs, in an action brought for that purpose in the
9 first judicial district court in Laramie County, Wyoming.

10

11 **Section 2.**

12

13 (a) There is appropriated to the state auditor the
14 following amounts:

15

16 (i) Ten million five hundred seventy thousand
17 eight hundred thirty dollars (\$10,570,830.00) from the
18 general fund;

19

20 (ii) Three million two hundred eight thousand
21 seven hundred forty-six dollars (\$3,208,746.00) from the
22 general fund; and

23

1 (iii) For state agency employers whose
2 retirement contributions are made from nongeneral fund
3 sources there is appropriated from those accounts and funds
4 amounts necessary to provide the increase in employer
5 contribution rate required by W.S. 9-3-413 as amended by
6 this act for the period specified in subsection (c) of this
7 section.

8
9 (b) There is appropriated twenty-three million four
10 hundred ninety-five thousand dollars (\$23,495,000.00) from
11 the school foundation program account to the state auditor.

12
13 (c) The appropriations under paragraphs (a)(i) and
14 (iii) of this section shall only be expended for the
15 purpose of providing each state agency's increased employer
16 contribution required by W.S. 9-3-413 as amended by this
17 act, for the 2011-2012 fiscal biennium. The appropriation
18 under paragraph (a)(ii) of this section shall only be
19 expended for the purpose of providing the University of
20 Wyoming and community college increased employer
21 contribution under W.S. 21-19-101 through 21-19-106
22 corresponding to the increased employer contribution under
23 W.S. 9-3-413 as amended by this act, for the 2011-2012
24 fiscal biennium. The auditor shall transfer the funds to

1 the state retirement system or to individual state agencies
2 as determined by the department of administration and
3 information to be necessary to meet the provisions of this
4 act.

5
6 (d) The appropriation under subsection (b) of this
7 section shall only be expended for the purpose of providing
8 each school district's increased employer contribution
9 required by W.S. 9-3-413 as amended by this act, for the
10 2011-2012 fiscal biennium. The auditor shall transfer the
11 funds to the state retirement system or to the department
12 of education for distribution to individual school
13 districts as determined by the department of administration
14 and information to be necessary to meet the provisions of
15 this act.

16
17 (e) No part of these appropriations shall be used to
18 provide the increased employee contribution required by
19 this act. Notwithstanding any other provision of law, the
20 appropriations under this section shall not be transferred
21 or expended for any purpose other than as specified in this
22 section. Any unexpended, unobligated funds remaining from
23 the appropriations under this section shall revert as
24 provided by law on June 30, 2012. These appropriations

1 shall not be included in the state auditor's 2013-2014
2 standard biennial budget request.

3

4 (f) As used in this section "state agency" includes
5 each community college and any state executive, legislative
6 or judicial department, board, commission or other agency
7 or instrumentality of the state, including the University
8 of Wyoming.

9

10 **Section 3.** This act is effective September 1, 2010.

11

12

(END)