

FISCAL NOTE

	FY 2020	FY 2021	FY 2022
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
PUBLIC EMPLOYEE FUND - FUND 592	(\$20,000)	(\$50,000)	(\$90,000)
LAW ENFORCEMENT FUND - FUND 547	(\$1,180)	(\$3,580)	(\$5,990)

Source of expenditure (decrease):

This bill proposes to reduce death benefits for members who are inactive, non-vested and hired after July 1, 2019.

Assumptions:

Existing law provides that if a member dies prior to retirement, their beneficiary or estate receives a death benefit equal to double the member's account balance, which includes accumulated employee contributions plus accumulated interest. The bill would remove the doubling feature for the affected group (inactive, non-vested and hired after July 1, 2019).

The Wyoming Retirement System (WRS) states that fiscal impacts from the bill are delayed due to its application to new hires after July 1, 2019. Any resulting account balances would be small for these members and the normal actuarial assumption is that the member will request a refund of their account if they are not vested and leave service. Therefore, for the remaining of calendar year 2019, there would be little measurable impact. The impact on funding ratios to the plans in the short-term is very small to near zero. In the long-term (over a thirty (30) year amortization period), the bill could improve the funding status of the plan by about 1/10th of one percent.

The WRS actuaries believe that there would be some behavioral effects on members from the bill, but these effects cannot be reliably measured. For this estimate, the WRS assumes there are no behavioral changes for non-vested, inactive members.

The bill would also affect the Judicial and Air Guard Firefighter plans, but these are very small plans with very few inactive, non-vested members, and the WRS' actuary estimates no measurable impact on these plans.

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

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