

FISCAL NOTE

The fiscal impact is indeterminable due to insufficient time. For 2021 Special Session bills, LSO staff will attempt to provide further fiscal information in the coming days. By approving this bill, the sponsor approves of LSO staff posting this further fiscal information with the bill.

***** Further Fiscal Information *****

	FY 2022	FY 2023	FY 2024
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure (decrease)			
PAID FIREMEN PENSION A	\$0	(\$614,000)	(\$981,000)

Source of expenditure (decrease) and assumptions:

Section 1 of this bill would amend W.S. 15-5-204(g) to include a provision that the Fireman A pension shall not be increased on an annual basis on or after January 1, 2022, without further action by the Legislature. The next scheduled increase (3 percent) under current law is July 1, 2022. This bill has an estimated expenditure decrease from the Fireman A pension of approximately \$614,000 in FY 2023 and \$981,000 in FY 2024. The Wyoming Retirement System (WRS) estimates this bill would extend the balance of the Fireman A pension by approximately three months (June to October 2026) until the pension is estimated to be fully exhausted

Section 2 of this bill directs the retirement board to modify the investment of funds to the Fireman A pension to a portfolio consistent with other retirement funds managed by the board that are not invested predominately in fixed-income investment portfolio. The WRS indicates that the retirement board moved the funds of the Fireman A pension to a short-term treasury investment effective January 1, 2021, judging that the short time remaining to fund depletion (less than five years), made it imprudent to continue to have these assets invested in the stock market. The WRS indicates investing funds in the Fireman A pension consistent with other retirement funds may increase the risk of the funds in the event of a downturn [in the stock market] that would accelerate the depletion of the funds.