

Bill No.: HB0083 **Effective:** **Multiple Dates**
LSO No.: 24LSO-0342
Enrolled Act No.: HEA No. 0041
Chapter No.: 60
Prime Sponsor: Joint Appropriations Committee
Catch Title: **Public retirement-actuarially determined contributions.**
Has Report: Yes
Subject: Shifting the determination of employee and employer public retirement rates from fixed rates to an actuarially determined contribution rate.

Summary/Major Elements:

- For the Public Employee Retirement Plan under the Wyoming Retirement Act, employee and employer contributions to the plan are currently specified as a fixed percentage in statute.
- This act provides that, beginning on July 1, 2026, employer and employee contribution rates will be determined by the Wyoming Retirement System calculating an actuarially determined contribution rate (the contribution rate necessary to ensure that the public plan is one hundred percent (100%) funded by a specified future date).
- On January 1 of each odd-numbered year, the Retirement System must calculate the actuarially determined contribution rate by using the actuarial value of the portion of the retirement account attributable to the public plan, the value of benefits, estimated administrative expenses and officially adopted actuarial assumptions.
- Then, by April 15 of each odd-numbered year, the Retirement System must report the actuarially determined contribution rate to each participating entity, the Governor, the State Auditor, the State Budget Department and the Joint Appropriations Committee.
- Using that reported contribution rate, the State Budget Department and Retirement System must then calculate necessary amounts to account for any changes in the appropriations for providing for the contributions to the plan.
- Any changes in the actuarially determined contribution rate take effect on July 1 of the next even-numbered year.

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- The act provides limitations on changes in the actuarially determined contribution rate. The rate cannot increase or decrease by more than one-half percent (0.5%) from the rates in the preceding fiscal biennium; the rate cannot decrease until the public plan has a funded ratio of at least ninety-nine percent (99%); and the rate cannot be less than the normal cost contribution.
- The actuarially determined contribution rate is to be paid as follows: fifty and thirty-two hundredths percent (50.32%) of the rate by the employer, and forty-nine and sixty-eight hundredths percent (49.68%) by the employee. Consistent with current law, the employer may pay the employee contribution for state employees up to five and fifty-seven hundredths percent (5.57%) of the employee's salary.

Comments:

- This act requires annual reports from the Wyoming Retirement System to, among other entities, the Joint Appropriations Committee.
- This act has a split effective date. The act is effective July 1, 2024, except for one section of this act that repeals a statute concerning contributions, which is effective July 1, 2026.

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