

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Retirement system performance compensation-annual review.

Sponsored by: HDraft Committee

A BILL

for

1 AN ACT relating to the administration of government;
2 requiring an annual examination for the Wyoming retirement
3 system's performance compensation; specifying requirements
4 for the examination; specifying that annual examinations of
5 performance compensation are public records open to
6 inspection; requiring reports; and providing for an
7 effective date.

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

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STAFF COMMENT

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1 This bill draft, which is slated for consideration by the
2 Select Committee on Capital Financing and Investments at
3 its November meeting, is provided to this Committee for
4 reference for the performance-compensation topic.

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7 *****
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9 Section 1. W.S. 9-3-406(a) by creating a new paragraph
10 (xvii) and by creating a new subsection (g) and 16-4-
11 203(d)(iii) are amended to read:

12
13 9-3-406. Retirement board; employment and
14 compensation of director, consulting actuary and
15 assistants; director designated secretary; compensation of
16 members; quorum; seal.

17
18 (a) The board shall employ a director and a
19 consulting actuary and other professional and clerical
20 assistants necessary for the administration of the
21 retirement system and the Wyoming deferred compensation
22 program established under W.S. 9-3-501 through 9-3-508. The
23 compensation of employees shall be fixed by the board,
24 subject to confirmation and approval by the human resources
25 division and together with all other necessary expenses of
26 the board shall be paid by vouchers drawn on the state

1 treasurer of Wyoming. The director shall also serve,
2 without additional compensation, as secretary of the board.
3 The board shall have the authority to obtain the financial
4 and criminal background history of an employee or
5 employment applicant of the Wyoming retirement system in
6 accordance with W.S. 7-19-106 and 7-19-201. In fixing
7 compensation of employees the board may implement and
8 administer a performance compensation plan in accordance
9 with this subsection. The plan shall:

10

11 (xvii) Provide for an annual financial
12 examination in accordance with subsection (g) of this
13 section.

14

15 (g) Beginning with fiscal year 2025 and for every
16 fiscal year in which the board has implemented and
17 administered a performance compensation plan under
18 subsection (a) of this section, the board shall cause to be
19 completed an annual financial examination of the
20 performance compensation plan, in accordance with the
21 following:

22

1 (i) The examination shall be conducted by an
2 independent third party selected by the board;

3
4 (ii) The examination shall include:

5
6 (A) A review of the calculation of the
7 annual benchmark achievements used to determine the
8 qualification for and amount of performance compensation;

9
10 (B) An asset attribution analysis that, at a
11 minimum, analyzes performance against the selected
12 benchmarks, analyzes investment selections and decisions
13 and identifies excess returns and their sources;

14
15 (C) A review of the calculation of
16 performance compensation amounts to ensure that the
17 performance compensation plan complies with the
18 requirements of this section.

19
20 (iii) The annual examination shall be funded from
21 investment returns, with each invested fund's share
22 calculated in proportion to the magnitude of aggregate
23 investment earnings of each fund invested, including

1 interest and dividends, which shall be continuously
2 appropriated for payment of the annual examination as
3 authorized by this subsection;

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5 (iv) The annual financial examination required by
6 this subsection for the preceding fiscal year shall be
7 completed not later than November 1 of each year;

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9 (v) Not later than November 15 of each year, the
10 board shall provide a report to the joint appropriations
11 committee and the select committee on capital financing and
12 investments on the results of the annual financial
13 examination. The report required by this paragraph shall
14 include any reports and information that the person
15 conducting the examination prepared;

16

17 (vi) The results and reports of the annual
18 financial examination shall be public records available for
19 disclosure under the Public Records Act.

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21 **16-4-203. Right of inspection; grounds for denial;**
22 **access of news media; order permitting or restricting**
23 **disclosure; exceptions.**

1

2 (d) The custodian shall deny the right of inspection
3 of the following records, unless otherwise provided by law:

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5 (iii) Personnel files except those files shall
6 be available to the duly elected and appointed officials
7 who supervise the work of the person in interest.
8 Applications, performance ratings and scholastic
9 achievement data shall be available only to the person in
10 interest and to the duly elected and appointed officials
11 who supervise his work. The results of the annual financial
12 examination for performance compensation completed as
13 required by W.S. 9-3-406(g), employment contracts, working
14 agreements or other documents setting forth the terms and
15 conditions of employment of public officials and employees
16 are not considered part of a personnel file and shall be
17 available for public inspection;

18

19 **Section 2.** This act is effective July 1, 2024.

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(END)