

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

AN ACT relating to public employee retirement; requiring the calculation and collection of employee and employer contributions for the public employee retirement plan to be based on an actuarially determined contribution rate; specifying procedures for the calculation of rates; requiring reports; removing obsolete language; making conforming amendments; and providing for effective dates.

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

Section 1. W.S. 9-3-413.1 is created to read:

9-3-413.1. Members' and employers' contributions based on actuarially determined contribution rates; calculation of rates; reports.

(a) Beginning with the 2027-2028 fiscal biennium, the retirement system shall calculate the percentage of salary for members' contributions required under W.S. 9-3-412(a) and for the employers' contribution required under W.S. 9-3-413 based on an actuarially determined contribution rate in accordance with the following:

(i) The retirement system, in consultation with any actuary that the system utilizes, shall calculate the actuarially determined contribution rate for each fiscal year;

(ii) The retirement system shall calculate the actuarially determined contribution rate by using the actuarial value of that portion of the retirement account designated for the public employee retirement plan as of January 1, 2025 and January 1 of each odd-numbered year thereafter, the value of benefits, estimated administrative expenses and officially adopted actuarial assumptions. The

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

retirement system shall use this valuation to calculate the actuarially determined contribution rate for the immediately succeeding fiscal biennium;

(iii) Not later than April 15, 2025 and April 15 of each odd-numbered year thereafter, the retirement system shall report the actuarially determined contribution rate to each local government entity participating in the public employee retirement plan, the governor, the state auditor, the state budget department and the joint appropriations committee, subject to the requirements of this subsection;

(iv) Not later than April 15, 2026 and April 15 of each even-numbered year thereafter, the retirement system shall calculate a valuation of the account and an updated actuarially determined contribution rate, using the actuarial value of that portion of the account designated for the public employee retirement plan as of January 1 of that year, for informational purposes and shall report the valuation and rate to each entity specified in paragraph (iii) of this subsection. The actuarially determined contribution rate calculated under this paragraph shall not be used as the actuarially determined contribution rate for purposes of this section;

(v) After calculation of the actuarially determined contribution rate under paragraph (ii) of this subsection, the state budget department and the retirement system shall calculate necessary amounts to account for any changes in the appropriations necessary to fund the contributions for the public employee retirement plan and shall include those amounts in the budget prepared under W.S. 9-2-1010 through 9-2-1014.1, including changes in amounts for school districts necessary to account for the employer's share of the actuarially determined contribution

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

rate in accordance with this section for benefits paid from the education resource block grant model defined in W.S. 21-13-101(a)(xiv) and as enumerated in Attachment A(b)(xxxviii), as defined in W.S. 21-13-101(a)(xvii);

(vi) Any change in the actuarially determined contribution rate calculated under paragraph (ii) of this subsection shall take effect on July 1 of the subsequent even-numbered year;

(vii) Any change in the actuarially determined contribution rate calculated and reported under this subsection shall be in accordance with the following:

(A) The actuarially determined contribution rate shall not be increased more than one-half percent (0.5%) nor decreased more than one-half percent (0.5%) from:

(I) The rates specified in W.S. 9-3-412(a) and 9-3-413 for the fiscal biennium beginning July 1, 2026;

(II) The actuarially determined contribution rate for the preceding fiscal biennium for each fiscal biennium beginning July 1, 2028.

(B) The actuarially determined contribution rate for a fiscal biennium shall not be decreased if the public employee retirement plan has a funded ratio of less than ninety-nine percent (99%), on both a market and actuarial basis, as calculated on the date specified in paragraph (ii) of this subsection;

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

(C) For purposes of this paragraph, the actuarially determined contribution rate shall use a closed amortization period of thirty (30) years calculated from January 1, 2018, with each subsequent amortization base created as a result of year-to-year experience changes over individual twenty (20) year closed periods;

(D) In no event shall the actuarially determined contribution rate be less than the normal cost contribution, plus the rate necessary to meet administrative expenses. As used in this subparagraph, "normal cost contribution" means the contribution calculated using the entry age normal actuarial cost method to determine the average uniform and constant percentage rate of employer contributions that, if applied to the compensation of each new member during the entire period of the member's anticipated covered service, would be required to meet the costs of all benefits payable on the member's behalf based on the benefits provisions applicable for the individual member.

(b) The actuarially determined contribution rate shall be paid through monthly contributions into the account as follows:

(i) Subject to paragraph (iii) of this subsection and except as otherwise provided in W.S. 9-3-412, 9-3-431 and 9-3-432, every member covered under this article shall pay into the account a percentage of his salary in an amount equal to forty-nine and sixty-eight hundredths percent (49.68%) of the actuarially determined contribution rate calculated under this section;

(ii) Every employer excluding employers of firefighter members shall pay into the account a

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

contribution of members' salary in an amount equal to fifty and thirty-two hundredths percent (50.32%) of the actuarially determined contribution rate calculated under this section;

(iii) For state employee members, five and fifty-seven hundredths percent (5.57%) of the member's salary that would otherwise be withheld in accordance with paragraph (i) of this subsection shall be paid by the employer without any salary reduction or offset. The remaining portion of the state employee's contribution required under paragraph (i) of this subsection shall be paid through a reduction in cash salary of the state employee unless specified otherwise by legislative act.

Section 2. W.S. 9-2-3207(a)(xi)(F)(IV), 9-3-402(a)(i)(A) and (xvi), 9-3-412(a), (b), (c)(intro), (ii) and (iv), 9-3-413, 9-3-414, 9-3-704(c), 11-20-201(b), 21-3-314(c)(v), 21-13-320(f) and 21-13-321(d) are amended to read:

9-2-3207. Duties of department performed through human resources division.

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

(xi) Promulgate reasonable rules:

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

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

(IV) Notwithstanding subdivision (III) of this subparagraph, if the employment contract so provides, an at-will, year-round, full-time brand inspection contract employee authorized to carry out the duties specified by W.S. 11-20-201 may be eligible for membership in the state employees' and officials' group insurance plan in accordance with W.S. 9-3-207, and the state retirement system under W.S. 9-3-412 and 9-3-413.1, provided the employee pays the total premium or total contribution required, or the portion of the premium or contribution, if any, the employment contract directs the employee to pay and the employee's wages under the contract are reported on an Internal Revenue Service Form W-2 Wage and Tax Statement. Subject to the limitations of W.S. 9-3-412(c) and 9-3-413.1(b), the Wyoming livestock board shall have sole discretion to determine the amount of the total premium or contribution to be paid by the employee and the amount to be paid by the board, if any. The amounts shall be stated in the employment contract. The time limitations provided in subdivision (V) of this subparagraph shall not apply to any employee under this subdivision;

9-3-402. Definitions.

(a) As used in this article:

(i) "Account" or "member account" means:

(A) For a member who has a minimum of four (4) years of service or a member initially employed before July 1, 2018, the member's contributions, the member's contributions paid by an employer under W.S. 9-3-412 and 9-3-413.1 and any amounts transferred to the system from a terminated system on behalf of the member, plus interest

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

compounded annually at a rate determined by the board not to exceed the average annual investment yield earned on the assets of the system, subject to subparagraph (C) of this paragraph;

(xvi) "Salary" means the cash remuneration paid to a member in a calendar year, including employee contributions required by W.S. 9-3-412 and 9-3-413.1 and including member contributions paid by the employer under a salary reduction arrangement under W.S. 9-3-412(c) and 9-3-413.1(b). "Salary" taken into account for a member shall not exceed the amount specified under section 401(a)(17) of the United States Internal Revenue Code;

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

(a) Except as otherwise provided in this section and W.S. 9-3-431 and 9-3-432, every member covered under this article, shall pay into the account ~~eight and one-half percent (8.5%) of his salary for the period from September 1, 2018 through June 30, 2019, eight and three-quarters percent (8.75%) of his salary for the period from July 1, 2019 through June 30, 2020, nine percent (9%) of his salary for the period from July 1, 2020 through June 30, 2021 and thereafter~~ nine and one-quarter percent (9.25%) of his salary for the period from July 1, 2021 through June 30, 2026 and thereafter a percentage of the member's salary determined in accordance with W.S. 9-3-413.1. Every firefighter member covered under this article shall pay into the account seven percent (7%) of his salary. Payments shall be deducted each pay period from each member's salary by the chief fiscal officer of each participating employer. Employee contributions shall be

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

transferred to the account in accordance with subsection (c) of this section.

(b) Except as provided by W.S. 9-2-3207(a)(xi)(F)(III) or (IV), in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, section 414(h) the contributions required by subsection (a) of this section shall be paid by the employer for state employee members and may be paid by the employer for member employees of political subdivisions of this state. Any contract employee authorized to participate in the state retirement system under W.S. 9-2-3207(a)(xi)(F)(III) shall pay the entire member contribution and the entire employer contribution under W.S. 9-3-413 and 9-3-413.1. For the contributions as provided by W.S. 9-2-3207(a)(xi)(F)(IV), the contributions required by subsection (a) of this section may be paid by the Wyoming livestock board for state employee members in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, section 414(h). The amounts shall be stated in the employment contract.

(c) The contributions under subsection (b) of this section and W.S. 9-3-413.1 shall be paid from the source of funds which is used in paying salary to the member. The employer may pay these contributions by a reduction in cash salary of the member or by an offset against a future salary increase, or by a combination of a reduction in salary and an offset against a future salary increase, provided:

(ii) Except as provided in paragraphs (iii) and (iv) of this subsection and W.S. 9-3-413.1(b), any employer

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

may pay any amount of a member's share of retirement contributions without a salary reduction, offset or combination thereof;

(iv) For full-time brand inspection contract employees authorized to participate in the state retirement system under W.S. 9-2-3207(a)(xi)(F)(IV), not more than ~~five and fifty-seven hundredths percent (5.57%)~~ the amount specified in W.S. 9-3-413.1(b)(iii) of the contract employee's salary shall be paid by the livestock board unless specified otherwise by legislative act.

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

Except as provided by W.S. 9-2-3207(a)(xi)(F)(III) or (IV), 9-3-431 and 9-3-432, each employer, excluding employers of firefighter members, shall, on a monthly basis, pay into the account a contribution equal to ~~eight and sixty-two hundredths percent (8.62%)~~ of the salary paid to each of its members covered under this article for the period from September 1, 2018 through June 30, 2019, ~~eight and eighty-seven hundredths percent (8.87%)~~ of the salary paid for the period from July 1, 2019 through June 30, 2020, ~~nine and twelve hundredths percent (9.12%)~~ of the salary paid for the period from July 1, 2020 through June 30, 2021 and thereafter ~~nine and thirty-seven hundredths percent (9.37%)~~ of the salary paid to each of its members covered under this article for the period from July 1, 2021 through June 30, 2026 and thereafter a percentage of the salary paid as determined in accordance with W.S. 9-3-413.1. Employers of firefighter members shall pay into the account a contribution equal to seven and twelve hundredths percent (7.12%) of the salary paid. Employer contributions for any

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

month, together with the members' contributions for that month, if any, shall be transferred to the board not later than the twelfth day of the following month. These contributions shall be credited to the account in a manner as directed by the board. Any employer failing to transfer contributions under this section in sufficient time for the board to receive the contributions by the twenty-fifth day of the month due shall be assessed interest at the assumed rate of return as determined by the board, compounded annually. Interest imposed under this section shall be payable not later than the twelfth day of the next succeeding month. If the contributions and any interest imposed under this section are not transferred to the board when due, they may be recovered, together with court costs, in an action brought for that purpose in the first judicial district court in Laramie County, Wyoming.

9-3-414. Provision for employers' contributions to be made in budgets; notice to department heads.

Subject to W.S. 9-3-413.1, provision for the payment by employers of the employers' contributions under this article shall be made in the budgets of the several departments, divisions and subdivisions of the state government and of other employer units. At least thirty (30) days prior to the date for submission of departmental budgets to the state budget ~~officer~~department, the Wyoming retirement board shall notify all department heads that it will be necessary to include funds in the departmental budget for the payment of employers' contributions under this article for the ensuing appropriation period.

9-3-704. Employee contributions.

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

(c) The contributions under subsection (b) of this section shall be paid from the source of funds which is used in paying salary to the employee. The employer may pay these contributions without offset of the employee's salary in the same salary percentage as provided by state employers under W.S. ~~9-3-412(e)~~ 9-3-413.1(b)(iii). The employer shall also reduce the cash salary of the employee by three and sixty-five hundredths percent (3.65%).

11-20-201. Designation of contract services to implement brand inspection laws; bond required; bond of inspectors; interstate cooperative agreements.

(b) The agency, or the board may contract for inspectors as the board deems necessary to carry out specified duties. The board may contract for inspectors through an individual at-will contract. The board may contract to provide the inspector salary, mileage, per diem and other necessary reimbursable expenses, membership in the state employees' and officials' group insurance plan in accordance with W.S. 9-2-3207(a)(xi)(F)(IV) and 9-3-207, and the state retirement system in accordance with W.S. 9-2-3207(a)(xi)(F)(IV), ~~and~~ 9-3-412 ~~and~~ 9-3-413.1. The board shall be authorized to establish mileage rates without regard to the limitations provided in W.S. 9-3-103. During the time that inspectors are acting within the scope of their duties on behalf or in service of the state in their official capacity, inspectors are covered by the provisions of the Wyoming Governmental Claims Act, W.S. 1-39-101 through 1-39-120, and the state self-insurance program, W.S. 1-41-101 through 1-41-111. It may assign inspectors inside or outside of this state as it deems appropriate. A blanket bond or individual bonds shall be executed to the state with good and sufficient surety in an amount determined by the board, conditioned for the full

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

and faithful performance and discharge of the inspector's duties. The bond shall be approved by and filed in the office of the board.

21-3-314. Students counted among district ADM; determination of charter school funding.

(c) The charter school shall be entitled to the following amounts:

(v) One hundred percent (100%) of the amount expended by the charter school that is eligible for reimbursement by the department of education under W.S. 9-3-413 and 9-3-413.1.

21-13-320. Student transportation; amount within school foundation program formula for transportation maintenance and operations expenditures and school bus purchases; district reporting requirements.

(f) The department of education shall adopt necessary rules and regulations to implement and enforce state standards established under this section and to administer this section. District expenditures computed under subsection (b) of this section shall not include expenditures for employee contributions to the Wyoming retirement system exceeding ~~five and fifty-seven hundredths percent (5.57%)~~ the amount specified in W.S. 9-3-413.1(b)(iii) of any member employee's salary. In addition, the department shall, in accordance with procedures prescribed by department rule and regulation, establish a base price for each school bus type or other student transportation vehicle type for the applicable fiscal period that complies with minimum state standards for vehicle specifications and equipment. The department

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

shall also establish a process including competitive bidding which guarantees the acquisition of school buses and other student transportation vehicles approved for reimbursement and complying with state minimum standards and district fleet size restrictions at the established base price for the applicable fiscal year. Department rules shall establish appropriate restrictions on how and under which conditions a school district may procure a school bus or other student transportation vehicle, either through purchase or lease, to ensure that the procurement method used is the most cost effective. School districts shall notify the department of school bus and other student transportation vehicle needs and requirements for the appropriate fiscal year in the manner and within the times prescribed by department rule and regulation, and shall report expenditures, purchases and lease arrangements for the applicable reporting period, including vehicles replaced by purchases and leases, as required by department rule and regulation. The department shall annually review and conduct audits as necessary of information submitted under this section. As authorized under W.S. 21-13-307(b), the department may correct the information reported by districts under this section as necessary to fairly and accurately reflect the data type, classification and format required to administer this section in accordance with law and department rules and regulations.

21-13-321. Special education; amount provided for special education programs and services; district reporting requirements; billing for Medicaid authorized school based services.

(d) The department of education shall adopt necessary rules and regulations to implement and administer this section. Districts shall report special education program

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

expenditures for the applicable reporting period as required by department rule and regulation. District expenditures computed under subsection (b) of this section shall not include expenditures for employee contributions to the Wyoming retirement system exceeding ~~five and fifty seven hundredths percent (5.57%)~~ the amount specified in W.S. 9-3-413.1(b)(iii) of any member employee's salary. The department shall annually review and report to the joint education interim committee regarding services provided to special education students by school districts. In addition, the department shall when necessary, conduct audits of information submitted by districts under this section and may, in accordance with W.S. 21-13-307(b), correct the information reported by districts as necessary to fairly and accurately reflect the data type, classification and format required to administer this section in accordance with law and department rule and regulation.

Section 3. W.S. 9-3-412(c)(iii) is repealed.

ORIGINAL HOUSE
BILL NO. HB0083

ENGROSSED

ENROLLED ACT NO. 41, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

Section 4.

(a) Except as provided in subsection (b) of this section, this act is effective July 1, 2024.

(b) Section 3 of this act is effective July 1, 2026.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk