

SENATE FILE NO. SF0095

Early retirement.

Sponsored by: Senator(s) Meier, Bebout, Driskill, Pappas
and Perkins and Representative(s) Haley,
Hunt, Jennings, Miller, Steinmetz and
Zwonitzer

A BILL

for

1 AN ACT relating to retirement; creating an early retirement
2 option for state employees to be administered by the
3 Wyoming retirement board; specifying qualifications of
4 state employees eligible for early retirement; specifying
5 payments and benefits for early retirement; providing for
6 restrictions on filling and transferring vacant positions;
7 requiring reports; providing for an appropriation; and
8 providing for an effective date.

9

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

11

12 **Section 1.**

13

1 (a) The Wyoming retirement board shall offer an early
2 retirement option to those state employees who qualify
3 under the criteria provided in section 2 of this act.
4 Qualified state employees may elect to take early
5 retirement beginning April 1, 2017 through June 30, 2017.
6 The early retirement option provided by this act expires
7 July 1, 2017 and any election made on or after that date is
8 ineffective. Unless earlier withdrawn by the qualified
9 state employee, an election to take early retirement, once
10 granted pursuant to this section, shall not be withdrawn
11 and is a legally binding obligation of the state employee.

12

13 (b) The Wyoming retirement board shall administer
14 this act according to rules the board may promulgate. Prior
15 to April 1, 2017, the board shall identify and notify
16 eligible state employees that they are conditionally
17 eligible for the early retirement option provided by this
18 act. This option shall not affect the authority of the
19 board or the validity of its rules promulgated under W.S.
20 9-3-415(b) to determine retirement benefit amounts reduced
21 on an actuarial equivalent basis for members who are under
22 sixty (60) years of age.

23

1 (c) Employees electing to take early retirement shall
2 submit a request to the director of the agency for which
3 the employee works. To ensure the continued efficient
4 operation of the agency, the director of the agency may, at
5 the director's sole discretion but with the approval of the
6 appropriate authority listed in section 4(c) of this act,
7 grant the early retirement request up to two (2) years
8 after receipt of the request, but in no case shall the
9 director delay granting the request later than June 30,
10 2019. If the state employee is an employee of the executive
11 branch, in addition to the director, the governor may in
12 the governor's sole discretion and with notice to the
13 employee's director either grant or deny an employee
14 request for early retirement. The director of the agency
15 shall notify the Wyoming retirement board of all requests
16 granted pursuant to this act. The payments and benefits
17 provided under this act shall commence on the date the
18 agency director grants the request.

19

20 (d) As used in this act "employee" and "state
21 employee" mean any individual entering into the service of
22 or working under an employment contract with any agency of
23 the state of Wyoming for which compensation is paid or

1 which qualifies the individual to participate in the state
2 retirement account and shall:

3

4 (i) Not include employees of the University of
5 Wyoming or any Wyoming community college;

6

7 (ii) Not include school district employees; and

8

9 (iii) Only include employees whose salary
10 derives more than fifty percent (50%) from state funds.
11 For purposes of this section "state funds" means funds for
12 which the control of the fund is unrestricted for payment
13 of salaries and benefits and any other purpose under this
14 act.

15

16 **Section 2.**

17

18 (a) State employees who qualify under this act are
19 those state employees who meet all of the following:

20

21 (i) Have been continuously employed by the state
22 for at least two (2) years on the effective date of this
23 act;

1

2 (ii) Are qualified under W.S. 9-3-415(a) to take
3 normal retirement benefits.

4

5 (b) Supreme court justices, all other judges and
6 employees who are direct appointees of any of the five (5)
7 state elected officials are excluded from eligibility for
8 early retirement under this act.

9

10 **Section 3.**

11

12 (a) In addition to subsection (b) of this section, a
13 state employee electing to take early retirement under this
14 act may receive the normal retirement benefits available
15 for the employee under the Wyoming Retirement Act and
16 monthly payments by the state for health insurance coverage
17 for the employee and the employee's dependents for up to
18 five (5) years or until the employee reaches age sixty-five
19 (65), whichever is less, calculated as provided in
20 subsection (b) of this section. The monthly payments for
21 health insurance coverage authorized by this subsection
22 shall be determined and issued by the department of
23 administration and information employees' and officials'

1 group insurance program and be in an amount calculated as
2 provided in subsection (b) of this section. A state
3 employee electing to take early retirement under this act
4 whose qualifying status changes before July 1, 2017, may
5 elect before July 1, 2017 to receive monthly payments for
6 family coverage calculated as provided in subsection (b) of
7 this section.

8

9 (b) A state employee electing to take early
10 retirement under this act shall receive the following as
11 determined and issued by the department of administration
12 and information:

13

14 (i) An amount not to exceed thirty-one thousand
15 seven hundred fifty-two dollars (\$31,752.00) for family
16 coverage or an amount not to exceed twenty thousand one
17 hundred eighty-four dollars (\$20,184.00) for single
18 coverage:

19

20 (A) Applied to the employee's monthly
21 health insurance premium for up to five (5) years according
22 to the period of time the employee elects to maintain
23 coverage; and

1

2 (B) Provided the employee pays any
3 remaining monthly balance due for the health insurance
4 premium.

5

6 (ii) For employees who are age sixty-seven (67)
7 or older on the date the request submitted under section 1
8 of this act is granted, a bonus equal to two (2) months of
9 the employee's current salary, exclusive of longevity pay,
10 in a lump sum.

11

12 (c) If an employee who is receiving monthly payments
13 for health insurance coverage under subsection (a) of this
14 section becomes eligible because of new employment for any
15 other health care plan with comparable coverage and
16 benefits as determined by the department of administration
17 and information employees' and officials' group insurance
18 program, the employee shall:

19

20 (i) No longer be eligible for payments for
21 health insurance coverage under subsection (a) of this
22 section in the month following the month in which the
23 employee became eligible for coverage under the new plan;

1

2 (ii) Notify the department of administration and
3 information employees' and officials' group insurance
4 program which shall notify the agency from which the
5 employee retired to discontinue payments for health
6 insurance coverage in the month following the month in
7 which the employee became eligible for coverage under the
8 new plan;

9

10 (iii) Repay the agency from which the employee
11 retired any payments for health insurance coverage made
12 after the month in which the employee became eligible for
13 coverage under the new plan and prior to the employee
14 providing the notice required by paragraph (ii) of this
15 subsection, together with interest of ten percent (10%) per
16 annum from the date of the payments.

17

18 **Section 4.**

19

20 (a) Fifty percent (50%) of any vacancies in any
21 position created by a state employee electing to take early
22 retirement under this act shall be filled only:

23

1 (i) Notwithstanding W.S. 9-2-1005(a) and (c),
2 after the governor exercises sole discretion and authority
3 to transfer up to thirty percent (30%) of the vacancies
4 eligible to be repopulated among or between agencies in the
5 executive branch. Any position the governor transfers
6 shall include the position and appropriation attached
7 thereto;

8
9 (ii) Subject to available funds within each
10 agency's available personal services (100 series)
11 appropriation; and

12
13 (iii) Upon fully obligating sufficient funds to
14 pay separation costs and benefit costs under this act.

15
16 (b) An early retiree under this act shall cease to be
17 eligible for further payments and benefits under this act
18 in the month following the month in which the retiree:

19
20 (i) Is employed as a full-time employee by the
21 executive, legislative or judicial branch;

22

1 (ii) Is employed under any contract of
2 employment by the executive, legislative or judicial
3 branch; or

4

5 (iii) Provides services to the executive,
6 legislative or judicial branch where the retiree:

7

8 (A) Is an independent contractor or a
9 contract employee under a contract; or

10

11 (B) Is an owner, partner, officer or
12 stockholder of the entity which has contracted with the
13 executive, legislative or judicial branch to provide the
14 services.

15

16 (c) For executive branch, the governor, for
17 legislative branch, the management council and for judicial
18 branch, the chief justice of Wyoming shall prepare a report
19 not later than August 1 of each year that summarizes the
20 cost savings which have accrued for the previous fiscal
21 year as a result of the early retirement option provided by
22 this act. The governor shall specify the format for the

1 reports and distribute the reports annually to the
2 legislature prior to the convening of the session.

3

4 (d) Not later than August 1 of each year, the Wyoming
5 retirement board shall analyze any state retirement
6 programs under which any employee retires under this act
7 and certify any actuarially unfunded liability resulting
8 from retirement under this act. Not later than sixty (60)
9 days after receiving the report required by this subsection
10 from the Wyoming retirement board and the reports in
11 subsection (c) of this section, the state auditor shall
12 certify the savings identified in subsection (c) of this
13 section and transfer up to the certified amount of the
14 actuarially unfunded liabilities from the realized savings
15 to the Wyoming retirement board for deposit into the
16 appropriate state retirement plan fund.

17

18 **Section 5.** The amount of money necessary to meet the
19 bonus payments under this act is appropriated and shall be
20 expended from the fund and account from which an electing
21 employee's salary was paid prior to the election. The
22 amount of money necessary to meet the payments for health
23 insurance coverage under this act shall be paid from any

1 personal service funds available in the employing agency's
2 biennial budget.

3

4 **Section 6.** This act is effective immediately upon
5 completion of all acts necessary for a bill to become law
6 as provided by Article 4, Section 8 of the Wyoming
7 Constitution.

8

9

(END)