

SENATE FILE NO. SF0090

Nonvested member accounts-Wyoming retirement plans.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to retirement plans administered by the  
2 retirement board of the Wyoming retirement system; amending  
3 provisions related to interest paid on nonvested member's  
4 accounts as specified; specifying applicability; and  
5 providing for an effective date.

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

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9 **Section 1.** W.S. 9-3-402(a)(i)(A) through (C),  
10 9-3-617(a) and 9-3-709 are amended to read:

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12 **9-3-402. Definitions.**

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14 (a) As used in this article:

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

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(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 any amounts transferred to the system from a terminated system on behalf of the member, plus interest 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;

(B) For a member who has fewer than four (4) years of service and who is initially employed on or after July 1, 2018, only the member contributions paid by a reduction in cash salary of the member together with the interest on those contributions, subject to subparagraph (C) of this paragraph;

(C) Commencing July 1, 2019 for a member who has fewer than four (4) years of service, no interest shall accrue to the member account during any period in which the member is not employed by a participating employer.

1           **9-3-617. Refund of contributions upon termination of**  
2 **employment; redeposit of withdrawn contributions; purchase of**  
3 **service credits.**

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5           (a) Except as provided in this subsection and  
6 subsection (c) of this section, any employee covered by this  
7 article who terminates his employment and elects not to  
8 continue to be covered by the retirement program is entitled  
9 to a refund of his member account together with the regular  
10 rate of interest specified by the retirement board.

11 Commencing July 1, 2019 for an employee who has fewer than  
12 six (6) years of service, no interest shall accrue to the  
13 member account during any period in which the employee is not  
14 employed by a participating employer. Refunds may be made  
15 only upon written request to the board. Any employee who  
16 withdraws from the retirement program under this subsection  
17 shall forfeit all rights to further benefits, employer  
18 contributions and service credit under this article.

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20           **9-3-709. Refund of contributions upon termination of**  
21 **employment; procedure; redeposit; limitation on refund.**

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1 Any employee covered by this act who terminates his employment  
2 is entitled to a refund of his member account plus interest  
3 thereon, except that commencing July 1, 2019 for an employee  
4 who has fewer than four (4) years of service to his credit,  
5 no interest shall accrue to the member account during any  
6 period in which the employee is not employed by a  
7 participating employer. The refunds shall be made only upon  
8 written request to the board. Any employee who withdraws from  
9 the system under this section shall forfeit all rights to  
10 further benefits, employer matching contributions and service  
11 credit under the system. Any person who later returns to  
12 service covered by this act may redeposit the amount of the  
13 contributions withdrawn, in lump sum, together with interest,  
14 if any, and upon earning not less than two (2) years credited  
15 service, may reestablish his service credits as of the time  
16 of withdrawal of his contributions. Any redeposit payment  
17 pursuant to this section shall be made not later than ten  
18 (10) years following the date of reemployment or prior to  
19 retirement, whichever first occurs.

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21 **Section 2.** This act shall apply to the distribution of  
22 benefits subject to this act made on and after the effective  
23 date of this act.

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2           **Section 3.** This act is effective July 1, 2019.

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4                                       (END)