1	H.649
2	Introduced by Representatives Browning of Arlington and Sullivan of Dorset
3	Referred to Committee on
4	Date:
5	Subject: Vermont Employees' Retirement System; State Teachers' Retirement
6	System of Vermont; pension; contribution rates
7	Statement of purpose of bill as introduced: This bill proposes to require the
8	State and members of the Vermont Employees' Retirement System, and the
9	State and members of the State Teachers' Retirement System of Vermont, to
10	share equally the costs of operating both systems. This bill also requires that
11	member contribution rates in the Vermont Employees' Retirement System and
12	the State Teachers' Retirement System of Vermont are adjusted biennially to
13	pay for members' fifty percent share of operating expenses.
14 15	An act relating to cost sharing of the operating expenses of the Vermont Employees' Retirement System and the State Teachers' Retirement System
16	of Vermont
17	It is hereby enacted by the General Assembly of the State of Vermont:
18	Sec. 1. 3 V.S.A. § 473 is amended to read:
19	§ 473. FUNDS
20	(a) Assets. All of the assets of the Retirement System shall be credited to
21	the Vermont State Retirement Fund.

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1	* * *
2	(d) Contributions of State. The State and members shall equally share the
3	cost of expenses to operate the Vermont State Retirement System. As
4	provided by law, the Retirement Board shall certify to the Governor or
5	Governor-Elect a statement of the percentage of the payroll of all members
6	sufficient to pay 50 percent of the costs for all operating expenses of the
7	Vermont State Retirement System and all contributions of the State that
8	represent 50 percent of the cost of the System that will become due and
9	payable during the next biennium. Member contribution rates described in
10	subsection (b) of this section shall be adjusted biennially to cover the
11	members' equal share of the expenses. The contributions of the State shall be
12	charged to the departmental appropriation from which members' salaries are
13	paid and shall be included in each departmental budgetary request.
14	* * *
15	Sec. 2. 16 V.S.A. § 1944 is amended to read:
16	§ 1944. VERMONT TEACHERS' RETIREMENT FUND
17	(a) Pension Fund. All of the assets of the System shall be credited to the
18	Vermont Teachers' Retirement Fund.
19	* * *

(g) Collection of contributions.

(1) The proper authority or officer responsible for making up the payroll shall draw his or her warrant, at such intervals as may be agreed upon with the Board but at least semiannually, payable to the System for all contributions deducted from the compensation of members, and shall transmit the same to the Board, together with such schedule of the contributions included therein as the Board may require.

(2) The State and members shall share equally the cost of the requirements of the Pension Fund of the System. The Board shall certify to the Governor-Elect, as required by 32 V.S.A. § 301, an estimate of the contributions of the State equal to 50 percent of the cost that will become due and payable during the two years next following to meet the requirements of the Pension Fund of the System, and shall certify the percentage of payroll of all members that is equivalent to 50 percent of such amount. Member contribution rates described in subsection (b) of this section shall be adjusted biennially to cover the members' equal share of the requirements. The amounts so certified shall be included in the budget submitted to the General Assembly. When appropriated, the Commissioner of Finance and Management shall issue his or her warrant in favor of the System for the amount certified by the Board to be necessary to carry out the provisions of this section.

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- 1 Sec. 3. EFFECTIVE DATE
- 2 This act shall take effect on July 1, 2020.