

1 H.585

2 Introduced by Representatives Mrowicki of Putney and Noyes of Wolcott

3 Referred to Committee on

4 Date:

5 Subject: Executive; Vermont State Employees' Retirement System; county
6 sheriff pension plan

7 Statement of purpose of bill as introduced: This bill proposes to offer sheriffs
8 and qualified deputy sheriffs an opportunity to join Group G of the Vermont
9 State Employees' Retirement System.

10 An act relating to amending the pension system for sheriffs and certain
11 deputy sheriffs

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 ~~Ch. 1. 3 V.S.A. § 455 is amended to read.~~

14 § 455. DEFINITIONS

15 (a) As used in this subchapter:

16 * * *

17 (11) "Member" means any employee included in the membership of the
18 Retirement System under section 457 of this title.

19 * * *

20 ~~(F) "Group G member" means:~~

1 ~~(i) the following employees who are first employed in the~~
2 ~~positions listed in this subdivision (F) on or after July 1, 2023, or who are~~
3 ~~members of the System as of June 30, 2022 and make an irrevocable election~~
4 ~~to prospectively join Group G on or before June 30, 2023, pursuant to the~~
5 ~~terms set by the Board: facility employees of the Department of Corrections,~~
6 ~~as Department of Corrections employees who provide direct security and~~
7 ~~treatment services to offenders under supervision in the community, as~~
8 ~~employees of a facility for justice-involved youth, or as and employees of the~~
9 ~~Vermont State Psychiatric Care Hospital employees or as employees of its~~
10 ~~successor in interest, who provide direct patient care; and~~

11 ~~(ii) the following employees who are first employed in the~~
12 ~~positions listed in this subdivision (F) on or after January 1, 2025, or who are~~
13 ~~members of the System as of December 31, 2024 and make an irrevocable~~
14 ~~election to join Group G on or before December 31, 2024 pursuant to the~~
15 ~~terms set by the Board:~~

16 ~~(I) all sheriffs; and~~

17 ~~(II) deputy sheriffs who:~~

18 ~~(aa) are employed by county sheriff's departments~~

19 ~~that participate in the Vermont Employees' Retirement System,~~

1 ~~(bb) have attained Level II or Level III law~~

2 ~~enforcement officer certification from the Vermont Criminal Justice~~

3 ~~Council; and~~

4 ~~(cc) are required to perform law enforcement duties~~

5 ~~as the primary function of their employment.~~

6 ~~* * *~~

7 (13) "Normal retirement date" means:

8 ~~* * *~~

9 (E) with respect to a Group G member:

10 (i) for facility employees of the Department of Corrections,
11 Department of Corrections employees who provide direct security and
12 treatment services to offenders under supervision in the community, employees
13 of a facility for justice-involved youth, or employees of the Vermont State
14 Psychiatric Care Hospital or its predecessor or successor in interest, who
15 provide direct patient care, who were first included in the membership of the
16 System on or before June 30, 2008, who were employed as of June 30, 2022,
17 and who made an irrevocable election to prospectively join Group G on or
18 before July 1, 2023, pursuant to the terms set by the Board, the first day of the
19 calendar month next following the earlier of:

20 (I) 62 years of age and following completion of five years of

21 ~~creditable service,~~

1 ~~(II) completion of 30 years of creditable service; or~~

2 (III) 55 years of age and following completion of 20 years of

3 creditable service; or

4 (ii) for facility employees of the Department of Corrections,

5 Department of Corrections employees who provide direct security and

6 treatment services to offenders under supervision in the community, as

7 employees of a facility for justice-involved youth, or employees of the

8 Vermont State Psychiatric Care Hospital or its predecessor or successor in

9 interest, who provide direct patient care, who were first included in the

10 membership of the System on or after July 1, 2008, who were employed as of

11 June 30, 2022, and who made an irrevocable election to prospectively join

12 Group G on or before July 1, 2023, pursuant to the terms set by the Board, the

13 first day of the calendar month next following the earlier of:

14 (I) 65 years of age and following completion of five years of

15 creditable service;

16 (II) attainment of 87 points reflecting a combination of the age

17 of the member and number of years of service; or

18 (III) 55 years of age and following completion of 20 years of

19 creditable service; or

20 (iii) for facility employees of the Department of Corrections,

21 Department of Corrections employees who provide direct security and

1 ~~treatment services to offenders under supervision in the community, employees~~
2 of a facility for justice-involved youth, or employees of the Vermont State
3 Psychiatric Care Hospital or its predecessor or successor in interest, who
4 provide direct patient care, who first become a Group G member on or after
5 July 1, 2023, the first day of the calendar month next following the earlier of:
6 (I) attainment of 55 years of age and following completion of
7 20 years of creditable service; or
8 (II) 65 years of age and following completion of five years of
9 creditable service;:
10 (iv) for all sheriffs and those deputy sheriffs who meet the
11 requirements pursuant to subdivision (1)(F)(ii) of this subsection (a), who
12 were first included in the membership of the System on or before June 30,
13 2008, who were employed as of December 31, 2024, and who made an
14 irrevocable election to prospectively join Group G on or before January 1,
15 2025, pursuant to the terms set by the Board, the first day of the calendar
16 month next following the earlier of:
17 (I) 62 years of age and following completion of five years of
18 creditable service;
19 (II) completion of 30 years of creditable service; or
20 (III) 55 years of age and following completion of 20 years of
21 creditable service,

1 ~~(v) for all sheriffs and those deputy sheriffs who meet the~~
2 requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who
3 were first included in the membership of the System on or after July 1, 2008,
4 who were employed as of December 31, 2024, and who made an irrevocable
5 election to prospectively join Group G on or before January 1, 2025, pursuant
6 to the terms set by the Board, the first day of the calendar month next
7 following the earlier of:

8 (I) 65 years of age and following completion of five years of
9 creditable service;

10 (II) attainment of 87 points reflecting a combination of the age
11 of the member and number of years of service; or

12 (III) 55 years of age and following completion of 20 years of
13 creditable service; or

14 ~~(vi) for all sheriffs and those deputy sheriffs who meet the~~
15 requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who
16 first become a Group G member after January 1, 2025, the first day of the
17 calendar month next following the earlier of:

18 (I) attainment of 55 years of age and following completion of
19 20 years of creditable service; or

20 (II) 65 years of age and following completion of five years of
21 creditable service.

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Sec. 2. 3 V.S.A. § 459 is amended to read:

§ 459. NORMAL AND EARLY RETIREMENT

* * *

(b) Normal retirement allowance.

* * *

(6)(A) Upon normal retirement pursuant to subdivisions 455(a)(13)(E)(i) ~~and (iii), (v), and (vi)~~ of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 50 percent of average final compensation.

(B) Upon normal retirement pursuant to ~~subdivision~~ subdivisions 455(a)(13)(E)(ii) and (v) of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 60 percent of average final compensation.

* * *

(d) Early retirement allowance.

1 ~~(A) Upon early retirement, a Group G member who was previously a~~
2 Group F member first included in the membership of the System on or before
3 June 30, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~
4 pursuant to the terms set by the Board, shall receive an early retirement
5 allowance that shall be equal to the normal retirement allowance reduced by
6 the lesser of (i) one-half of one percent for each month equal to the difference
7 between the 240 months and the member's months of creditable service, or (ii)
8 an amount that shall be the actuarial equivalent of the normal retirement
9 allowance computed under subsection (b) of this section.

10 (B) Upon early retirement, a Group G member who was previously a
11 Group F member first included in the membership of the System on or after
12 July 1, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~
13 pursuant to the terms set by the Board, shall receive an early retirement
14 allowance that shall be equal to the normal retirement allowance reduced by
15 the lesser of (i) five-ninths of one percent for each month equal to the
16 difference between the 240 months and the member's months of creditable
17 service, or (ii) an amount that shall be the actuarial equivalent of the normal
18 retirement allowance computed under subsection (b) of this section.

19

1 ~~Sec. 3. 3 V.S.A. § 489 is amended to read:~~

2 § 489. BENEFITS

3 Persons who become members of the Vermont State Retirement System
4 under this subchapter and on behalf of whom contributions are paid as
5 provided in this subchapter shall be entitled to benefits under the Vermont
6 State Retirement System as though they were employees of the State of
7 Vermont. These employees shall be considered “Group F members” as
8 defined in subdivision 455(a)(11)(E) of this title, except that:

9 (1) elected municipal employees shall not be subject to mandatory
10 retirement requirements; and

11 (2) sheriffs and those deputy sheriffs who meet the requirements
12 pursuant to subdivision 455(a)(11)(F)(ii)(II) of this chapter shall be considered
13 members of Group G.

14 Sec. 4. ONE-TIME IRREVOCABLE ELECTION FOR SHERIFFS AND
15 CERTAIN DEPUTY SHERIFFS

16 (a) On or before September 1, 2024, the Department of Human Resources,
17 in consultation with the Office of the State Treasurer, shall establish a list of
18 positions newly eligible for Group G of the Vermont State Employees’
19 Retirement System, which shall be limited to the following:

20 (1) all sheriffs; and

21 (2) deputy sheriffs who.

1 ~~(A) are employed by county sheriff's departments that~~
2 participate in the Vermont Employees' Retirement System;
3 (B) have attained Level II or Level III law enforcement
4 officer certification from the Vermont Criminal Justice Council; and
5 (C) are required to perform law enforcement duties as the
6 primary function of their employment.
7 (b) In establishing any new deputy sheriff position on and after January 1,
8 2025, the Department of State's Attorneys and Sheriffs, in consultation with
9 sheriff's departments, shall identify that position as eligible for either Group C
10 membership or Group G membership pursuant to the criteria as set forth in
11 subsection (a) of this section.
12 (c)(1) A sheriff or deputy sheriff who qualifies for Group G membership
13 shall have a one-time option to transfer to Group G on or before December 1,
14 2024. For a sheriff or deputy sheriff who qualifies for Group G membership
15 who is first employed on or after December 1, 2024, election to join Group G
16 under this subsection shall be made as soon as possible but shall be within 30
17 days from the employee's date of hire.
18 (2) Election to join the Group G plan under this subsection shall be
19 irrevocable.
20 (d) The effective date of participation in a new group plan for those
21 employees covered under this section and who elect to transfer to Group G

1 ~~shall be January 1, 2025. All past service accrued through the date of transfer~~
2 shall be calculated based upon the plan in which it was accrued, with all
3 provisions and penalties, if applicable, applied.

4 (e) Nothing in this section shall be read to extend postretirement health or
5 other insurance benefits to Group G members who work for county sheriff's
6 departments.

7 Sec. 5. EFFECTIVE DATE

8 ~~This act shall take effect on July 1, 2024.~~

Sec. 1. 3 V.S.A. § 455 is amended to read:

§ 455. DEFINITIONS

(a) As used in this subchapter:

** * **

(11) "Member" means any employee included in the membership of the Retirement System under section 457 of this title.

** * **

(F) "Group G member" means:

(i) the following employees who are first employed in the positions listed in this subdivision (F)(i) on or after July 1, 2023, or who are members of the System as of June 30, 2022 and make an irrevocable election to prospectively join Group G on or before June 30, 2023, pursuant to the terms set by the Board: facility employees of the Department of Corrections, as

Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, ~~as~~ employees of a facility for justice-involved youth, ~~or as~~ and employees of the Vermont State Psychiatric Care Hospital employees or ~~as employees of its~~ successor in interest, who provide direct patient care; and

(ii) the following employees who are first employed in the positions listed in this subdivision (F)(ii) or first included in the membership of the System on or after January 1, 2025, or who are members of the System as of December 31, 2024 and make an irrevocable election to join Group G on or before December 31, 2024, pursuant to the terms set by the Board:

(I) all sheriffs; and

(II) deputy sheriffs who:

(aa) are employed by county sheriff's departments that participate in the Vermont Employees' Retirement System;

(bb) have attained Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council;

(cc) are required to perform law enforcement duties as the primary function of their employment; and

(dd) are not full-time deputy sheriffs compensated by the State of Vermont whose primary function is transports as defined in 24 V.S.A. § 290(b) and eligible for Group C pursuant to 3 V.S.A. § 455(9)(B).

* * *

(13) “Normal retirement date” means:

* * *

(E) with respect to a Group G member:

(i) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who were first included in the membership of the System on or before June 30, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 62 years of age and following completion of five years of creditable service;

(II) completion of 30 years of creditable service; or

(III) 55 years of age and following completion of 20 years of creditable service; ~~or~~

(ii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and

treatment services to offenders under supervision in the community, as employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who were first included in the membership of the System on or after July 1, 2008, who were employed as of June 30, 2022, and who made an irrevocable election to prospectively join Group G on or before July 1, 2023, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 65 years of age and following completion of five years of creditable service;

(II) attainment of 87 points reflecting a combination of the age of the member and number of years of service; or

(III) 55 years of age and following completion of 20 years of creditable service; ~~or~~

(iii) for facility employees of the Department of Corrections, Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community, employees of a facility for justice-involved youth, or employees of the Vermont State Psychiatric Care Hospital or its predecessor or successor in interest, who provide direct patient care, who first become a Group G member on or after July 1, 2023, the first day of the calendar month next following the earlier of:

(I) attainment of 55 years of age and following completion of 20 years of creditable service; or

(II) 65 years of age and following completion of five years of creditable service-;

(iv) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who were first included in the membership of the System on or before June 30, 2008, who were employed as of December 31, 2024, and who made an irrevocable election to prospectively join Group G on or before January 1, 2025, pursuant to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 62 years of age and following completion of five years of creditable service;

(II) completion of 30 years of creditable service; or

(III) 55 years of age and following completion of 20 years of creditable service;

(v) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who were first included in the membership of the System on or after July 1, 2008, who were employed as of December 31, 2024, and who made an irrevocable election to prospectively join Group G on or before January 1, 2025, pursuant

to the terms set by the Board, the first day of the calendar month next following the earlier of:

(I) 65 years of age and following completion of five years of creditable service;

(II) attainment of 87 points reflecting a combination of the age of the member and number of years of service; or

(III) 55 years of age and following completion of 20 years of creditable service; or

(vi) for all sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision (11)(F)(ii) of this subsection (a), who first become a Group G member after January 1, 2025, the first day of the calendar month next following the earlier of:

(I) attainment of 55 years of age and following completion of 20 years of creditable service; or

(II) 65 years of age and following completion of five years of creditable service.

* * *

Sec. 2. 3 V.S.A. § 459 is amended to read:

§ 459. NORMAL AND EARLY RETIREMENT

* * *

(b) Normal retirement allowance.

* * *

(6)(A) Upon normal retirement pursuant to subdivisions 455(a)(13)(E)(i) ~~and~~, (iii), (iv), and (vi) of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 50 percent of average final compensation.

(B) Upon normal retirement pursuant to ~~subdivision~~ subdivisions 455(a)(13)(E)(ii) and (v) of this chapter, a Group G member shall receive a normal retirement allowance equal to two and one-half of a percent of the member's average final compensation times years of membership service in Group G. The maximum retirement allowance shall be 60 percent of average final compensation.

* * *

(d) Early retirement allowance.

* * *

(4)(A) Upon early retirement, a Group G member who was previously a Group F member first included in the membership of the System on or before June 30, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~ pursuant to the terms set by the Board, shall receive an early retirement allowance that shall be equal to the normal retirement allowance reduced by

the lesser of (i) one-half of one percent for each month equal to the difference between the 240 months and the member's months of creditable service, or (ii) an amount that shall be the actuarial equivalent of the normal retirement allowance computed under subsection (b) of this section.

(B) Upon early retirement, a Group G member who was previously a Group F member first included in the membership of the System on or after July 1, 2008, and who elected to transfer into Group G ~~on July 1, 2023~~ pursuant to the terms set by the Board, shall receive an early retirement allowance that shall be equal to the normal retirement allowance reduced by the lesser of (i) five-ninths of one percent for each month equal to the difference between the 240 months and the member's months of creditable service, or (ii) an amount that shall be the actuarial equivalent of the normal retirement allowance computed under subsection (b) of this section.

* * *

Sec. 3. 3 V.S.A. § 489 is amended to read:

§ 489. BENEFITS

Persons who become members of the Vermont State Retirement System under this subchapter and on behalf of whom contributions are paid as provided in this subchapter shall be entitled to benefits under the Vermont State Retirement System as though they were employees of the State of

Vermont. These employees shall be considered “Group F members” as defined in subdivision 455(a)(11)(E) of this title, except that:

(1) elected municipal employees shall not be subject to mandatory retirement requirements; and

(2) sheriffs and those deputy sheriffs who meet the requirements pursuant to subdivision 455(a)(11)(F)(ii)(II) of this chapter shall be considered members of Group G.

*Sec. 4. ONE-TIME IRREVOCABLE ELECTION FOR SHERIFFS AND
CERTAIN DEPUTY SHERIFFS*

(a) On or before September 1, 2024, the Department of State’s Attorneys and Sheriffs, in consultation with the Department of Human Resources and the Office of the State Treasurer, shall establish a list of positions newly eligible for Group G of the Vermont State Employees’ Retirement System, which shall be limited to the following:

(1) all sheriffs; and

(2) deputy sheriffs who:

(A) are employed by county sheriff’s departments that participate in the Vermont State Employees’ Retirement System;

(B) have attained Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council;

(C) are required to perform law enforcement duties as the primary function of their employment; and

(D) are not full-time deputy sheriffs compensated by the State of Vermont whose primary function is transports as defined in 24 V.S.A. § 290(b) and eligible for Group C pursuant to 3 V.S.A. § 455(9)(B).

(b) In establishing any new deputy sheriff position on and after January 1, 2025, the Department of State's Attorneys and Sheriffs, in consultation with sheriff's departments, shall identify that position as eligible for either Group C membership or Group G membership pursuant to the criteria as set forth in subsection (a) of this section.

(c)(1) A sheriff or deputy sheriff who qualifies for Group G membership shall have a one-time option to transfer to Group G on or before December 1, 2024. For a sheriff or deputy sheriff who qualifies for Group G membership who is first employed on or after December 1, 2024, election to join Group G under this subsection shall be made as soon as possible but shall be within 30 days from the employee's date of hire.

(2) Election to join the Group G plan under this subsection shall be irrevocable.

(d) The effective date of participation in a new group plan for those employees covered under this section and who elect to transfer to Group G shall be January 1, 2025. All past service accrued through the date of transfer

shall be calculated based upon the plan in which it was accrued, with all provisions and penalties, if applicable, applied.

(e) The Department of State's Attorneys and Sheriffs shall notify the Office of the State Treasurer of changes in a deputy sheriff's eligibility for Group G within 30 days of the change in eligibility, pursuant to 3 V.S.A. § 455(11)(F)(ii)(II).

(f) Nothing in this section shall be read to extend postretirement health or other insurance benefits to Group G deputy sheriffs who work for county sheriff's departments.

Sec. 5. 32 V.S.A. § 1182(c) is added to read:

(c) Compensation under subsection (a) of this section shall be reduced by 30 percent for any sheriff whose law enforcement officer certification is permanently revoked pursuant to 20 V.S.A. § 2406.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2024.