

**No. 95. An act relating to Vermont State Employees' Retirement System Group G membership.**

(H.519)

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

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~~ 2023, 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, employees of a facility for justice-involved youth, and employees of the Vermont Psychiatric Care Hospital or 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 subdivision (9)(B) of this subsection (a); and

(iii) the following employees who are first employed in the positions listed in this subdivision (F)(iii) or first included in the membership of the System on or after January 1, 2027, or who are members of the System as of December 31, 2026, and make an irrevocable election to join Group G on or before December 31, 2026, pursuant to the terms set by the Board and who:

(I) are employed by a municipal employer that participates in the Vermont Employees' Retirement System;

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

(III) are required to perform law enforcement duties as the primary function of their employment.

\* \* \*

(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 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~~ 2023, 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;

(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 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~~ 2023, 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;

(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 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 on or 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;

(vii) for all municipal law enforcement officers who meet the requirements pursuant to subdivision (11)(F)(iii) 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, 2026, and who made an irrevocable election to prospectively join Group G on or before January 1, 2027, 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;

(viii) for all municipal law enforcement officers who meet the requirements pursuant to subdivision (11)(F)(iii) 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, 2026, and who made an irrevocable election to prospectively join Group G on or before January 1, 2027, 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

(ix) for all municipal law enforcement officers who meet the requirements pursuant to subdivision (11)(F)(iii) of this subsection (a) who first become a Group G member on or after January 1, 2027, 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), (iii), (iv), ~~and (vi)~~, (vii), and (ix) 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 subdivisions 455(a)(13)(E)(ii) ~~and~~, (v), and (viii) 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.

\* \* \*

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) of this chapter shall be considered members of Group G; and

(3) municipal law enforcement officers who meet the requirements pursuant to subdivision 455(a)(11)(F)(iii) of this chapter shall be considered members of Group G.

Sec. 4. ONE-TIME IRREVOCABLE ELECTION FOR MUNICIPAL LAW  
ENFORCEMENT OFFICERS

(a) Subject to the restrictions set forth in subdivision (b)(1) of this section, on or before September 1, 2026, the Office of the State Treasurer, in consultation with participating eligible municipalities, shall establish a list of positions newly eligible for Group G of the Vermont Employees' Retirement System, which shall be limited to municipal law enforcement officers who:

(1) are employed by a municipal employer that participates in the Vermont Employees' Retirement System;

(2) have a Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council; and

(3) are required to perform law enforcement duties as the primary function of their employment.

(b)(1) A municipal law enforcement officer who qualifies for Group G Membership pursuant to this act and that has a current Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council shall have a one-time option to transfer to Group G on or before December 1, 2026. Municipal law enforcement officers without a current Level II or Level III law enforcement officer certification from the Vermont Criminal Justice Council shall not be eligible to transfer to Group G membership. For a municipal law enforcement officer who qualifies for Group G membership who is first employed on or after December 1, 2026, but before January 1,

2027, election to join Group G under this section shall be made as soon as possible but shall be within 30 days following the employee's date of hire.

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

(c) 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, 2027. 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.

(d) A municipal employer employing a law enforcement officer participating in the Vermont Employees' Retirement System shall notify the Office of the State Treasurer of changes in a law enforcement officer's eligibility for Group G within 30 days after the change in eligibility pursuant to subdivision 455(a)(11)(F)(iii) of this title.

(e) Nothing in this section shall be read to extend postretirement health or other insurance benefits to Group G municipal law enforcement officers who work for a municipal employer that participates in the Vermont Employees' Retirement System.

#### Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

Date Governor signed bill: May 11, 2026