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H.519

An act relating to Vermont State Employees' Retirement System Group G membership

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, 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

1 Psychiatric Care Hospital or its successor in interest, who provide direct
2 patient care; ~~and~~

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

8 (I) all sheriffs; and

9 (II) deputy sheriffs who:

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

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

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

16 (dd) are not full-time deputy sheriffs compensated by the
17 State of Vermont whose primary function is transports as defined in 24 V.S.A.
18 § 290(b) and eligible for Group C pursuant to subdivision (9)(B) of this
19 subsection (a); and

20 (iii) the following employees who are first employed in the
21 positions listed in this subdivision (F)(iii) or first included in the membership

1 of the System on or after January 1, 2027, or who are members of the System
2 as of December 31, 2026, and make an irrevocable election to join Group G on
3 or before December 31, 2026, pursuant to the terms set by the Board and who:

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

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

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

10 * * *

11 (13) "Normal retirement date" means:

12 * * *

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

14 * * *

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

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

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

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

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

11 (I) attainment of 55 years of age and following completion of
12 20 years of creditable service; or

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

15 (vii) for all municipal law enforcement officers who meet the
16 requirements pursuant to subdivision (11)(F)(iii) of this subsection (a), who
17 were first included in the membership of the System on or before June 30,
18 2008, who were employed as of December 31, 2026, and who made an
19 irrevocable election to prospectively join Group G on or before January 1,
20 2027, pursuant to the terms set by the Board, the first day of the calendar
21 month next following the earlier of:

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

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

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

6 (viii) for all municipal law enforcement officers who meet the
7 requirements pursuant to subdivision (11)(F)(iii) of this subsection (a), who
8 were first included in the membership of the System on or after July 1, 2008,
9 who were employed as of December 31, 2026, and who made an irrevocable
10 election to prospectively join Group G on or before January 1, 2027, pursuant
11 to the terms set by the Board, the first day of the calendar month next
12 following the earlier of:

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

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

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

19 (ix) for all municipal law enforcement officers who meet the
20 requirements pursuant to subdivision (11)(F)(iii) of this subsection (a) who

1 first become a Group G member after January 1, 2027, the first day of the
2 calendar month next following the earlier of:

3 (I) attainment of 55 years of age and following completion of
4 20 years of creditable service; or

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

7 * * *

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

9 § 459. NORMAL AND EARLY RETIREMENT

10 * * *

11 (b) Normal retirement allowance.

12 * * *

13 (6)(A) Upon normal retirement pursuant to subdivisions
14 455(a)(13)(E)(i), (iii), (iv), ~~and (vi)~~, (vii), and (ix) of this chapter, a Group G
15 member shall receive a normal retirement allowance equal to two and one-half
16 of a percent of the member's average final compensation times years of
17 membership service in Group G. The maximum retirement allowance shall be
18 50 percent of average final compensation.

19 (B) Upon normal retirement pursuant to subdivisions
20 455(a)(13)(E)(ii) ~~and (v)~~, and (viii) of this chapter, a Group G member shall
21 receive a normal retirement allowance equal to two and one-half of a percent

1 of the member's average final compensation times years of membership
2 service in Group G. The maximum retirement allowance shall be 60 percent of
3 average final compensation.

4 * * *

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

6 § 489. BENEFITS

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

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

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

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

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

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

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

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

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

14 (b)(1) A municipal law enforcement officer who qualifies for Group G
15 Membership pursuant to this act and that has a current Level II or Level III law
16 enforcement officer certification from the Vermont Criminal Justice Council
17 shall have a one-time option to transfer to Group G on or before December 1,
18 2026. Municipal law enforcement officers without a current Level II or Level
19 III law enforcement officer certification from the Vermont Criminal Justice
20 Council shall not be eligible to transfer to Group G membership. For a
21 municipal law enforcement officer who qualifies for Group G membership

1 who is first employed on or after December 1, 2026, but before January 1,
2 2027, election to join Group G under this section shall be made as soon as
3 possible but shall be within 30 days following the employee's date of hire.

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

6 (c) The effective date of participation in a new group plan for those
7 employees covered under this section and who elect to transfer to Group G
8 shall be January 1, 2027. All past service accrued through the date of transfer
9 shall be calculated based upon the plan in which it was accrued, with all
10 provisions and penalties, if applicable, applied.

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

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

20 Sec. 5. EFFECTIVE DATE

21 This act shall take effect on July 1, 2026.