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2 Introduced by Senator Vyhovsky
3 Referred to Committee on
4 Date:
5 Subject: Executive Branch; retirement; State Employees' Retirement System;
6 State Treasurer
7 Statement of purpose of bill as introduced: This bill proposes to make
8 miscellaneous amendments to Group membership within the State Employees'
9 Retirement System.

10 An act relating to Group membership in the State Employees' Retirement
11 System

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

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

14 § 455. DEFINITIONS

15 (a) As used in this subchapter:

16 * * *

17 (9) "Employee" §

18 (A) Any regular officer or employee

19 Society or a department other than a person included under subdivision (1)

20 this subdivision (9), who is employed for not less than 40 calendar weeks in a

1 year. "Employee" includes deputy State's Attorneys, victim advocates
2 employed by a State's Attorney pursuant to 13 V.S.A. § 5306, secretaries
3 employed by a State's Attorney pursuant to 32 V.S.A. § 1185, and other
4 positions created within the State's Attorneys' offices that meet the eligibility
5 requirements for membership in the Retirement System.

6 (B) Any regular officer or employee of the Department of Public
7 Safety assigned to police and law enforcement duties, including the
8 Commissioner of Public Safety appointed before July 1, 2001; but, irrespective
9 of the member's classification, ~~shall~~ does not include any member of the
10 General Assembly as such, any person who is covered by the Vermont
11 Teachers' Retirement System, any person engaged under retainer or special
12 agreement or Group C beneficiary employed by the Department of Public
13 Safety for not more than 208 hours per year, or any person whose principal
14 source of income is other than State employment. In all cases of doubt, the
15 Retirement Board shall determine whether any person is an employee as
16 defined in this subchapter. Also included under this subdivision (B) are
17 employees of the Department of Liquor and Lottery who exercise law
18 enforcement powers, employees of the Department of Fish and Wildlife
19 assigned to law enforcement duties, motor vehicle inspectors, full-time deputy
20 sheriffs compensated by the State of Vermont whose primary function is
21 transports, full-time members of the Capitol Police force, investigators

1 employed by the Criminal Division of the Office of the Attorney General,
2 Department of State's Attorneys, Department of Health, or Office of the
3 Secretary of State, who have attained Level III law enforcement officer
4 certification from the Vermont Criminal Justice Council, who are required to
5 perform law enforcement duties as the primary function of their employment,
6 and who may be subject to mandatory retirement permissible under 29 U.S.C.
7 § 623(j), who are first included in membership of the system on or after July 1,
8 2000. Also included under this subdivision (B) are full-time firefighters
9 employed by the State of Vermont and the Defender General.

10 * * *

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

13 (A) "Group A members" means employees classified under
14 subdivision (9)(A) of this subsection (a).

15 (B) [Repealed.]

16 (C) "Group C members" means employees classified under
17 subdivision (9)(B) of this subsection (a) who become members as of the date
18 of establishment, any person who is first included in the membership of the
19 System on or after July 1, 1998, any person who was a Group B member on
20 June 30, 1998, who was in service on that date, and any person who was a

1 Group B member on June 30, 1998, who was absent from service on that date
2 who returns to service on or after July 1, 1998.

3 (D) “Group D members” means Justices of the Supreme Court,
4 Superior judges, district judges, environmental judges, and probate judges.

5 (E) “Group F member” means any person who is first included in the
6 membership of the System on or after January 1, 1991, any person who was a
7 Group E member on December 31, 1990, who was in service on that date, and
8 any person who was a Group E member on December 31, 1990, who was
9 absent from service on that date who returns to service on or after January 1,
10 1991.

11 (F) “Group G member” means:
12 (i) the following employees who are first employed in the
13 positions listed in this subdivision (F)(i) on or after July 1, 2023, or who are
14 members of the System as of June 30, 2022, and make an irrevocable election
15 to prospectively join Group G on or before June 30, 2023, pursuant to the
16 terms set by the Board: facility employees of the Department of Corrections,
17 as Department of Corrections employees who provide direct security and
18 treatment services to offenders under supervision in the community, employees
19 of a facility for justice-involved youth, and employees of the Vermont
20 Psychiatric Care Hospital or its successor in interest, who provide direct
21 patient care; ~~and~~

6 (I) all sheriffs; and

7 (II) deputy sheriffs who:

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

10 (bb) have attained Level II or Level III law enforcement

11 officer certification from the Vermont Criminal Justice Council;

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

14 (dd) are not full-time deputy sheriffs compensated by the

15 State of Vermont whose primary function is transports as defined in 24 V.S.A.
16 § 290(b) and eligible for Group C pursuant to subdivision (9)(B) of this
17 subsection (a); and

18 (iii) the following employees who are first employed in the

19 positions listed in this subdivision (F)(iii) or first included in the membership
20 of the System on or after July 1, 2026, or who are members of the System as of
21 June 30, 2026, and make an irrevocable election to prospectively join Group C

1 on or before June 30, 2027, pursuant to the terms set by the Board: classified
2 employees of the Department for Children and Families; fire academy site
3 coordinators within the Division of Fire Safety; assistant State fire marshals
4 within the Division of Fire Safety; force protection officers with the Military
5 Department; and law enforcement certification and training coordinators
6 within the Vermont Police Academy.

7 * * *

8 Sec. 2. 3 V.S.A. § 461 is amended to read:

9 § 461. ACCIDENTAL AND OCCUPATIONALLY RELATED

10 DISABILITY RETIREMENT

1 the result of ~~his or her~~ the member's gross negligence or willful misconduct,
2 and provided that the Medical Board shall certify that such incapacity is likely
3 to be permanent, and that the member should be retired. The Retirement Board
4 may consult with a certified vocational rehabilitation counselor in determining
5 whether the individual is incapacitated for the further performance of duty.

6 (b) Upon accidental disability retirement, a member shall receive a normal
7 retirement allowance ~~if he or she shall have reached his or her normal~~
8 ~~retirement date; otherwise, such a member shall receive a retirement allowance~~
9 ~~that shall be equal to:~~

10 (1) ~~a normal retirement allowance payable at normal retirement date,~~
11 ~~based on the member's average final compensation at disability retirement and~~
12 ~~the number of years of creditable service the member would have completed~~
13 ~~had the member remained in service to his or her normal retirement date,~~
14 ~~multiplied by~~

15 (2) ~~the ratio that the number of the member's years of creditable service~~
16 ~~at disability bears to the number of years of such service the member would~~
17 ~~have completed had the member remained in service to his or her normal~~
18 ~~retirement date; provided, however, that such allowance shall not be less than~~
19 ~~25 percent of the member's average final compensation at the time of the~~
20 ~~member's disability retirement.~~

11 Sec. 3. 3 V.S.A. chapter 16, subchapter 3 is amended to read:

Subchapter 3. Transfers Between or Within Retirement Systems

13 * * *

§ 496. TRANSFER FROM GROUP F TO GROUP G; ELECTION

15 Notwithstanding any law to the contrary, any Group F member who takes a
16 position subjecting that individual to membership in Group G may, within one
17 year after acceptance of the position subjecting the individual to Group G
18 membership, elect to remain as a Group F member and shall notify the
19 Retirement Board of the election.

20 Sec. 4. EFFECTIVE DATE

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