

HB0077S02 compared with HB0077

~~{deleted text}~~ shows text that was in HB0077 but was deleted in HB0077S02.

inserted text shows text that was not in HB0077 but was inserted into HB0077S02.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Rich Cunningham proposes the following substitute bill:

POSTRETIREMENT EMPLOYMENT TASK FORCE

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Rich Cunningham

Senate Sponsor: ~~{_____}~~ Ralph Okerlund

LONG TITLE

General Description:

This bill ~~{modifies the Utah State Retirement and Insurance Benefit Act by amending provisions for postretirement reemployment}~~ creates the Postretirement Employment Task Force.

Highlighted Provisions:

This bill:

- ▶ ~~{allows a retiree to be reemployed with a participating employer after 60 days from the retiree's retirement date if the retiree:~~
 - ~~does not receive certain employer provided benefits for the reemployment; and~~
 - ~~is reemployed by a different agency;~~
- ▶ ~~repeals earning limitation provisions for a retiree who is reemployed with a participating employer after 60 days from the retiree's retirement date; and~~

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- ~~— makes technical changes~~ creates the Postretirement Employment Task Force:
- ▶ provides for membership, salary, and expenses of the task force members; and
 - ▶ provides for task force duties, meetings, and reports.

Money Appropriated in this Bill:

~~{None}~~ This bill appropriates in fiscal year 2015:

- ▶ to the Legislature - Senate, as a one-time appropriation:
 - from the General Fund, One-time, \$7,000;
- ▶ to the Legislature - House of Representatives, as a one-time appropriation:
 - from the General Fund, One-time, \$10,000; and
- ▶ to the Legislature - Office of Legislative Research and General Counsel, as a one-time appropriation:
 - from the General Fund, One-time, \$40,000.

Other Special Clauses:

~~{None}~~

Utah Code Sections Affected:

AMENDS:

~~— 49-11-505, as last amended by Laws of Utah 2014, Chapters 15, 175, and 311~~ This bill provides a repeal of

Uncodified Material Affected:

ENACTS UNCODIFIED MATERIAL

Be it enacted by the Legislature of the state of Utah:

Section 1. ~~{Section 49-11-505 is amended to read:~~

~~— 49-11-505. Reemployment of a retiree -- Restrictions:~~

~~— (1) (a) For purposes of this section, "retiree":~~

~~— (i) means a person who:~~

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- ~~(A) retired from a participating employer; and~~
- ~~(B) begins reemployment on or after July 1, 2010, with a participating employer;~~
- ~~(ii) does not include a person:~~
- ~~(A) who was reemployed by a participating employer before July 1, 2010; and~~
- ~~(B) whose participating employer that reemployed the person}~~ **Postretirement**

Employment Task Force -- Creation -- Membership -- Compensation -- Staff.

(1) There is created the Postretirement Employment Task Force consisting of the following 16 members:

- (a) two members of the Senate appointed by the president of the Senate;
 - (b) three members of the House of Representatives appointed by the speaker of the House of Representatives, no more than two of whom may be from the same political party;
 - (c) one person representing the public appointed by the president of the Senate;
 - (d) one person representing state employees appointed by the speaker of the House of Representatives;
 - (e) one person representing municipalities, designated by the Utah League of Cities and Towns;
 - (f) one person representing counties, designated by the Utah Association of Counties;
 - (g) one person representing public educators, designated by the Utah School Boards Association;
 - (h) one person representing higher education, designated by the commissioner of higher education;
 - (i) one person representing firefighters, designated by the Utah State Fire Chiefs Association;
 - (j) one person representing peace officers, designated by the Utah Chiefs of Police Association;
 - (k) one person representing sheriffs, designated by the Utah Sheriffs' Association;
 - (l) the executive director of the Department of Human Resources Management or the executive director's designee; and
 - (m) the executive director of the Utah Retirement Systems or the executive director's designee.
- (2) (a) The president of the Senate shall designate a member of the Senate appointed

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~~under Subsection (1)(a){(ii)(A) was dissolved, consolidated, merged, or structurally changed}~~
as a cochair of the committee.

(b) The speaker of the House of Representatives shall designate a member of the House of Representatives appointed under Subsection (1)(b) as a cochair of the committee.

(3) (a) A majority of the members of the task force constitute a quorum.

(b) The action of a majority of a quorum constitutes the action of the task force.

(4) (a) Salaries and expenses of the members of the task force who are legislators shall be paid in accordance with Section {49-11-621 after July 1, 2010; and

~~—— (iii) does not include a person who is reemployed as an active senior judge or an active senior justice court judge as described by Utah State Court Rules, appointed to hear cases by the Utah Supreme Court in accordance with Article VIII, Section 4, Utah Constitution.~~

~~—— (b) (i) This section does not apply to employment as an elected official if the elected official's position is not full time as certified by the participating employer.~~

~~—— (ii) The provisions of this section apply to an elected official whose elected position is full time as certified by the participating employer.~~

~~—— (c) (i) This section does not apply to employment as a part-time appointed board member who does not receive any remuneration, stipend, or other benefit for the part-time appointed board member's service.~~

~~—— (ii) For purposes of this Subsection (1)(c), remuneration, stipend, or other benefit does not include receipt of per diem and}~~36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

(b) A member of the task force who is not a legislator may not receive compensation for the member's work associated with the task force, but may receive per diem and reimbursement for travel expenses {up to} incurred as a member of the {amounts} task force at the rates established by the Division of Finance {in:

~~—— (A) Section 63A-3-106;~~

~~—— (B) Section 63A-3-107; and~~

~~—— (C) rules made by the Division of Finance according to}~~under Sections 63A-3-106 and 63A-3-107.

~~{2}5) {A retiree may not for the same period of reemployment.~~

~~—— (a) (i) earn additional service credit; or~~

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- ~~—— (ii) receive any retirement related contribution from a participating employer; and~~
- ~~—— (b) receive a retirement allowance.~~
- ~~—— (3) (a) Except as provided under Subsection (3)(b) or (10), the office shall cancel the retirement allowance of a retiree if the reemployment with a participating employer begins within one year of the retiree's retirement date.~~
- ~~—— (b) The office may not cancel the retirement allowance of a retiree who is reemployed with a participating employer [within one year] after 60 days of the retiree's retirement date if:~~
- ~~—— [(i) the retiree is not reemployed by a participating employer for a period of at least 60 days from the retiree's retirement date;]~~
- ~~—— [(ii) upon reemployment after the break in service under Subsection (3)(b)(i).]~~
- ~~—— (i) the retiree does not receive any of the following employer provided benefits[
including] for the reemployment:~~
- ~~—— (A) retirement benefits including any retirement related contributions from a participating employer; or~~
- ~~—— [(A) medical benefits;]~~
- ~~—— [(B) dental benefits;]~~
- ~~—— [(C) other insurance benefits except for workers' compensation as provided under Title 34A, Chapter 2, Workers' Compensation Act, and withholdings required by federal or state law for Social Security, Medicare, and unemployment insurance; or]~~
- ~~—— [(D)] (B) paid time off, including sick, annual, or other type of leave; and~~
- ~~—— [(iii) (A) the retiree does not earn in any calendar year of reemployment an amount in excess of the lesser of \$15,000 or one-half of the retiree's final average salary upon which the retiree's retirement allowance is based; or]~~
- ~~—— [(B) the retiree is reemployed as a judge as defined under Section 78A-11-102.]~~
- ~~—— [(c) Beginning January 1, 2013, the board shall adjust the amounts under Subsection (3)(b)(iii)(A) by the annual change in the Consumer Price Index during the previous calendar year as measured by a United States Bureau of Labor Statistics Consumer Price Index average as determined by the board.]~~
- ~~—— (ii) the retiree is reemployed by a different agency.~~
- ~~—— [(d)] (c) The office shall cancel the retirement allowance of a retiree for the remainder of the calendar year if the reemployment with a participating employer [exceeds the limitation~~

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~~under Subsection (3)(b)(iii)(A)] is in violation of the provisions of this Subsection (3):~~

~~—— [(c)] (d) If a retiree is reemployed under the provisions of Subsection (3)(b), the termination date of the reemployment, as confirmed in writing by the participating employer, is considered the retiree's retirement date for the purpose of calculating the separation requirement under Subsection (3)(a):~~

~~—— (4) If a reemployed retiree has completed the one-year separation from employment with a participating employer required under Subsection (3)(a), the retiree may elect to:~~

~~—— (a) earn additional service credit in accordance with this title and cancel the retiree's retirement allowance; or~~

~~—— (b) continue to receive the retiree's retirement allowance and forfeit any retirement related contribution from the participating employer who reemployed the retiree.~~

~~—— (5) A participating employer who reemploys a retiree shall contribute to the office the amortization rate, as defined in Section 49-11-102, to be applied to the system that would have covered the retiree, if the reemployed retiree:~~

~~—— (a) has completed the one-year separation from employment with a participating employer required under Subsection (3)(a); and~~

~~—— (b) makes an election under Subsection (4)(b) to continue to receive a retirement allowance while reemployed.~~

~~—— (6) (a) A participating employer shall immediately notify the office:~~

~~—— (i) if the participating employer reemploys a retiree;~~

~~—— (ii) whether the reemployment is subject to Subsection (3)(b) or (4) of this section; and~~

~~—— (iii) of any election by the retiree under Subsection (4).~~

~~—— (b) A participating employer shall certify to the office whether the position of an elected official is or is not full time.~~

~~—— (c) A participating employer is liable to the office for a payment or failure to make a payment in violation of this section.~~

~~—— (d) If a participating employer fails to notify the office in accordance with this section, the participating employer is immediately subject to a compliance audit by the office.~~

~~—— (7) (a) The office shall immediately cancel the retirement allowance of a retiree in accordance with Subsection (7)(b) if the office receives notice or learns of:~~

~~—— (i) the reemployment of a retiree in violation of Subsection (3); or~~

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- ~~—— (ii) the election of a reemployed retiree under Subsection (4)(a).~~
- ~~—— (b) If the retiree is eligible for retirement coverage in the reemployed position, the office shall cancel the allowance of a retiree subject to Subsection (7)(a), and reinstate the retiree to active member status on the first day of the month following the date of:~~
 - ~~—— (i) reemployment if the retiree is subject to Subsection (3); or~~
 - ~~—— (ii) an election by an employee under Subsection (4)(a).~~
- ~~—— (c) If the retiree is not otherwise eligible for retirement coverage in the reemployed position:~~
 - ~~—— (i) the office shall cancel the allowance of a retiree subject to Subsection (7)(a)(i); and~~
 - ~~—— (ii) the participating employer shall pay the amortization rate to the office on behalf of the retiree.~~
- ~~—— (8) (a) A retiree subject to Subsection (7)(b) who retires within two years from the date of reemployment:~~
 - ~~—— (i) is not entitled to a recalculated retirement benefit; and~~
 - ~~—— (ii) will resume the allowance that was being paid at the time of cancellation.~~
- ~~—— (b) Subject to Subsection (2), a retiree who is reinstated to active membership under Subsection (7) and who retires two or more years after the date of reinstatement to active membership shall:~~
 - ~~—— (i) resume receiving the allowance that was being paid at the time of cancellation; and~~
 - ~~—— (ii) receive an additional allowance based on the formula in effect at the date of the subsequent retirement for all service credit accrued between the first and subsequent retirement dates.~~
- ~~—— (9) (a) A retiree subject to this section shall report to the office the status of the reemployment under Subsection (3) or (4).~~
- ~~—— (b) If the retiree fails to inform the office of an election under Subsection (4), the office shall withhold one month's benefit for each month the retiree fails to inform the office under Subsection (9)(a).~~
- ~~—— (10) A retiree shall be considered as having completed the one-year separation from employment with a participating employer required under Subsection (3)(a), if the retiree:~~
 - ~~—— (a) before retiring:~~
 - ~~—— (i) was employed with a participating employer as a public safety service employee as~~

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~~defined in Section 49-14-102, 49-15-102, or 49-23-102;~~

~~—— (ii) and during the employment under Subsection (10)(a)(i), suffered a physical injury resulting from external force or violence while performing the duties of the employment, and for which injury the retiree would have been approved for total disability in accordance with the provisions under Title 49, Chapter 21, Public Employees' Long-Term Disability Act, if years of service are not considered;~~

~~—— (iii) had less than 30 years of service credit but had sufficient service credit to retire, with an unreduced allowance making the public safety service employee ineligible for long-term disability payments under Title 49, Chapter 21, Public Employees' Long-Term Disability Act, or a substantially similar long-term disability program; and~~

~~—— (iv) does not receive any long-term disability benefits from any participating employer; and~~

~~—— (b) is reemployed by a different participating employer;~~

~~—— (11) The board may make rules to implement this section.~~

Legislative Review Note

~~—— as of 12-22-14 6:12 PM~~

~~Office of Legislative Research and General Counsel~~; The Office of Legislative Research and General Counsel shall provide staff support to the committee.

Section 2. Duties -- Meetings -- Report.

(1) The task force shall review and make recommendations on issues related to postretirement employment restrictions for a retiree of the Utah Retirement System, including:

(a) actuarial costs and fiscal impacts;

(b) human resource implications;

(c) rural area challenges;

(d) firefighter and public safety officer issues; and

(e) options for revising Utah law on postretirement employment, including the

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advantages, disadvantages, and costs of each option.

(2) The task force is authorized to meet no more than eight times during the 2015 interim.

(3) The task force shall present a final report, including any proposed legislation, to the Retirement and Independent Entities Interim Committee before November 30, 2015.

Section 3. Appropriation.

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following sums of money are appropriated from resources not otherwise appropriated, or reduced from amounts previously appropriated, out of the funds or accounts indicated. These sums of money are in addition to any amounts previously appropriated for fiscal year 2015.

To Legislature – Senate

From the General Fund, One-time \$7,000

Schedule of Programs:

Administration \$7,000

To Legislature – House

From the General Fund, One-time \$10,000

Schedule of Programs:

Administration \$10,000

To Legislature – Office of Legislative Research and General Counsel

From the General Fund, One-time \$40,000

Schedule of Programs:

Administration \$40,000

Section 4. Repeal date.

This bill is repealed on December 31, 2015.