

**MINUTES OF THE
SENATE RETIREMENT AND INDEPENDENT ENTITIES STANDING COMMITTEE**

Wednesday , January 31, 2018 • 12:30 p.m. • 250 State Capitol

Members Present:

Sen. Brian Zehnder, Chair
Sen. Gene Davis
Sen. Lincoln Fillmore
Sen. Daniel Hemmert

Sen. Karen Mayne
Sen. Todd Weiler

Staff Present:

Mr. Alex R. Janak, Policy Analyst
Ms. An Bradshaw, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Chair Zehnder called the meeting to order at 12:30p.m..

1 . S.B. 95 Educator Postretirement Reemployment Amendments (*Iwamoto, J.*)

Sen. Jani Iwamoto presented the bill to the committee with the assistance of Mr. Dee Larsen, General Counsel, Utah Retirement Systems.

Mr. Terry Shoemaker, Associate Executive Director, Utah School Boards Association, spoke in favor of the bill.

Mr. Jay Blaine, Director of Policy, Utah Educators Association, spoke in favor of the bill.

Ms. Mozelle Orton, Executive Director-Human Resource Services, Salt Lake City School District, spoke in favor of the bill.

MOTION: Sen. Hemmert moved to adopt Amendment #1. The motion passed with a vote of 4 - 0 - 2 .

Amendment 1

S.B. 95

1 Page 1, Lines 19 through 20

19 • is reemployed by a different participating employer than the participating
20 employer that employed the retiree at the time of retirement **except in limited circumstances** ; and

2 Page 1, Line 22

22 certain circumstances;

▸ requires certain member certifications on the retirement application form;

3 Page 6, Line 152

152 educator as defined under Section {~~53A-6-103~~} **53E-6-102** ; and

4 Page 7, Lines 193 through 195

193 (8) Notwithstanding Subsections (4)(a)(i)(B) and (5)(b)(ii), a reemployed retiree that

194 was employed by :

(a) the State of Utah at the time of retirement may be reemployed by the state

195 under Subsection (4) or (5) if the reemployment is with a different agency or office{.} ; **or**

(b) a participating employer located within a county of the fourth, fifth, or sixth class, as classified under Section 17-50-501, may be reemployed by that participating employer under Subsection (4) or (5) if before the retiree is reemployed;

(i) the participating employer certifies to the office, under penalty of fraud, the facts and circumstances of rehire, including any prearrangement for reemployment before the member's retirement date; and

(ii) the office performs a facts and circumstances review and determines there was a bona fide termination of employment with that participating employer, including the specific finding that there was not a prearrangement for reemployment before the member's retirement date.

5 Page 7, Line 206

206 under Section 49-11-1204 or 49-11-1205.

(4) The retirement application form submitted to the office shall contain the retiring member's certification, under penalty of fraud, of whether there was a prearrangement of reemployment before the retiree's retirement date with the participating employer.

Yeas-4

Sen. L. Fillmore
Sen. D. Hemmert
Sen. K. Mayne
Sen. B. Zehnder

Nays-0

Absent-2

Sen. G. Davis
Sen. T. Weiler

MOTION: Sen. Hemmert moved to pass S.B. 95 out favorably as amended. The motion passed with a vote of 4 - 0 - 2 .

Yeas-4

Sen. L. Fillmore
Sen. D. Hemmert
Sen. K. Mayne
Sen. B. Zehnder

Nays-0

Absent-2

Sen. G. Davis
Sen. T. Weiler

2 . S.B. 113 Postretirement Reemployment Revisions (*Iwamoto, J.*)

Sen. Jani Iwamoto presented the bill to the committee.

Mr. Tom Ross, President, Utah Chiefs of Police Association, spoke in favor of the bill.

Ms. Rosie Rivera, Sheriff, Salt Lake County, spoke in favor of the bill.

Ms. Sharon Burkinshaw, Community Coalition for Police Reform, spoke in favor of the bill.

Mr. Dan Peterson, Chief, Unified Fire Authority, spoke in favor of the bill.

Mr. John Hiskey, Senior Advisor, Utah League of Cities and Towns, spoke in favor of the bill.

Mr. Gary Giles, Chief of Police, Orem, spoke in favor of the bill.

MOTION: Sen. Davis moved to amend S.B. 113 with Amendment #1. The motion passed with a vote of 5 - 0
- 1 .

Amendment 1
S.B. 113

1 Page 1, Lines 20 through 21

20 • is reemployed by a different participating employer than the participating
21 employer that employed the retiree at the time of retirement **except in limited circumstances**;

2 Page 1, Line 23

23 certain circumstances;

requires certain member certifications on the retirement application form;

3 Page 6, Lines 165 through 166

165 (c) The office shall, on or before November 30, 2024, study, evaluate, and report on the
166 actuarial costs and effectiveness of implementing the {~~educator~~} **public safety service and firefighter
service** retiree reemployment exception

4 Page 7, Lines 196 through 198

196 (8) Notwithstanding Subsections (4)(a)(i)(B) and (5)(b)(ii), a reemployed retiree that
197 was employed by :

(a) the state of Utah at the time of retirement may be reemployed by the state {~~of~~

198 **Utah**} under Subsection (4) or (5) if the reemployment is with a different agency or office{~~—~~} ; **or**

**(b) a participating employer located within a county of the fourth, fifth, or sixth class, as classified under
Section 17-50-501, may be reemployed by that participating employer under Subsection (4) or (5) if before
the retiree is reemployed;**

**(i) the participating employer certifies to the office, under penalty of fraud, the facts and circumstances of
rehire, including any prearrangement for reemployment before the member's retirement date; and**

**(ii) the office performs a facts and circumstances review and determines there was a bona fide termination
of employment with that participating employer, including the specific finding that there was not a
prearrangement for reemployment before the member's retirement date.**

5 Page 7, Line 209 through Page 8, Line 210

209 under Section 49-11-1204 or 49-11-1205.

**(4) The retirement application form submitted to the office shall contain the retiring member's
certification, under penalty of fraud, of whether there was a prearrangement of reemployment before the
retiree's retirement date with the participating employer.**

210 Section 4. Section **49-11-1207** is amended to read:

6 Page 8, Line 230

230 delinquent retiree surcharge and amortization rate contributions, plus interest, under Section

Yeas-5

Sen. G. Davis
Sen. L. Fillmore
Sen. D. Hemmert
Sen. K. Mayne
Sen. B. Zehnder

Nays-0

Absent-1

Sen. T. Weiler

MOTION: Sen. Davis moved to pass S.B. 113 out favorably as amended. The motion passed with a vote of 5 - 0 - 1 .

Yeas-5

Sen. G. Davis
Sen. L. Fillmore
Sen. D. Hemmert
Sen. K. Mayne
Sen. B. Zehnder

Nays-0

Absent-1

Sen. T. Weiler

3 . S.B. 73 Public Employees' Benefit and Insurance Program Amendments (*Hemmert, D.*)

Sen. Daniel Hemmert presented the bill to the committee.

MOTION: Sen. Fillmore moved to delete S.B. 73 and replace it with 1st Sub. S.B. 73. The motion passed with a vote of 4 - 1 - 1 .

Yeas-4

Sen. D. Hemmert
Sen. K. Mayne
Sen. T. Weiler
Sen. B. Zehnder

Nays-1

Sen. G. Davis

Absent-1

Sen. L. Fillmore

Mr. Todd Losser, Utah Public Employees Association, spoke in favor of the bill.

Mr. Chet Loftis, Director, PEHP, spoke to the bill.

MOTION: Sen. Hemmert moved to pass 1st Sub. S.B. 73 out favorably. The motion passed with a vote of 6 - 0 - 0 .

Yeas-6

Nays-0

Absent-0

Sen. G. Davis

Sen. L. Fillmore

Sen. D. Hemmert

Sen. K. Mayne

Sen. T. Weiler

Sen. B. Zehnder

4 . H.B. 28 Retirement Systems Amendments (*Moss, J.*)

Rep. Jefferson Moss presented the bill to the committee.

MOTION: Sen. Mayne moved to pass H.B. 28 out favorably. The motion passed with a vote of 5 - 0 - 1 .

Yeas-5

Nays-0

Absent-1

Sen. L. Fillmore

Sen. D. Hemmert

Sen. K. Mayne

Sen. T. Weiler

Sen. B. Zehnder

Sen. G. Davis

MOTION: Sen. Hemmert moved to adjourn. The motion passed with a vote of 5 - 0 - 1 .

Yeas-5

Nays-0

Absent-1

Sen. L. Fillmore

Sen. D. Hemmert

Sen. K. Mayne

Sen. T. Weiler

Sen. B. Zehnder

Sen. G. Davis

Chair Zehnder adjourned the meeting at 1:12 p.m.