

Effective 5/10/2016

49-11-1204 General Restrictions -- Election following one-year separation -- Amortization rate.

- (1) A retiree may not for the same period of reemployment:
 - (a)
 - (i) earn additional service credit; or
 - (ii) receive any retirement related contribution from a participating employer; and
 - (b) receive a retirement allowance.
- (2) Except as provided under Section 49-11-1205, 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.
- (3) If a reemployed retiree has completed the one-year separation from employment with a participating employer required under Subsection (2), the retiree may elect to:
 - (a) cancel the retiree's retirement allowance and instead earn additional service credit in accordance with this title; or
 - (b) continue to receive the retiree's retirement allowance, forfeit earning additional service credit, and forfeit any retirement-related contribution from the participating employer that reemployed the retiree.
- (4)
 - (a) If the office receives notice of the election of a reemployed retiree under Subsection (3)(a), the office shall immediately cancel the retiree's retirement allowance.
 - (b)
 - (i) If the retiree under Subsection (4)(a) is eligible for retirement coverage in the reemployed position, the office shall reinstate the retiree to active member status on the first day of the month following the date of the employee's election.
 - (ii) Except as provided under Subsection (4)(c), if the retiree is not otherwise eligible for retirement coverage in the reemployed position, the participating employer that reemploys the retiree shall contribute the amortization rate to the office on behalf of the retiree.
 - (c) A participating employer that reemploys a retiree in accordance with Subsection 49-11-1205(1) is not required to contribute the amortization rate to the office.
- (5)
 - (a) For a retiree under Subsection (4)(b) who retires within two years from the date of reemployment, the office:
 - (i) may not recalculate a retirement benefit for the retiree; and
 - (ii) shall resume the allowance that was being paid to the retiree at the time of the cancellation.
 - (b) Subject to Subsection (1), for a retiree who is reinstated to active membership under Subsection (4)(b) and retires two or more years after the date of reinstatement to active membership, the office shall:
 - (i) resume the allowance that was being paid at the time of cancellation; and
 - (ii) calculate an additional allowance for the retiree 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.

Enacted by Chapter 310, 2016 General Session