

**49-11-622 Subsidiaries or other companies owned by independent corporations -- Participation -- Withdrawal.**

- (1) Notwithstanding any other provision of this title, an independent corporation, as defined in Section 63E-1-102, which participates in a system or plan prior to July 1, 2006, and which owns a subsidiary, or other company may provide for the participation of employees with that system or plan as follows:
  - (a) the independent corporation shall determine a date that is no later than January 1, 2007, on which the independent corporation shall make an election under Subsection (2);
  - (b) an employee hired by the independent corporation and transferred to a subsidiary, or other company on or after the date set under Subsection (1)(a) may not participate in a system or plan; and
  - (c) the independent corporation shall pay to the office any actuarial or administrative cost, determined by the office, to have arisen out of the transfer of the employees from the independent corporation.
- (2) The independent corporation described under Subsection (1) shall elect to:
  - (a) continue its participation for all current employees covered by a system or plan and transferred to a subsidiary, or other company, as of the date set under Subsection (1)(a); or
  - (b) withdraw from participation in all systems or plans for all employees covered by a system or plan and transferred to the subsidiary, or other company, as of the date set under Subsection (1)(a).
- (3) If an independent corporation elects to continue participation under Subsection (2)(a), the independent corporation and the transferred employees shall continue to be subject to the laws and the rules governing the system or plan in which the employee participates, including the accrual of service credit and payment of contributions.

Enacted by Chapter 309, 2006 General Session