

Senator Ron Allen proposes to substitute the following bill:

RETIREMENT BOARD MEMBERSHIP

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: David H. Steele

This act modifies the Utah State Retirement Act by expanding the Utah State Retirement Board membership.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

49-1-202, as last amended by Chapter 243, Laws of Utah 1996

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

Section 1. Section **49-1-202** is amended to read:

49-1-202. Establishment of Utah State Retirement Board -- Quorum -- Terms -- Officers -- Expenses and per diem -- Membership Council established.

(1) There is established the Utah State Retirement Board composed of [~~seven~~] nine members determined as follows:

(a) Four members, with experience in investments or banking, shall be appointed by the governor from the general public.

(b) One member shall be a school employee appointed by the governor from at least three nominations submitted by the governing board of a school employees' association representative of a majority of the school employees who are members of the school employees' retirement system.

(c) One member shall be a public employee appointed by the governor from at least three nominations submitted by the governing board of a public employee association representative of a majority of the public employees who are members of the public employees' retirement system.

(d) One member shall be a county, city, or town officer or employee appointed by the



26 governor from at least four nominations, from at least two submitted by the governing board of an
27 association representative of counties and from at least two submitted by the governing board of
28 an association representative of the cities and towns, who are members of the Public Employees'
29 Retirement System or the Public Employees' Noncontributory Retirement System.

30 (e) One member shall be a retired member appointed by the governor from four
31 nominations, submitted individually from the Utah Association of Retired Public Employees, the
32 Utah Retired School Employees' Association, an association representative of retired firefighters,
33 and an association representative of retired members of the Public Safety Retirement System.

34 ~~(f)~~ (f) One member shall be the state treasurer, who shall serve as an ex officio member
35 with full voting privileges.

36 (2) ~~Four~~ Five members constitute a quorum for the purpose of doing all business.

37 (3) (a) All appointments to the board shall be made on a nonpartisan basis, with the advice
38 and consent of the Senate.

39 (b) Members shall serve until their successors are appointed and take the constitutional
40 oath of office.

41 (c) When a vacancy occurs in the membership for any reason, the replacement shall be
42 appointed for the unexpired term.

43 (d) Members appointed to the board between sessions of the Legislature shall serve with
44 full authority until acted upon by the Senate in session.

45 (4) (a) Except as required by Subsection ~~(4)~~(b), all appointed members shall serve for
46 four-year terms.

47 (b) Notwithstanding the requirements of Subsection ~~(4)~~(a), the governor shall, at the time
48 of appointment or reappointment, adjust the length of terms to ensure that the terms of board
49 members are staggered so that approximately half of the board is appointed every two years.

50 (c) Public employees or educators who retire or otherwise terminate their employment with
51 a covered unit shall immediately resign from the board.

52 (5) Each year the board shall elect a president and vice president from its membership.
53 Each member shall be reimbursed for expenses incurred in service to the board. Each member
54 shall receive a per diem plus travel expenses provided by law for attending board meetings.

55 (6) The board shall establish a membership council to advise and counsel with the board
56 and the director on policies affecting members of the various systems administered by the

57 retirement office. The board may pay the travel expenses of members who attend council
58 meetings.

59 (7) [~~Beginning July 1, 1991, the~~] The membership council shall be composed of 13
60 members selected as follows:

61 (a) Three members shall be school employees selected by the governing board of an
62 association representative of a majority of school employees who are members of the Public
63 Employees' Retirement System or the Public Employees' Noncontributory Retirement System.

64 (b) One member shall be a classified school employee selected by the governing board of
65 an association representative of a majority of classified school employees who are members of the
66 Public Employees' Retirement System or the Public Employees' Noncontributory Retirement
67 System.

68 (c) Two members shall be public employees selected by the governing board of an
69 association representative of a majority of the public employees who are members of the Public
70 Employees' Retirement System or the Public Employees' Noncontributory Retirement System.

71 (d) One member shall be a city or town officer or employee selected by the governing
72 board of an association representative of the cities and towns who are members of the Public
73 Employees' Retirement System or the Public Employees' Noncontributory Retirement System.

74 (e) One member shall be a county officer or employee selected by the governing board of
75 an association representative of counties who are members of the Public Employees' Retirement
76 System or the Public Employees' Noncontributory Retirement System.

77 (f) One member shall be a representative of members of the Judges' Retirement System
78 selected by the Judicial Council.

79 (g) One member shall be a representative of members of the Public Safety Retirement
80 System selected by the governing board of an association representative of the majority of peace
81 officers who are members of the Public Safety Retirement System.

82 (h) One member shall be a representative of members of the Firefighters' Retirement
83 System selected by the governing board of an association representative of the majority of paid
84 professional firefighters who are members of the Firefighters' Retirement System.

85 (i) One member shall be a retired member selected by the Utah Association of Retired
86 Public Employees.

87 (j) One member shall be a retired member selected by the Utah Retired School Employees'

88 Association.

89 (8) (a) Members shall be appointed as provided for in Subsection (7).

90 (b) Except as required by Subsection (8)(c), as terms of current council members expire,
91 the board shall appoint each new member or reappointed member to a four-year term.

92 (c) Notwithstanding the requirements of Subsection (8)(b), the board shall, at the time of
93 appointment or reappointment, adjust the length of terms to ensure that the terms of council
94 members are staggered so that approximately half of the council is appointed every two years.

95 (d) Each term expires on June 30 in the year of expiration.

96 (e) When a vacancy occurs in the membership for any reason, the replacement shall be
97 appointed for the unexpired term.

98 (9) The council shall designate one council member as chair annually.

99 (10) The council shall:

100 (a) recommend benefits and policies for members of any system administered by the board
101 to the board and to the Legislature;

102 (b) recommend procedures and practices to improve the administration of the system and
103 the public employee relations responsibilities of the board and office;

104 (c) examine the record of all decisions affecting retirement benefits;

105 (d) submit nominations to the board for the position of executive director if that position
106 is vacant; and

107 (e) act upon all other duties assigned to it by the board.