#### MINUTES OF THE

# HOUSE RETIREMENT AND INDEPENDENT ENTITIES STANDING COMMITTEE Room W020, State Capitol Complex

January 20, 2006

**Members Present:** Rep. Michael T. Morley, Chair

Rep. David Clark, Vice Chair

Rep. Ron Bigelow Rep. Neil A. Hansen Rep. Ann W. Hardy Rep. Rebecca Lockhart Rep. Karen W. Morgan Rep. Merlynn T. Newbold Rep. LaWanna Shurtliff

**Staff Present:** Mr. Benjamin N. Christensen, Policy Analyst

Mr. Dee S. Larsen, Associate General Counsel Ms. Barbara Bryner, Committee Secretary

**Note:** A list of visitors and a copy of handouts are filed with the committee minutes.

Rep. Michael T. Morley called the meeting to order at 1:09 p.m.

#### 1. H.B. 209 Partial Lump-sum Retirement Payment Option (Rep. D. Clark)

Rep. David Clark introduced the bill to the committee.

Courtney White, UEA, spoke for the bill.

MOTION: Rep. Morgan moved to pass the bill out favorably. The motion passed

unanimously with Rep. Bigelow and Rep. Newbold absent for the vote.

# 2. H.B. 216 Expiration of Group Health Insurance for Retired Governors and Legislators (*Rep. D. Clark*)

Rep. David Clark introduced the bill.

Kim Hood, Staff of the Legislative Compensation Commission, spoke to the bill.

MOTION: Rep. Newbold moved to pass the bill out favorably. The motion passed with

Rep. Hansen voting against the motion.

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### 3. H.B. 225 Post Retirement Employment (Rep. G. Donnelson)

MOTION: Rep. Lockhart moved to amend as follows:

- 1. Page 1, Lines 20 through 21:
  - 20 Other Special Clauses:
  - 21 {None } This bill takes effect on July 1, 2006.
- 2. Page 4, Line 101:
  - 101 (11) The board may make rules to implement this section.

Section 2. Effective date.

This bill takes effect on July 1, 2006.

The motion passed unanimously.

Rep. Glen Donnelson introduced the bill.

The following people spoke against the bill:

Vall Shoup, Director of Public Safety of South Office Police Department & Represents
Utah Chiefs of Police

Steven Peterson, Utah School Board Association

Courtney White, UEA

John Griner, Police Department and Chairman of Post Council

MOTION: Rep. Lockhart moved to amend as follows:

- 3. *Page 1, Lines 15 through 16:* 
  - 15 {→ extends the period that a retiree may not be reemployed from six months to 12
  - 16 months in order to avoid reemployment restrictions for retirees; and
- 4. *Page 2, Lines 46 through 47:* 
  - 46 (4) A retiree of an agency who is reemployed on a full-time basis by the same agency
  - 47 within  $\{+\}$  six  $\{+\}$   $\{-\frac{12}{2}\}$  months of the date of retirement is subject to the following:

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5.	Page 3.	Lines 60 through 73:
	60	(5) A retiree of an agency who is reemployed by the same agency within
		{+} six {+} {-12}
	61	months of retirement on a less than full-time basis by the same agency is subject to the
	62	following:
	63	(a) the retiree may earn, without penalty, compensation from that position which is
		not
	64	in excess of the exempt earnings permitted by Social Security;
	65	(b) if a retiree receives compensation in a calendar year in excess of the Social
		Security
	66	limitation, 25% of the allowance shall be suspended for the remainder of the
		$\{+\}$ six-month $\{+\}$
	67	{ <u>12-month</u> } period;
	68	(c) the effective date of a suspension and reinstatement of an allowance shall be set by
	69	the office; and
	70	(d) any suspension of a retiree's allowance under this Subsection (5) shall be applied
	71	on a calendar year basis.
	72	(6) For $\{+\}$ six $\{+\}$ months immediately following retirement, the
		retiree and participating
	73	employer shall:
6.	Page 3,	Lines 80 through 81:
	80	(7) A retiree of an agency who is reemployed by the same agency after
		$\{+\}$ six $\{+\}$ $\{-\underline{12}\}$ months
	81	from the retirement date:
		The motion passed unanimously.
MC	OTION:	Rep. Morgan moved to amend as follows:
	1. Pag	ge 1, Lines 15 through 16:

{ extends } reduces the period that a retiree may not be reemployed

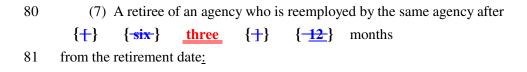
three

from six months to  $\{-12-\}$ 

	16	months in order to avoid reemployment restrictions for retirees; and
2.	Pag	e 2, Lines 46 through 47:
	46	(4) A retiree of an agency who is reemployed on a full-time basis by the same agency
	47	within $\{+\}$ $\{-\frac{12}{2}\}$ three months of the date of retirement is
		subject to the following:
3.	Pag	e 3, Lines 60 through 73:
	60	(5) A retiree of an agency who is reemployed by the same agency within
		{+} { <del>-six</del> } {+} { <del>-12</del> } <u>three</u>
	61	months of retirement on a less than full-time basis by the same agency is subject to the
	62	following:
	63	(a) the retiree may earn, without penalty, compensation from that position which is
		not
	64	in excess of the exempt earnings permitted by Social Security;
	65	(b) if a retiree receives compensation in a calendar year in excess of the Social
		Security
	66	limitation, 25% of the allowance shall be suspended for the remainder of the
		{ <del>+</del> } { <del>-six-month</del> } <u>three</u> { <del>+</del> }
	67	{ <del>12-month</del> } period;
	68	(c) the effective date of a suspension and reinstatement of an allowance shall be set
		by
	69	the office; and
	70	(d) any suspension of a retiree's allowance under this Subsection (5) shall be applied
	71	on a calendar year basis.
	72	(6) For $\{+\}$ $\{-six\}$ <u>three</u> $\{+\}$ $\{-12\}$ months immediately
		following retirement, the retiree and participating
	73	employer shall:

## 4. Page 3, Lines 80 through 81:

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The motion failed with Rep. Hansen, Rep. Morgan and Rep. Shurtliff voting for the motion.

MOTION: Rep. Bigelow moved to pass the bill out favorably as amended. The motion passed unanimously.

MOTION: Rep. Lockhart moved to adjourn. The motion passed unanimously and the Chair adjourned the meeting at 2:02 p.m.

Rep. Michael T. Morley, Chair

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