

**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.

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 {+} {-12} months of the date of retirement is subject to the
following:

5. *Page 3, Lines 60 through 73:*

60 (5) A retiree of an agency who is reemployed by the same agency within
61 ~~{+} six {+}~~ ~~{-12}~~
62 months of retirement on a less than full-time basis by the same agency is subject to the
63 following:
64 (a) the retiree may earn, without penalty, compensation from that position which is
65 not
66 in excess of the exempt earnings permitted by Social Security;
67 (b) if a retiree receives compensation in a calendar year in excess of the Social
68 Security
69 limitation, 25% of the allowance shall be suspended for the remainder of the
70 ~~{+} six-month {+}~~
71 ~~{-12-month}~~ period;
72 (c) the effective date of a suspension and reinstatement of an allowance shall be set by
73 the office; and
74 (d) any suspension of a retiree's allowance under this Subsection (5) shall be applied
75 on a calendar year basis.
76 (6) For ~~{+} six {+}~~ ~~{-12}~~ months immediately following retirement, the
77 retiree and participating
78 employer shall:

6. *Page 3, Lines 80 through 81:*

80 (7) A retiree of an agency who is reemployed by the same agency after
81 ~~{+} six {+}~~ ~~{-12}~~ months
82 from the retirement date;

The motion passed unanimously.

MOTION: Rep. Morgan moved to amend as follows:

1. *Page 1, Lines 15 through 16:*

15 ▶ ~~{-extends}~~ reduces the period that a retiree may not be reemployed
16 from six months to ~~{-12}~~ three

16 months in order to avoid reemployment restrictions for retirees; and

2. *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}~~ {+} ~~{-12}~~ three months of the date of retirement is
subject to the following:

3. *Page 3, Lines 60 through 73:*

60 (5) A retiree of an agency who is reemployed by the same agency within
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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}~~ three {+}

67 ~~{-12-month}~~ 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}~~ three {+} ~~{-12}~~ months immediately
73 following retirement, the retiree and participating
employer shall:

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

80 (7) A retiree of an agency who is reemployed by the same agency after
 {+} {~~six~~} three {+} {~~12~~} months
81 from the retirement date;

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

House Retirement and Independent Entities Standing Committee
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