

**Representative Larry B. Wiley** proposes the following substitute bill:

**RETIREMENT CONVERSION**

**WINDOW**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Merlynn T. Newbold**

Senate Sponsor: D. Chris Buttars

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**LONG TITLE**

**General Description:**

This bill modifies the Utah State Retirement and Insurance Benefit Act by providing a conversion window between the Public Employees' Contributory Retirement System and the Public Employees' Noncontributory Retirement System and between the Public Safety Contributory Retirement System and the Public Safety Noncontributory Retirement System.

**Highlighted Provisions:**

This bill:

- ▶ provides a conversion window between the Public Employees' Contributory Retirement System and the Public Employees' Noncontributory Retirement System;
- ▶ provides a conversion window between the Public Safety Contributory Retirement System and the Public Safety Noncontributory Retirement System; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill takes effect on July 1, 2007.



26 **Utah Code Sections Affected:**

27 AMENDS:

28 **49-13-205**, as last amended by Chapter 116, Laws of Utah 2005

29 **49-15-204**, as last amended by Chapter 247 and renumbered and amended by Chapter  
30 250, Laws of Utah 2002

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

33 Section 1. Section **49-13-205** is amended to read:

34 **49-13-205. Conversion to system -- Time schedule -- Conversion windows.**

35 (1) An employee governed under Section 49-13-201 shall make the election to  
36 participate in this system within six months of July 1, 1986.

37 (2) (a) (i) An employer governed under Sections 49-13-201 and 49-13-202 shall make  
38 the election to participate in this system within six months of July 1, 1986.

39 (ii) The employer shall indicate whether or not it elects to participate by enacting a  
40 resolution or ordinance to that effect.

41 (iii) Prior to the enactment of the resolution or ordinance, a hearing shall be held by the  
42 employer, at which all employees of the political subdivision shall be given an opportunity to  
43 be heard on the question of participating in this system.

44 (iv) Notice of the hearing shall be mailed to all employees within 30 days of the  
45 hearing and shall contain the time, place, and purpose of the hearing.

46 (b) A regular full-time employee has six months from the date the employer elects to  
47 participate in this system in which to make the election to participate in this system and  
48 become eligible for service credit in this system.

49 (3) Subsections (1) and (2) shall be used to provide a second time period of conversion  
50 to this system beginning July 1, 1990.

51 (4) Subsections (1) and (2) shall be used to provide a third time period of conversion to  
52 this system beginning July 1, 1995.

53 (5) A member of the Contributory Retirement System who is employed by one agency  
54 and who either transfers to or is reemployed by another agency shall be enrolled in the  
55 Noncontributory Retirement System as of the date of employment, if the participating employer  
56 has elected to participate in the Noncontributory Retirement System.

57           (6) (a) Subsections (1) and (2) shall be used to provide a fourth time period of  
58 conversion to this system beginning July 1, 2007, and ending December 31, 2007.

59           (b) A person converting to the system during the period under Subsection (6)(a), is  
60 subject to all the rights, limitations, terms, and conditions of this chapter.

61           Section 2. Section **49-15-204** is amended to read:

62           **49-15-204. Conversion to system -- Time schedule.**

63           The following laws govern conversion to the Public Safety Noncontributory Retirement  
64 System:

65           (1) For an employee governed by Subsection 49-15-201(1)(a), the election to  
66 participate in this system shall be made within six months of July 1, 1989.

67           (2) (a) (i) For an employer governed by Subsection 49-15-201(2)(a), the election to  
68 participate in this system shall be made within six months of July 1, 1989.

69           (ii) The employer shall indicate whether or not it elects to participate by enacting a  
70 resolution or ordinance to that effect.

71           (iii) Prior to the enactment of the resolution or ordinance, a hearing shall be held by the  
72 employer, at which all public safety service employees of the employer shall be given an  
73 opportunity to be heard on the question of participating in this system.

74           (iv) Notice of the hearing shall be mailed to all public safety service employees within  
75 30 days of the hearing and shall contain the time, place, and purpose of the hearing.

76           (b) A public safety service employee of an employer, prior to its election to participate,  
77 has six months from the date the employer elects to participate in which to elect to become  
78 eligible for service credit in this system.

79           (3) (a) Subsections (1) and (2) shall be used to provide a time period of conversion to  
80 the Public Safety Noncontributory Retirement System beginning July 1, 1998, and ending  
81 December 31, 1998.

82           (b) A person converting to the system during this time period is subject to all the rights,  
83 limitations, terms, and conditions of Chapter 15, Public Safety Noncontributory Retirement  
84 Act.

85           (4) Subsections (1) and (2) shall be used to provide a time period for an appointed  
86 chief of police to convert to the Public Safety Noncontributory Retirement System beginning  
87 July 1, 2002, and ending December 31, 2002. A chief of police converting to the system

88 during this time period shall be subject to all the rights, limitations, terms, and conditions of  
89 [~~Title 49~~], Chapter 15, Public Safety Noncontributory Retirement Act, including an employer's  
90 election under Subsection (2).

91 (5) (a) Subsections (1) and (2) shall be used to provide a time period of conversion to  
92 the Public Safety Noncontributory Retirement System beginning July 1, 2007, and ending  
93 December 31, 2007.

94 (b) A person converting to the system during this time period is subject to all the rights,  
95 limitations, terms, and conditions of Chapter 15, Public Safety Noncontributory Retirement  
96 Act.

97 Section 3. **Effective date.**

98 This bill takes effect on July 1, 2007.