

**MINUTES OF THE
HOUSE RETIREMENT AND INDEPENDENT ENTITIES STANDING COMMITTEE
Room W020, State Capitol Complex
January 22, 2007**

Members Present: Rep. John Dougall, Chair
Rep. Aaron Tilton, Vice Chair
Rep. David Clark
Rep. Neil A. Hansen
Rep. Wayne A. Harper
Rep. Bradley G. Last
Rep. Karen W. Morgan
Rep. LaWanna Shurtliff

Members Absent: Rep. Merlynn T. Newbold

Senators Present: Sen. Brent Goodfellow
Sen. Darin Peterson

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. Dougall called the meeting to order at 12:35 p.m. He explained that members of the Senate Retirement and Independent Entities Standing Committee have been invited to participate in this meeting.

1. Performance Audit of Post-Retirement Re-employment

Maria Stahla, Office of the Legislative Auditor General, distributed an Audit Report (A Performance Audit of Post-Retirement Re-employment) and reviewed it with the committee with the assistance of Tim Osterstock, Office of the Legislative Auditor General. Five recommendations were made:

1. We recommend the Legislature consider clarifying the language in the post-retirement re-employment restrictions that defines *agency*.
2. We recommend the Legislature consider changing the post-retirement re-employment statute to prohibit any work, inclusive of part-time and contract work, from qualifying as part of the six-month waiting period to return to full-time employment.

3. We recommend the Legislature consider either changing the waiting period for full-time employment from 6 months to 12 months or eliminating the ability to return full-time to the same department without suspension of retirement benefits.
4. We recommend the Legislature consider amending the post-retirement re-employment statute to require employers to contribute to URS' defined benefit plan instead of making contributions to the personal 401 (k) accounts of rehired retirees.
5. We recommend the Legislature consider requiring URS to provide the Legislature with cost estimates for any legislation considering post-retirement re-employment policy changes.

2. H.B. 7 Post-retirement Benefits Trust Fund (Rep. K. Grover)

MOTION: Rep. Clark moved to replace H.B. 7, Post-retirement Benefits Trust Fund (*Rep. K. Grover*), with 1st Substitute H.B. 7, State Post-Retirement Benefits Trust Fund. The motion passed unanimously.

Rep. Grover introduced the substitute bill and explained it to the committee.

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

3. H.B. 260 Post Retirement Employment (Rep. G. Donnelson)

Rep. Donnelson explained the bill to the committee.

The following people spoke against the bill:

Val Shupe, Utah Chief of Police
McKell Withers, Salt Lake City School District
Stephen H. Peterson, Utah School Board Association
Courtney White, Utah Education Association
Russell Lee, President Utah Peace Officers Association

MOTION: Rep. Clark moved to pass the bill out favorably.

SUBSTITUTE

MOTION: Rep. Morgan moved to hold the bill in committee. The motion failed with Rep. Hansen, Rep. Morgan and Rep. Shurtliff voting for the motion.

The original motion to pass the bill out favorably passed with Rep. Hansen, Rep. Morgan and Rep. Shurtliff voting against the motion.

4. H.B. 8 Retirement Office Amendments (Rep. D. Clark)

Rep. Clark explained the bill to the committee.

MOTION: Rep. Hansen moved to pass the bill out favorably. The motion passed unanimously with Rep. Shurtliff absent for the vote.

MOTION: Rep. Last moved to adjourn. The motion passed unanimously and the Chair adjourned the meeting at 1:55 p.m.

Rep. John Dougall, Chair