



UTAH STATE SENATE

UTAH STATE CAPITOL COMPLEX • 320 STATE CAPITOL
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February 12, 2010

Mr. President:

The Retirement and Independent Entities Committee recommends **S.B. 43**, POST-RETIREMENT EMPLOYMENT AMENDMENTS, by Senator D. Liljenquist, be replaced and favorably recommends **1st Sub. S.B. 43**, POST-RETIREMENT EMPLOYMENT AMENDMENTS with the following amendments:

1. *Page 12, Line 364 through Page 13, Line 375:*

364 49-11-505. Reemployment of a retiree -- Restrictions.

365 (1) (a) This section applies to:

366 ~~{(a)}~~ (i) a participating employer; and

367 ~~{(b)}~~ (ii) a retiree who begins reemployment for the first time after retirement with a

368 participating employer on or after July 1, 2010. =

(b) This section does not apply to a retiree who is reemployed as an active senior judge appointed to hear cases by the Utah Supreme Court in accordance with Article VIII, Section 4. Utah Constitution.

369 (2) (a) Except as provided under Subsection (2)(b), the office shall cancel the retirement allowance of a retiree who is reemployed with a participating employer if the initial

371 reemployment begins on or after July 1, 2010.

372 (b) The office may not cancel the retirement allowance under Subsection (2)(a), if the participating employer certifies that:

374 (i) the date of reemployment begins ~~{not}~~ no sooner than six months after

Bill Number



SB0043S01

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the date of

375 retirement, if the reemployment is with the same agency from which the retiree retired;

2. *Page 1, Lines 20 through 24:*

20 ▶ provides that a participating employer who hires a retiree before July 1,
2010 {~~;~~

21 —(i)— } may not contribute an amount that exceeds the normal cost rate to a
qualified
22 defined contribution plan; {~~and~~

23 —(ii)— shall contribute the amortization rate for the reemployed retiree to the
retirement

24 system that would have covered the retiree in the new position; }

3. *Page 11, Line 333 through Page 12, Line 353:*

333 (8) (a) If a participating employer hires a [~~nonexempt~~] retiree, on a full-time basis,
who
334 may not earn additional service credit under [~~this section~~] Subsection (4), the participating
335 employer {~~;~~

336 —(i)— } may not contribute an amount that exceeds the normal cost rate as defined
under
337 Section 49-11-102 to a plan for the retiree under Subsection (8)(b) {~~;~~and

338 —(ii) shall contribute the } [~~same percentage of a retiree's salary that the~~
participating
339 employer would have been required to contribute if the retiree were an active member, up
to
340 the amount allowed by federal law:] {amortization rate, as defined under Section
49-11-102, for

341 the retiree to the office to be credited to the system that would have covered the
retiree in the

342 new position } .

343 (b) The contributions under Subsection (8)(a) {~~(i)~~ are not required, but if paid,
shall be
344 paid to a retiree-designated:

345 (i) qualified defined contribution plan administered by the board, if the participating

346 employer participates in a qualified defined contribution plan administered by the board;
or

347 (ii) qualified defined contribution plan offered by the participating employer if the
348 participating employer does not participate in a qualified defined contribution plan
349 administered by the board.

350 (c) Notwithstanding the provisions of Subsection (8)(b), if an employer is not
351 participating in a qualified defined contribution plan administered by the board, the
employer

352 may elect to pay the contributions under Subsection (8)(a) ~~{(i)}~~ to a nonqualified
deferred

353 compensation plan administered by the board.

Respectfully,

Daniel R. Liljenquist
Committee Chair

Voting: 3-2-1

7 SB0043.SC1.WPD benchristensen/BNC CJD/MDA 2/12/10 2:59 pm