

**POSTRETIREMENT REEMPLOYMENT RESTRICTIONS ACT
AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Douglas V. Sagers

Senate Sponsor: Daniel W. Thatcher

LONG TITLE

General Description:

This bill modifies the Postretirement Reemployment Restrictions Act by amending provisions relating to the reemployment of an affiliated emergency services worker.

Highlighted Provisions:

This bill:

- repeals the requirement that for a retiree who is reemployed as an affiliated emergency services worker, the termination date of the reemployment is considered the retiree's retirement date for the purpose of calculating the one-year separation requirement.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

49-11-1205, as last amended by Laws of Utah 2017, Chapter 141

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

Section 1. Section **49-11-1205** is amended to read:



28 **49-11-1205. Postretirement reemployment restriction exceptions.**

29 (1) (a) The office may not cancel the retirement allowance of a retiree who is
30 reemployed with a participating employer within one year of the retiree's retirement date if:

31 (i) the retiree is not reemployed by a participating employer for a period of at least 60
32 days from the retiree's retirement date;

33 (ii) upon reemployment after the break in service under Subsection (1)(a)(i), the retiree
34 does not receive any employer paid benefits, including:

35 (A) retirement service credit or retirement-related contributions;

36 (B) medical benefits;

37 (C) dental benefits;

38 (D) other insurance benefits except for workers' compensation as provided under Title
39 34A, Chapter 2, Workers' Compensation Act, Title 34A, Chapter 3, Utah Occupational Disease
40 Act, and withholdings required by federal or state law for social security, Medicare, and
41 unemployment insurance; or

42 (E) paid time off, including sick, annual, or other type of leave; and

43 (iii) (A) the retiree does not earn in any calendar year of reemployment an amount in
44 excess of the lesser of \$15,000 or one-half of the retiree's final average salary upon which the
45 retiree's retirement allowance is based; or

46 (B) the retiree is reemployed as a judge as defined under Section [78A-11-102](#).

47 (b) Beginning January 1, 2013, the board shall adjust the amounts under Subsection
48 (1)(a)(iii) by the annual change in the Consumer Price Index during the previous calendar year
49 as measured by a United States Bureau of Labor Statistics Consumer Price Index average as
50 determined by the board.

51 (2) A retiree shall be considered as having completed the one-year separation from
52 employment with a participating employer required under Section [49-11-1204](#), if the retiree:

53 (a) before retiring:

54 (i) was employed with a participating employer as a public safety service employee as
55 defined in Section [49-14-102](#), [49-15-102](#), or [49-23-102](#);

56 (ii) and during the employment under Subsection (2)(a)(i), suffered a physical injury
57 resulting from external force or violence while performing the duties of the employment, and
58 for which injury the retiree would have been approved for total disability in accordance with

59 the provisions under Chapter 21, Public Employees' Long-Term Disability Act, if years of
60 service are not considered;

61 (iii) had less than 30 years of service credit but had sufficient service credit to retire,
62 with an unreduced allowance making the public safety service employee ineligible for
63 long-term disability payments under Chapter 21, Public Employees' Long-Term Disability Act,
64 or a substantially similar long-term disability program; and

65 (iv) does not receive any long-term disability benefits from any participating employer;
66 and

67 (b) is reemployed by a different participating employer.

68 (3) (a) The office may not cancel the retirement allowance of a retiree who is employed
69 as an affiliated emergency services worker within one year of the retiree's retirement date if the
70 affiliated emergency services worker does not receive any compensation, except for:

71 (i) a nominal fee, stipend, discount, tax credit, voucher, or other fixed sum of money or
72 cash equivalent payment not tied to productivity and paid periodically for services;

73 (ii) a length-of-service award;

74 (iii) insurance policy premiums paid by the participating employer in the event of death
75 of an affiliated emergency services worker or a line-of-duty accidental death or disability; or

76 (iv) reimbursement of expenses incurred in the performance of duties.

77 (b) For purposes of Subsections (3)(a)(i) and (ii), the total amount of any discounts, tax
78 credits, vouchers, and payments to an affiliated emergency services worker may not exceed
79 \$500 per month.

80 (c) Beginning January 1, 2016, the board shall adjust the amount under Subsection
81 (3)(b) by the annual change in the Consumer Price Index during the previous calendar year as
82 measured by a United States Bureau of Labor Statistics Consumer Price Index average as
83 determined by the board.

84 (4) (a) If a retiree is reemployed under the provisions of Subsection (1) [~~or (3)~~], the
85 termination date of the reemployment, as confirmed in writing by the participating employer, is
86 considered the retiree's retirement date for the purpose of calculating the separation
87 requirement under Section [49-11-1204](#).

88 (b) The office shall cancel the retirement allowance of a retiree for the remainder of the
89 calendar year if the reemployment with a participating employer exceeds the limitation under

90 Subsection (1)(a)(iii) or (3)(b).

91 Section 2. **Effective date.**

92 This bill takes effect on July 1, 2018.

Legislative Review Note
Office of Legislative Research and General Counsel