

1 **Postretirement Reemployment for Emergency Services Workers**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Cheryl K. Acton

2
3 **LONG TITLE**

4 **Committee Note:**

5 The Retirement and Independent Entities Interim Committee recommended this bill.

6 Legislative Vote: 9 voting for 0 voting against 6 absent

7 **General Description:**

8 This bill modifies provisions of the Utah State Retirement and Insurance Benefits Act
9 relating to postretirement reemployment.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ modifies the earnings limit for postretirement reemployment as an affiliated emergency
13 services worker; and

14 ▶ makes technical and conforming changes.

15 **Money Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 This bill provides a special effective date.

19 **Utah Code Sections Affected:**

20 AMENDS:

21 **49-11-1205**, as last amended by Laws of Utah 2024, Chapter 405

22
23 *Be it enacted by the Legislature of the state of Utah:*

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

25 **49-11-1205 . Postretirement reemployment restriction exceptions.**

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

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

- 31 (ii) the retiree has a bona fide termination of employment on the retiree's retirement
32 date;
- 33 (iii) upon reemployment after the break in service under Subsection (1)(a)(i), the
34 retiree 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
39 Title 34A, Chapter 2, Workers' Compensation Act, Title 34A, Chapter 3, Utah
40 Occupational Disease Act, and withholdings required by federal or state law
41 for social security, Medicare, and unemployment insurance; or
42 (E) paid time off, including sick, annual, or other type of leave; and
43 (iv)(A) the retiree does not earn in any calendar year of reemployment an amount
44 in excess of the lesser of \$15,000 or one-half of the retiree's final average
45 salary upon which the 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) The board shall adjust the amounts under Subsection (1)(a)(iv) by the annual change
48 in the Consumer Price Index during the previous calendar year as measured by a
49 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 described in Section 49-11-1204, if the
53 retiree:
54 (a) before retiring:
55 (i) was employed with a participating employer as a public safety service employee
56 as defined in Section 49-14-102, 49-15-102, or 49-23-102;
57 (ii) during the employment under Subsection (2)(a)(i), suffered a physical injury
58 resulting from external force or violence while performing the duties of the
59 employment, for which injury the retiree would have been approved for total
60 disability in accordance with the provisions under Chapter 21, Public Employees'
61 Long-Term Disability Act, if years of service are not considered;
62 (iii) had less than 30 years of service credit but had sufficient service credit to retire,
63 with an unreduced allowance making the public safety service employee ineligible
64 for long-term disability payments under Chapter 21, Public Employees'

- 65 Long-Term Disability Act, or a substantially similar long-term disability program;
- 66 (iv) does not receive any long-term disability benefits from any participating
- 67 employer; and
- 68 (v) is at least 50 years old; and
- 69 (b) is reemployed by a different participating employer.
- 70 (3)(a) The office may not cancel the retirement allowance of a retiree who is employed
- 71 as an affiliated emergency services worker within one year of the retiree's retirement
- 72 date if the affiliated emergency services worker does not receive any compensation,
- 73 except for:
- 74 [~~(i) a nominal fee, stipend, discount, tax credit, voucher, or other fixed sum of~~
- 75 ~~money or cash equivalent payment not tied to productivity and paid periodically~~
- 76 ~~for services;]~~
- 77 [~~(ii) a length-of-service award;]~~
- 78 (i) compensation, including any payment, discount, tax credit, voucher, or cash
- 79 equivalent, the total of which, excluding any amount described in Subsection
- 80 (3)(a)(ii) or (iii), does not exceed in any calendar year the amount described in
- 81 Subsection (1)(a)(iv)(A), as adjusted in accordance with Subsection (1)(b);
- 82 [~~(iii) (ii) insurance policy premiums paid by the participating employer in the event~~
- 83 ~~of death of an affiliated emergency services worker or a line-of-duty accidental~~
- 84 ~~death or disability; or~~
- 85 [~~(iv) (iii) reimbursement of expenses incurred in the performance of duties.~~
- 86 ~~(b) For purposes of Subsections (3)(a)(i) and (ii), the total amount of any discounts, tax~~
- 87 ~~credits, vouchers, and payments to an affiliated emergency services worker may not~~
- 88 ~~exceed \$500 per month.]~~
- 89 ~~(c) The board shall adjust the amount under Subsection (3)(b) by the annual change in~~
- 90 ~~the Consumer Price Index during the previous calendar year as measured by a United~~
- 91 ~~States Bureau of Labor Statistics Consumer Price Index average as determined by the~~
- 92 ~~board.]~~
- 93 [~~(d) (b) A retiree is eligible for an exemption from the requirement to cease service~~
- 94 ~~without cancellation of a retirement allowance under this Subsection (3) only if the~~
- 95 ~~retiree, at the time of retirement, is at least:~~
- 96 ~~(i) 50 years old, if the retiree is retiring from a public safety system or a firefighter~~
- 97 ~~system; or~~
- 98 ~~(ii) 55 years old.~~

- 99 (4)(a) The office may not cancel the retirement allowance of a retiree who is employed
100 as a part-time appointed or elected board member within one year after the retiree's
101 retirement date if the part-time appointed or elected board member does not receive
102 any compensation exceeding the amount described in this Subsection (4).
- 103 (b) A retiree who is a part-time appointed or elected board member for one or more
104 boards, commissions, councils, committees, panels, or other bodies of participating
105 employers:
- 106 (i) may receive an aggregate amount of compensation, remuneration, a stipend, or
107 other benefit for service on a single or multiple boards, commissions, councils,
108 committees, panels, or other bodies of no more than \$5,000 per year; and
- 109 (ii) may not receive an employer paid retirement service credit or retirement-related
110 contribution.
- 111 (c) For purposes of Subsection (4)(b)(i):
- 112 (i) a part-time appointed or elected board member's compensation includes:
- 113 (A) an amount paid for the part-time appointed or elected board member's
114 coverage in a group insurance plan provided by the participating employer; and
- 115 (B) the part-time appointed or elected board member's receipt of any other benefit
116 provided by the participating employer; and
- 117 (ii) the part-time appointed or elected board member's compensation does not include:
- 118 (A) an amount the participating employer pays for employer-matching
119 employment taxes, if the participating employer treats the part-time appointed
120 or elected board member as an employee for federal tax purposes; or
- 121 (B) an amount that the part-time appointed or elected board member receives for
122 per diem and travel expenses for up to 12 approved meetings or activities of
123 the government board per year, if the per diem and travel expenses do not
124 exceed the amounts established by the Division of Finance under Sections
125 63A-3-106 and 63A-3-107 or by rules made by the Division of Finance
126 according to Sections 63A-3-106 and 63A-3-107.
- 127 (d) The board shall adjust the amount under Subsection (4)(b)(i) by the annual change in
128 the Consumer Price Index during the previous calendar year as measured by a United
129 States Bureau of Labor Statistics Consumer Price Index average, as determined by
130 the board.
- 131 (5)(a) The office may not cancel the retirement allowance of a retiree who is
132 reemployed with a participating employer within one year of the retiree's retirement

- 133 date if:
- 134 (i) the retiree has a bona fide termination of employment on the retiree's retirement
135 date;
- 136 (ii) the retiree is not employed, including by a fee-for-service relationship, with any
137 participating employer for a period of:
- 138 (A) at least 90 days if the retiree is a public employee retiree; or
139 (B) at least 90 days if the retiree is a public safety or firefighter retiree;
- 140 (iii) the retiree agrees to a modified retirement allowance as described in Subsections
141 (5)(b), (c), and (d); and
- 142 (iv) the participating employer that reemploys the retiree agrees to pay to the office
143 the normal cost rate in addition to the amortization rate.
- 144 (b) During a period of reemployment, the retiree:
- 145 (i) receives a retirement allowance that is 20% less than the retirement allowance the
146 retiree is entitled to receive in accordance with:
- 147 (A) for a retiree who retired under Chapter 12, Public Employees' Contributory
148 Retirement Act, Section 49-12-402;
- 149 (B) for a retiree who retired under Chapter 13, Public Employees' Noncontributory
150 Retirement Act, Section 49-13-402; or
- 151 (C) for a retiree who retired under Chapter 22, Part 3, Tier II Hybrid Retirement
152 System, Section 49-22-305; or
- 153 (ii) a retirement allowance that is 15% less than the retirement allowance the retiree is
154 entitled to receive in accordance with:
- 155 (A) for a retiree who retired under Chapter 14, Public Safety Contributory
156 Retirement Act, Section 49-14-402;
- 157 (B) for a retiree who retired under Chapter 15, Public Safety Noncontributory
158 Retirement Act, Section 49-15-402;
- 159 (C) for a retiree who retired under Chapter 16, Firefighters' Retirement Act,
160 Section 49-16-402; or
- 161 (D) for a retiree who retired under Chapter 23, Part 3, Tier II Hybrid Retirement
162 System, Section 49-23-304.
- 163 (c) During the period of reemployment, the retiree does not receive the annual
164 cost-of-living adjustment described in:
- 165 (i) for a retiree who retired under Chapter 12, Public Employees' Contributory
166 Retirement Act, Section 49-12-407;

- 167 (ii) for a retiree who retired under Chapter 13, Public Employees' Noncontributory
168 Retirement Act, Section 49-13-407;
- 169 (iii) for a retiree who retired under Chapter 14, Public Safety Contributory
170 Retirement Act, Section 49-14-403;
- 171 (iv) for a retiree who retired under Chapter 15, Public Safety Noncontributory
172 Retirement Act, Section 49-15-403;
- 173 (v) for a retiree who retired under Chapter 16, Firefighters' Retirement Act, Section
174 49-16-403;
- 175 (vi) for a retiree who retired under Chapter 22, Part 3, Tier II Hybrid Retirement
176 System, Section 49-22-308; or
- 177 (vii) for a retiree who retired under Chapter 23, Part 3, Tier II Hybrid Retirement
178 System, Section 49-23-307.
- 179 (d)(i) The office shall begin paying the retiree's full retirement allowance on the first
180 day of the month following the month in which the office receives written
181 notification that the reemployed retiree has a subsequent retirement date based on
182 a termination of the reemployment.
- 183 (ii)(A) For purposes of Subsection (5)(d)(i), the full retirement allowance
184 includes the elimination of the allowance reduction described in Subsection
185 (5)(b)(i) or (5)(b)(ii) and the annual cost-of-living adjustment that was
186 prohibited under Subsection (5)(c) during the period of reemployment.
- 187 (B) A retiree may not receive the difference between the full retirement allowance
188 and the reduced retirement allowance described in Subsection (5)(b)(i) or
189 (5)(b)(ii) or the annual cost-of-living adjustment that the retiree would have
190 received if the retiree had not been reemployed.
- 191 (6)(a) If a retiree is reemployed under the provisions of Subsection (1) or (4), the
192 termination date of the reemployment, as confirmed in writing by the participating
193 employer, is considered the retiree's retirement date for the purpose of calculating the
194 separation requirement described in Section 49-11-1204.
- 195 (b) The office shall cancel the retirement allowance of a retiree for the remainder of the
196 calendar year if the reemployment with a participating employer exceeds the
197 limitation under Subsection (1)(a)(iv), (3)~~(b)~~ (a), or (4)(b).
- 198 (7) A retiree who is reemployed under the provisions of Subsection (5) may not
199 subsequently be reemployed under Section 49-11-1204 unless the office cancels the
200 retirement allowance during the subsequent reemployment.

- 201 Section 2. **Effective Date.**
- 202 This bill takes effect on July 1, 2025.