

**HIGHER EDUCATION RETIREMENT AMENDMENTS**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel R. Liljenquist**

House Sponsor: Don L. Ipson

---

---

**LONG TITLE**

**General Description:**

This bill modifies the Utah State Retirement and Insurance Benefit Act by amending participation provisions for higher education employees.

**Highlighted Provisions:**

This bill:

- ▶ allows a higher education employee hired on or after May 11, 2010, who has service credit in the Public Employees' Contributory Retirement System and the Public Employees' Noncontributory Retirement System, to elect to continue participation in that system regardless of the institution's employment classification assignment;
- ▶ provides a one-time irrevocable election until June 30, 2010, to a regular full-time employee of an institution of higher education who has URS service credit to transfer to a Public Employees' Retirement System;
- ▶ provides for certain rulemaking by the board; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**49-12-204**, as renumbered and amended by Laws of Utah 2002, Chapter 250

30 **49-13-204**, as renumbered and amended by Laws of Utah 2002, Chapter 250

31 

---

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

33 Section 1. Section **49-12-204** is amended to read:

34 **49-12-204. Higher education employees' eligibility requirements -- Election**  
35 **between different retirement plans -- Classification requirements -- Transfer between**  
36 **systems -- One-time election window -- Rulemaking.**

37 (1) (a) [~~Regular full-time employees of institutions~~] A regular full-time employee of an  
38 institution of higher education who [~~are~~] is eligible to participate in either this system or in a  
39 retirement annuity contract with the Teachers' Insurance and Annuity Association of America  
40 or with any other public or private system, organization, or company, designated by the Board  
41 of Regents, shall, not later than January 1, 1979, elect to participate exclusively in this system  
42 or in an annuity contract allowed under this Subsection (1).

43 (b) The election is final, and no right exists to make any further election.

44 (2) (a) [~~A~~] Except as provided under Subsection (2)(c), a regular full-time employee  
45 hired by an institution of higher education after January 1, 1979, may participate only in the  
46 retirement plan which attaches to the person's employment classification.

47 (b) Each institution of higher education shall prepare or amend existing employment  
48 classifications, under the direction of the Board of Regents, so that each classification is  
49 assigned with either:

- 50 (i) this system;
- 51 (ii) the Teachers' Insurance and Annuity Association of America; or
- 52 (iii) another public or private system, organization, or company designated by the  
53 Board of Regents.

54 (c) Notwithstanding a person's employment classification assignment under  
55 Subsection (2)(b), a regular full-time employee who begins employment with an institution of  
56 higher education on or after May 11, 2010, has a one-time irrevocable election to continue  
57 participation in this system, if the employee has service credit in this system before the date of

58 employment.

59 (3) ~~[A] Notwithstanding an employment classification assignment change made under~~  
60 Subsection (2)(b), a regular full-time employee hired by an institution of higher education  
61 after January 1, 1979, whose employment classification requires participation in this system  
62 may elect to continue participation in this system ~~[upon change to an employment~~  
63 ~~classification which requires participation in:].~~

64 ~~[(a) an annuity plan with the Teachers' Insurance and Annuity Association of America;~~  
65 ~~or]~~

66 ~~[(b) another public or private system, organization, or company designated by the~~  
67 ~~Board of Regents.]~~

68 (4) A regular full-time employee hired by an institution of higher education after  
69 January 1, 1979, whose employment classification requires participation in this system shall  
70 participate in this system.

71 (5) (a) Notwithstanding any other provision of this section, a regular full-time  
72 employee of an institution of higher education shall have a one-time irrevocable election to  
73 participate in this system if the employee:

74 (i) was hired after January 1, 1979;

75 (ii) whose employment classification assignment under Subsection (2)(b) required  
76 participation in a retirement program other than this system; and

77 (iii) has service credit in a system under this title.

78 (b) The election under Subsection (5)(a) shall be made before June 30, 2010.

79 (c) All forms required by the office must be completed and received by the office no  
80 later than June 30, 2010, for the election to participate in this system to be effective.

81 (d) Beginning July 1, 2010, a regular full-time employee of an institution of higher  
82 education who elects to be covered by this system under Subsection (5)(a) may begin to accrue  
83 service credit in this system.

84 (6) A regular full-time employee of an institution of higher education who elects to be  
85 covered by this system under Subsection (2)(c) or (5)(a), may purchase periods of employment

86 while covered under another retirement program sponsored by the institution of higher  
87 education by complying with the requirements of Section 49-11-403.

88 (7) The board shall make rules to implement this section.

89 Section 2. Section **49-13-204** is amended to read:

90 **49-13-204. Higher education employees' eligibility requirements -- Election**  
91 **between different retirement plans -- Classification requirements -- Transfer between**  
92 **systems -- One-time election window -- Rulemaking.**

93 (1) (a) [~~Regular full-time employees of institutions~~] A regular full-time employee of an  
94 institution of higher education who [~~are~~] is eligible to participate in either this system or in a  
95 retirement annuity contract with the Teachers' Insurance and Annuity Association of America  
96 or with any other public or private system, organization, or company, designated by the Board  
97 of Regents, shall, not later than January 1, 1979, elect to participate exclusively in this system  
98 or in an annuity contract allowed under this Subsection (1)(a).

99 (b) The election is final, and no right exists to make any further election.

100 (2) (a) [~~A~~] Except as provided under Subsection (2)(c), a regular full-time employee  
101 hired by an institution of higher education after January 1, 1979, may participate only in the  
102 retirement plan which attaches to the person's employment classification.

103 (b) Each institution of higher education shall prepare or amend existing employment  
104 classifications, under the direction of the Board of Regents, so that each classification is  
105 assigned with either:

106 (i) this system;

107 (ii) the Teachers' Insurance and Annuity Association of America; or

108 (iii) another public or private system, organization, or company designated by the  
109 Board of Regents.

110 (c) Notwithstanding a person's employment classification assignment under  
111 Subsection (2)(b), a regular full-time employee who begins employment with an institution of  
112 higher education on or after May 11, 2010, has a one-time irrevocable election to continue  
113 participation in this system, if the employee has service credit in this system before the date of

114 employment.

115 (3) ~~[(A) Notwithstanding an employment classification assignment change made under~~  
116 ~~Subsection (2)(b), a regular full-time employee hired by an institution of higher education~~  
117 ~~after January 1, 1979, whose employment classification requires participation in this system~~  
118 ~~may elect to continue participation in this system [upon change to an employment~~  
119 ~~classification which requires participation in:].~~

120 ~~[(a) an annuity plan with the Teachers' Insurance and Annuity Association of America;~~  
121 ~~or]~~

122 ~~[(b) another public or private system, organization, or company designated by the~~  
123 ~~Board of Regents.]~~

124 (4) A regular full-time employee hired by an institution of higher education after  
125 January 1, 1979, whose employment classification requires participation in this system shall  
126 participate in this system.

127 (5) (a) Notwithstanding any other provision of this section, a regular full-time  
128 employee of an institution of higher education whose employment classification assignment  
129 under Subsection (2)(b) required participation in a retirement program other than this system  
130 shall have a one-time irrevocable election to participate in this system.

131 (b) The election under Subsection (5)(a) shall be made before June 30, 2010.

132 (c) All forms required by the office must be completed and received by the office no  
133 later than June 30, 2010, for the election to participate in this system to be effective.

134 (d) Beginning July 1, 2010, a regular full-time employee of an institution of higher  
135 education who elects to be covered by this system under Subsection (5)(a) may begin to accrue  
136 service credit in this system.

137 (6) A regular full-time employee of an institution of higher education who elects to be  
138 covered by this system under Subsection (2)(c) or (5)(a) may purchase periods of employment  
139 while covered under another retirement program by complying with the requirements of  
140 Section 49-11-403.

141 (7) The board shall make rules to implement this section.

