

## STATEMENT OF PURPOSE

### RS25684

Idaho Statute 59-1302 does not include a definition of "ineligible" or "termination from employment." This amendment to code is to add those two definitions, as well as amend the definitions of "disability retirement allowance," "early retirement allowance," "inactive member," "retirement," and "separation benefit" to clarify the meaning of those terms. Historical practice of the agency has been to use the term "ineligible" to define members who are not eligible, under statute, to participate and/or contribute as an employee of a PERSI employer, not eligible to receive a retirement benefit, or not eligible to receive a separation benefit. The lack of a specific definition of members who are not eligible has allowed some to attempt an interpretation of the code that is not in line with the intent of the statute or with requirements of a qualified plan. In addressing the definition of "ineligible," the phrase "termination from employment" is also used and needs defined in code to clarify its meaning for purposes of retirement.

### FISCAL NOTE

There would be no fiscal impact with the definitions added to this statute. Additional detail for these terms would clarify the current practices already employed under this statute.

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**DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).**