

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 579

BY EDUCATION COMMITTEE

AN ACT

1 RELATING TO EMPLOYMENT OF RETIRED TEACHERS OR ADMINISTRATORS; REPEALING
2 SECTION 3, CHAPTER 131, LAWS OF 2007, RELATING TO EMPLOYMENT OF CERTAIN
3 RETIREES; AND AMENDING SECTION 59-1356, IDAHO CODE, TO REMOVE A SUNSET
4 PROVISION.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 3, Chapter 131, Laws of 2007, be, and the same is
8 hereby repealed.

9 SECTION 2. That Section 59-1356, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 59-1356. REEMPLOYMENT OF RETIRED MEMBERS. (1) If an early retired mem-
12 ber is reemployed with the same employer within ninety (90) days from retir-
13 ing, or the early retired member is guaranteed reemployment with the same em-
14 ployer the member shall be considered to have continued in the status of an
15 employee and not to have separated from service. Any retirement allowance
16 payments received by the retired member shall be repaid to the system and
17 the retirement shall be negated. The month of last contribution prior to
18 the negated retirement and the month of initial contribution upon return to
19 reemployment shall be considered consecutive months of contributions in the
20 determination of an appropriate salary base period upon subsequent retire-
21 ment. A retired member is not considered to have separated from service if he
22 continues performing services for the same employer in any capacity includ-
23 ing, but not limited to, independent contractor, leased employee, or tempo-
24 rary services.

25 (2) Except as provided in subsection (3) of this section, when a re-
26 tired member meets the definition of an employee as defined in section
27 59-1302(14)(A)(a), Idaho Code, any benefit payable on behalf of such member
28 shall be suspended and any contributions payable by such member under sec-
29 tions 59-1331 through 59-1334, Idaho Code, shall again commence. The sus-
30 pended benefit, as adjusted pursuant to section 59-1355, Idaho Code, shall
31 resume upon subsequent retirement, along with a separate allowance computed
32 with respect to only that salary and service credited during the period of
33 reemployment. Any death benefit that becomes payable under the suspended
34 benefit shall be payable under section 59-1361(2), Idaho Code. Any death
35 benefit that becomes payable with respect to salary and service accrued dur-
36 ing the period of reemployment shall be payable under section 59-1361(3),
37 Idaho Code, if the member dies during the period of reemployment.

38 (3) If a retired member, who is receiving a benefit that is not reduced
39 under section 59-1346, Idaho Code, and who has been retired for more than six
40 (6) months, again becomes employed as defined in this section and section
41 59-1302(14)(A)(b), Idaho Code, as a result of being elected to a public of-

1 fice other than an office held prior to retirement, the retired member may
2 elect to continue receiving benefits and not accrue additional service, in
3 which event no contributions shall be made by the member or employer during
4 such reemployment and any benefit payable on behalf of such member shall con-
5 tinue.

6 (4) If a retired school teacher or administrator, who retired on or af-
7 ter age sixty-two (62) years and is receiving a benefit that is not reduced
8 under section 59-1346, Idaho Code, again becomes an employee as defined in
9 this section and section 59-1302(14), Idaho Code, as a result of returning
10 to employment with a school district as provided in section 33-1004H, Idaho
11 Code, the retired member may elect to continue receiving benefits and not ac-
12 crue additional service, in which event no contributions shall be made by
13 the member during such reemployment and any benefit payable on behalf of such
14 member shall continue. However, the school district shall pay the required
15 employer contribution for that employee to the public employee retirement
16 system. ~~After June 30, 2012, this subsection (4) shall no longer be in force~~
17 ~~and effect and the other provisions of this section shall be applicable to~~
18 ~~all employment, including the employment of retirees who were employed under~~
19 ~~section 33-1004H, Idaho Code, before that date.~~

20 (5) It is the responsibility of each employer to immediately report to
21 the retirement board the employment of any retired member so that benefit
22 payments can be suspended as provided in this section. If an employer fails
23 to properly report the employment of a retired member and it results in the
24 retirement board making benefit payments that should have been suspended,
25 the employer shall, in addition to paying delinquent employee and employer
26 contributions from the date of eligibility, also be responsible for repaying
27 to the retirement board the benefit payments made to the retired member that
28 should have been suspended, plus interest. The employer may then recoup such
29 payments from the retired member.

30 (6) For purposes of this section, "same employer" means the employer
31 for which the retired member last worked prior to retirement.