

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 136

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1
2 RELATING TO THE PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO; AMENDING SECTION
3 59-1356, IDAHO CODE, TO PROVIDE FOR THE REEMPLOYMENT OF CERTAIN RETIRED
4 MEMBERS.

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

6 SECTION 1. That Section 59-1356, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 59-1356. REEMPLOYMENT OF RETIRED MEMBERS. (1) If an early retired mem-
9 ber is reemployed with the same employer within ninety (90) days from retir-
10 ing, or the early retired member is guaranteed reemployment with the same em-
11 ployer, the member shall be considered to have continued in the status of an
12 employee and not to have separated from service. Any retirement allowance
13 payments received by the retired member shall be repaid to the system and
14 the retirement shall be negated. The month of last contribution prior to
15 the negated retirement and the month of initial contribution upon return to
16 reemployment shall be considered consecutive months of contributions in the
17 determination of an appropriate salary base period upon subsequent retire-
18 ment. A retired member is not considered to have separated from service if he
19 continues performing services for the same employer in any capacity includ-
20 ing, but not limited to, independent contractor, leased employee, or tempo-
21 rary services.

22 (2) Except as provided in subsection (3) of this section, when a re-
23 tired member meets the definition of an employee as defined in section
24 59-1302(14) (A) (a), Idaho Code, any benefit payable on behalf of such member
25 shall be suspended and any contributions payable by such member under sec-
26 tions 59-1331 through 59-1334, Idaho Code, shall again commence. The sus-
27 pended benefit, as adjusted pursuant to section 59-1355, Idaho Code, shall
28 resume upon subsequent retirement, along with a separate allowance computed
29 with respect to only that salary and service credited during the period of
30 reemployment. Any death benefit that becomes payable under the suspended
31 benefit shall be payable under section 59-1361(2), Idaho Code. Any death
32 benefit that becomes payable with respect to salary and service accrued dur-
33 ing the period of reemployment shall be payable under section 59-1361(3),
34 Idaho Code, if the member dies during the period of reemployment.

35 (3) If a retired member who is receiving a benefit that is not reduced
36 under section 59-1346, Idaho Code, and who has been retired for more than
37 six (6) months, again becomes employed as defined in this section and sec-
38 tion 59-1302(14) (A) (b), Idaho Code, as a result of being elected to a public
39 office other than an office held prior to retirement, the retired member may
40 elect to continue receiving benefits and not accrue additional service, in
41 which event no contributions shall be made by the member or employer during

1 such reemployment and any benefit payable on behalf of such member shall con-
2 tinue.

3 (4) If a retired ~~school teacher~~ schoolteacher or administrator who re-
4 tired on or after age sixty (60) years, or a public safety officer who re-
5 tired, and is receiving a benefit that is not reduced under section 59-1346,
6 Idaho Code, again becomes an employee as defined in this section and section
7 59-1302(14), Idaho Code, as a result of returning to employment with a school
8 district as provided in section 33-1004H, Idaho Code, the retired member may
9 elect to continue receiving benefits and not accrue additional service, in
10 which event no contributions shall be made by the member during such reem-
11 ployment and any benefit payable on behalf of such member shall continue.
12 However, the school district shall pay the required employer contribution
13 for that employee to the public employee retirement system.

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

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