

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 555

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO THE PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO; AMENDING SECTION
2 59-1302, IDAHO CODE, TO DEFINE A TERM; AMENDING SECTION 59-1322, IDAHO
3 CODE, TO PROVIDE FOR SEPARATE RATES OF CONTRIBUTION FOR CERTAIN EMPLOY-
4 ERS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 59-1333, IDAHO
5 CODE, TO PROVIDE FOR SCHOOL EMPLOYEES AND TO REMOVE A PROVISION REGARD-
6 ING SPECIFIED MEMBER RATES; AMENDING SECTION 59-1334, IDAHO CODE, TO
7 REMOVE A PROVISION REGARDING SPECIFIED MEMBER RATES; AMENDING CHAPTER
8 13, TITLE 59, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 59-1335, IDAHO
9 CODE, TO PROVIDE FOR CONTRIBUTIONS FROM SCHOOL EMPLOYEES; AMENDING SEC-
10 TION 59-1356, IDAHO CODE, TO PROVIDE FOR REEMPLOYMENT WITH AN EMPLOYER
11 PARTICIPATING IN THE PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO AND
12 TO MAKE TECHNICAL CORRECTIONS; REPEALING SECTION 59-1371, IDAHO CODE,
13 RELATING TO DEFINITIONS; REPEALING SECTION 59-1372, IDAHO CODE, RELAT-
14 ING TO THE TRANSFER OF ALL ASSETS, LIABILITIES, DUTIES, OBLIGATIONS,
15 AND RIGHTS TO EMPLOYEE SYSTEM; REPEALING SECTION 59-1373, IDAHO CODE,
16 RELATING TO ACCUMULATED TEACHER MEMBER CONTRIBUTIONS, REMAINING CON-
17 TRIBUTIONS, AND MEMBERSHIP SERVICE CREDIT; REPEALING SECTION 59-1374,
18 IDAHO CODE, RELATING TO EMPLOYERS, MEMBERS, AND EXCEPTIONS; REPEALING
19 SECTION 59-1375, IDAHO CODE, RELATING TO ANNUITANTS AND CONTRIBUTIONS
20 IN LIEU OF THE REQUIREMENT OF SIX MONTHS OF MEMBERSHIP SERVICE; RE-
21 PEALING SECTION 59-1376, IDAHO CODE, RELATING TO BENEFITS TO TEACHER
22 MEMBERS; AMENDING SECTION 33-2101A, IDAHO CODE, TO REMOVE CODE REFER-
23 ENCES; AND DECLARING AN EMERGENCY AND PROVIDING EFFECTIVE DATES.
24

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

26 SECTION 1. That Section 59-1302, Idaho Code, be, and the same is hereby
27 amended to read as follows:

28 59-1302. DEFINITIONS. (1) As used in this chapter, each of the terms
29 defined in this section shall have the meaning given in this section unless a
30 different meaning is clearly required by the context.

31 (2) "Active member" means any employee who is not establishing the
32 right to receive benefits through his or her employer's participation in any
33 other retirement system established for Idaho public employees, if such par-
34 ticipation is mandated by applicable Idaho statutes other than this chapter.
35 In no case will an employee be entitled to any benefit under this chapter
36 for public service if such employee is establishing retirement benefit en-
37 titlements by other Idaho statutes or federal statutes other than military
38 service or social security for that same service.

39 (3) "Accumulated contributions" means the sum of amounts contributed
40 by a member of the system, together with regular interest credit thereon.

1 (4) "Actuarial equivalent" means a benefit equal in value to another
2 benefit, when computed on the basis of the actuarial tables in use by the sys-
3 tem.

4 (5) "Actuarial tables" means such tables as shall have been adopted by
5 the board in accordance with recommendations of the actuary.

6 (5A) "Alternate payee" means a spouse or former spouse of a member who is
7 recognized by an approved domestic retirement order as having a right to all
8 or a portion of the accrued benefits in the retirement system with respect to
9 such member.

10 (5B) "Approved domestic retirement order" means a domestic retirement
11 order that creates or recognizes the existence of an alternate payee's right
12 or assigns to an alternate payee the right to all or a portion of the accrued
13 benefits of a member under the retirement system, that directs the system to
14 establish a segregated account or disburse benefits to an alternate payee,
15 and that the executive director of the retirement system has determined
16 meets the requirements of sections 59-1319 and 59-1320, Idaho Code.

17 (5C) "Average monthly salary" means the member's average salary during
18 the base period as calculated pursuant to rules adopted by the retirement
19 board.

20 (5D) (a) "Base period" means the period of fifty-four (54) consecutive
21 calendar months during which the member earned:

22 (i) The highest average salary; and

23 (ii) Membership service of at least one-half (1/2) the number of
24 months in the period, excluding months of service attributable to:

25 A. Military service;

26 B. Service qualifying as minimum benefit pursuant to sec-
27 tion 59-1342(5), Idaho Code; and

28 C. Worker's compensation income benefits.

29 (b) Effective October 1, 1993, the consecutive calendar months shall be
30 forty-eight (48). Effective October 1, 1994, the consecutive calendar
31 months shall be forty-two (42).

32 (c) Entitlement to a base period shall not vest until the effective date
33 of that base period. The retirement benefits shall be calculated on the
34 amounts, terms and conditions in effect at the date of the final contri-
35 bution by the member.

36 (d) If no base period exists for a member, the member's average monthly
37 salary shall be determined by the board, using standards not inconsis-
38 tent with those established in this subsection.

39 (e) To assure equitable treatment for all members, salary increments
40 inconsistent with usual compensation patterns may be disallowed by the
41 board in determining average monthly salary and base period.

42 (6) "Beneficiary" means the person who is nominated by the written des-
43 ignation of a member, duly executed and filed with the board, to receive the
44 death benefit.

45 (7) "Calendar year" means twelve (12) calendar months commencing on the
46 first day of January.

47 (7A) "Contingent annuitant" means the person designated by a member un-
48 der certain retirement options to receive benefit payments upon the death of
49 the member. The person so designated must be born and living on the effective
50 date of retirement.

1 (8) "Credited service" means the aggregate of membership service,
2 prior service and disabled service.

3 (9) "Date of establishment" means July 1, 1965, or a later date estab-
4 lished by the board or statute.

5 (10) "Death benefit" means the amount, if any, payable upon the death of
6 a member.

7 (11) "Disability retirement allowance" means the periodic payment be-
8 coming payable to a member who meets all applicable eligibility requirements
9 for disability retirement.

10 (12) "Disabled" means:

11 (a) That the member is prevented from engaging in any occupation or em-
12 ployment for remuneration or profit as a result of bodily injury or dis-
13 ease, either occupational or nonoccupational in cause, but excluding
14 disabilities resulting from service in the armed forces of any country
15 other than the United States, or from an intentionally self-inflicted
16 injury; and

17 (b) That the member will likely remain so disabled permanently and con-
18 tinuously during the remainder of the member's life.

19 It is not necessary that a person be absolutely helpless or entirely unable
20 to do anything worthy of compensation to be considered disabled. If the per-
21 son is so disabled that substantially all the avenues of employment are rea-
22 sonably closed to the person, that condition is within the meaning of "dis-
23 abled." In evaluating whether a person is disabled, medical factors and non-
24 medical factors including, but not limited to, education, economic and so-
25 cial environment, training and usable skills may be considered.

26 Refusal to submit to a medical examination ordered by the board before
27 the commencement of a disability retirement allowance or at any reasonable
28 time thereafter shall constitute proof that the member is not disabled. The
29 board shall be empowered to select for such medical examination one (1) or
30 more physicians or surgeons who are licensed to practice medicine and per-
31 form surgery. The fees and expenses of such examination shall be paid from
32 the administration account of the fund. No member shall be required to un-
33 dergo such examination more often than once each year after he has received a
34 disability retirement allowance continuously for two (2) years.

35 (12A) "Disabled service" means the total number of months elapsing from
36 the first day of the month next succeeding the final contribution of a member
37 prior to receiving a disability retirement allowance to the first day of the
38 month following the date of termination of such disability retirement al-
39 lowance. During such period, the member shall remain classified in the mem-
40 bership category held during the month of final contribution. The total num-
41 ber of months of disabled service credited for a person first becoming dis-
42 abled after the effective date of this chapter shall not exceed the excess,
43 if any, of three hundred sixty (360) over the total number of months of prior
44 service and membership service.

45 (12B) "Domestic retirement order" means any judgment, decree, or order,
46 including approval of a property settlement agreement that relates to the
47 provision of marital property rights to a spouse or former spouse of a mem-
48 ber, and is made pursuant to a domestic relations law, including the commu-
49 nity property law of the state of Idaho or of another state.

1 (13) "Early retirement allowance" means the periodic payment becoming
2 payable to a member who meets all applicable eligibility requirements for
3 early retirement.

4 (14) (A) "Employee" means:

5 (a) Any person who normally works twenty (20) hours or more per week for
6 an employer, or a schoolteacher who works half-time or more for an em-
7 ployer and who receives salary for services rendered for such employer;

8 (b) Elected officials or appointed officials of an employer who receive
9 a salary;

10 (c) A person who is separated from service with fewer than five (5) con-
11 secutive months of employment and who is reemployed or reinstated by the
12 same employer within thirty (30) days; or

13 (d) A person receiving differential wage payments as defined in 26
14 U.S.C. 3401(h) on or after July 1, 2009. A differential wage payment
15 generally refers to an employer payment to an employee called to active
16 duty in the uniformed services for more than thirty (30) days that rep-
17 represents all or a portion of the compensation he would have received from
18 the employer if he were performing services for the employer.

19 (B) "Employee" does not include employment as:

20 (a) A person rendering service to an employer in the capacity of an in-
21 dependent business, trade or profession; or

22 (b) A person whose employment with any employer does not total five (5)
23 consecutive months; or

24 (c) A person provided sheltered employment or made-work by a public em-
25 ployer in an employment or industries program maintained for the bene-
26 fit of such person; or

27 (d) An inmate of a state institution, whether or not receiving compen-
28 sation for services performed for the institution; or

29 (e) A student enrolled in an undergraduate, graduate, or career tech-
30 nical program at and employed by a state college, university, community
31 college or career technical center when such employment is predicated
32 on student status; or

33 (f) A person making contributions to the director of the office of
34 personnel management under the United States civil service system re-
35 tirement act except that a person who receives separate remuneration
36 for work currently performed for an employer and the United States gov-
37 ernment may elect to be a member of the retirement system in accordance
38 with rules of the board; or

39 (g) A person not under contract with a school district or charter
40 school, who on a day-to-day basis works as a substitute teacher replac-
41 ing a contracted teacher and is paid a substitute wage as established
42 by district policy or who on a day-to-day basis works as a substitute
43 assistant replacing a staff instruction assistant or a staff library
44 assistant and is paid a substitute wage as established by district pol-
45 icy; or

46 (h) A person occupying a position that does not exceed eight (8) con-
47 secutive months in a calendar year with a city, county, irrigation dis-
48 trict, cemetery district or mosquito abatement district when the city,
49 county, irrigation district, cemetery district or mosquito abatement
50 district has certified, in writing to the system, the position is: (i)

1 seasonal or casual; and (ii) affected by weather, including parks, golf
2 course positions and irrigation positions; or

3 (i) A person in a position that: (i) is eligible for participation in
4 an optional retirement program established under section 33-107A or
5 33-107B, Idaho Code; or (ii) would be eligible for participation in
6 an optional retirement program established under section 33-107A or
7 33-107B, Idaho Code, if the person was not working less than half-time
8 or fewer than twenty (20) hours per week.

9 (15) "Employer" means the state of Idaho, or any political subdivision
10 or governmental entity, provided such subdivision or entity has elected to
11 come into the system. Governmental entity means any organization composed
12 of units of government of Idaho or organizations funded only by government
13 or employee contributions or organizations that discharge governmental re-
14 sponsibilities or proprietary responsibilities that would otherwise be per-
15 formed by government. All governmental entities are deemed to be political
16 subdivisions for the purpose of this chapter. Provided however, that on and
17 after the effective date of this act, all new employers added to the public
18 employee retirement system must be in compliance with internal revenue regu-
19 lations governing governmental retirement plans.

20 (15A) "Final contribution" means the final contribution made by a mem-
21 ber pursuant to sections 59-1331 through 59-1334, Idaho Code.

22 (16) "Firefighter" means:

23 (a) An employee, including paid firefighters hired on or after October
24 1, 1980, whose primary occupation is that of preventing and extinguish-
25 ing fires as determined by the rules of the board; or

26 (b) The state fire marshal or the state fire marshal's deputies.

27 (17) "Fiscal year" means the period beginning on July 1 in any year and
28 ending on June 30 of the next succeeding year.

29 (18) "Fund" means the public employee retirement fund established by
30 this chapter.

31 (19) "Funding agent" means any bank or banks, trust company or trust
32 companies, legal reserve life insurance company or legal reserve life insur-
33 ance companies, or combinations thereof, any thrift institution or credit
34 union or any investment management firm or individual investment manager
35 selected by the board to hold and/or invest the employers' and members' con-
36 tributions and to pay certain benefits granted under this chapter.

37 (20) "Inactive member" means a former active member who is not an em-
38 ployee and is not receiving any form of retirement allowance, who has not re-
39 quested a separation benefit, or for whom a separation benefit has not become
40 payable.

41 (20A) "Ineligible" means:

42 (a) Not eligible to participate and not required to contribute as an em-
43 ployee when:

44 (i) The employer is not a current member of the public employee
45 retirement system of Idaho (PERSI);

46 (ii) The employee is not an employee as defined in subsection (14)
47 of this section; or

48 (iii) The employee is participating in the judges retirement fund,
49 the firefighters retirement fund or the optional retirement plan;

1 (b) Not eligible for retirement where there has been no termination of
2 employment from an employer participating in PERSI, the judges retire-
3 ment fund, the firefighters retirement fund or the optional retirement
4 plan or a withdrawn employer; or

5 (c) Not eligible to receive a separation benefit where there has been
6 no termination of employment from an employer participating in PERSI,
7 the judges retirement fund, the firefighters retirement fund or the op-
8 tional retirement plan or a withdrawn employer.

9 All state agencies, political subdivisions or governmental entities
10 that qualify as an employer as defined in subsection (15) of this section
11 or prior to April 4, 2017, were considered an employer and are currently
12 participating in PERSI are, for purposes of PERSI, deemed one (1) employer
13 beginning on the effective date of this act.

14 (20B) "Lifetime annuity" means periodic monthly payments of income by
15 the retirement system to an alternate payee.

16 (20C) "Lump sum distribution" means a payment by the retirement system
17 of the entire balance in the alternate payee's segregated account, together
18 with regular interest credited thereon.

19 (21) "Member" means an active member, inactive member or a retired mem-
20 ber.

21 (22) "Membership service" means military service that occurs after
22 the commencement of contributions payable under sections 59-1331 through
23 59-1334, Idaho Code, and service with respect to which contributions are
24 payable under sections 59-1331 through 59-1334, Idaho Code, which, except
25 for benefit calculations described in sections 59-1342 and 59-1353, Idaho
26 Code, includes service transferred to a segregated account under an approved
27 domestic retirement order.

28 (23) "Military service" means any period of active duty service in the
29 armed forces of the United States, including the national guard and re-
30 serves, under the provisions of title 10, title 32, and title 37, United
31 States code, that commences fewer than ninety (90) days after the person
32 ceases to be an employee and ends fewer than ninety (90) days before the per-
33 son again becomes an employee. Provided, if a member fails to again become
34 an employee as a result of his death while in active duty service, the member
35 shall be entitled to military service through the date of death. Provided
36 further, if a member fails to again become an employee due to a disability re-
37 tirement resulting from service in the armed forces of the United States, the
38 member shall be entitled to military service through the date the disability
39 allowance becomes payable. In no event shall military service include:

40 (a) Any period ended by dishonorable discharge or during which termina-
41 tion of such service is available but not accepted; or

42 (b) Any active duty service in excess of five (5) years if at the conve-
43 nience of the United States government, or in excess of four (4) years
44 if not at the convenience of the United States government, provided
45 additional membership service may be purchased as provided in section
46 59-1362, Idaho Code.

47 (24) (a) "Police officer" for retirement purposes shall be as defined in
48 section 59-1303, Idaho Code.

49 (b) "POST" means the Idaho peace officer standards and training council
50 established in chapter 51, title 19, Idaho Code.

1 (25) "Prior service" means any period prior to July 1, 1965, of military
2 service or of employment for the state of Idaho or any political subdivision
3 or other employer of each employee who is an active member or in military ser-
4 vice or on leave of absence on the date of establishment, provided, however,
5 an employee who was not an active member or in military service or on leave
6 of absence on the date of establishment shall receive credit for the member's
7 service prior to July 1, 1965, on the basis of recognizing two (2) months of
8 such service for each month of membership service. For the purpose of com-
9 puting such service, no deduction shall be made for any continuous period of
10 absence from service or military service of six (6) months or less.

11 (26) "Regular interest" means interest at the rate set from time to time
12 by the board.

13 (27) "Retired member" means a former active member receiving a retire-
14 ment allowance.

15 (28) "Retirement" means the acceptance of a retirement allowance under
16 this chapter upon termination of employment and, unless otherwise provided
17 by law, requires a termination of employment from an employer participating
18 in PERSI, the judges retirement fund, the firefighters retirement fund or
19 the optional retirement plan.

20 (29) "Retirement board" or "board" means the board provided for in sec-
21 tions 59-1304 and 59-1305, Idaho Code, to administer the retirement system.

22 (30) "Retirement system" or "system" means the public employee retire-
23 ment system of Idaho.

24 (31) (A) "Salary" means:

25 (a) The total salary or wages paid to a person who meets the definition
26 of employee by an employer for personal services performed and reported
27 by the employer for income tax purposes, including the cash value of all
28 remuneration in any medium other than cash.

29 (b) The total amount of any voluntary reduction in salary agreed to by
30 the member and employer where the reduction is used as an alternative
31 form of remuneration to the member.

32 (B) Salary in excess of the compensation limitations set forth in sec-
33 tion 401(a)(17) of the Internal Revenue Code shall be disregarded for
34 any person who becomes a member of the system on or after July 1, 1996.
35 The system had no limitations on compensation in effect on July 1, 1993.
36 The compensation limitations set forth in section 401(a)(17) of the In-
37 ternal Revenue Code shall not apply for an "eligible employee." For pur-
38 poses of this subsection, "eligible employee" is an individual who was a
39 member of the system before July 1, 1996.

40 (C) "Salary" does not include:

41 (a) Contributions by employers to employee-held medical savings ac-
42 counts, as those accounts are defined in section 63-3022K, Idaho Code.

43 (b) Lump sum payments inconsistent with usual compensation patterns
44 made by the employer to the employee only upon termination from service
45 including, but not limited to, vacation payoffs, sick leave payoffs,
46 early retirement incentive payments and bonuses.

47 (c) Differential wage payments as defined in 26 U.S.C. 3401(h). A dif-
48 ferential wage payment generally refers to an employer payment to an
49 employee called to active duty in the uniformed services for more than
50 thirty (30) days that represents all or a portion of the compensation he

1 would have received from the employer if he were performing services for
2 the employer.

3 (d) Employer payments to employees for or related to travel, mileage,
4 meals, lodging or subsistence expenses, without regard to the taxabil-
5 ity of such payments for federal income tax purposes and without regard
6 to the form of payment, including payment made as reimbursement of an
7 itemized expense voucher and payment made of an unvouchered expense al-
8 lowance.

9 (31A) "School employee" means any employee of any school district or
10 charter school employed as instructional staff, pupil service staff, or pro-
11 professionally endorsed staff and any staff holding a certificate pursuant to
12 section 33-1201A, Idaho Code, and school bus drivers and resource officers,
13 subject to the provisions of subsection (14) of this section.

14 (31B) "Segregated account" means the account established by the retire-
15 ment system for the alternate payee of a member who is not a retired member.
16 It shall include the months of credited service and accumulated contribu-
17 tions transferred from the member's account.

18 (32) "Separation benefit" means the amount, if any, pursuant to section
19 59-1359, Idaho Code.

20 (33) "Service" means being shown on an employer's payroll as an employee
21 receiving a salary. For each calendar month, service is credited only when a
22 member is an employee as defined in subsection (14) (A) of this section and is
23 employed for fifteen (15) days or more during the calendar month. Employment
24 of fourteen (14) days or less during any calendar month shall not be cred-
25 ited. No more than one (1) month of service shall be credited for all service
26 in any month.

27 (34) "Service retirement allowance" means the periodic payment becom-
28 ing payable upon an active member's ceasing to be an employee while eligible
29 for service retirement.

30 (35) "State" means the state of Idaho.

31 (35A) "Termination from employment" means the employee has separated
32 from employment, the employee has ended service with the employer and the em-
33 ployer has notified PERSI of the termination.

34 (36) "Vested member" means an active or inactive member who has at least
35 five (5) years of credited service, except that a member who at the time of
36 his separation from service:

37 (a) Held an office to which he had been elected by popular vote or having
38 a term fixed by the constitution, statute or charter or was appointed to
39 such office by an elected official; or

40 (b) Was the head or director of a department, division, agency, statu-
41 tory section or bureau of the state; or

42 (c) Was employed on or after July 1, 1965, by an elected official of
43 the state of Idaho and occupied a position exempt from the provisions of
44 chapter 53, title 67, Idaho Code; and

45 (d) Was not covered by a merit system for employees of the state of
46 Idaho;

47 is vested without regard to the length of credited service.

48 (37) The masculine pronoun, wherever used, shall include the feminine
49 pronoun.

1 SECTION 2. That Section 59-1322, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 59-1322. EMPLOYER CONTRIBUTIONS -- AMOUNTS -- RATES -- AMORTIZA-
4 TION. (1) Each employer shall contribute to the cost of the system. The
5 amount of the employer contributions shall consist of the sum of a percentage
6 of the salaries of members to be known as the "normal cost" and a percentage
7 of such salaries to be known as the "amortization payment." The rates of such
8 contributions shall be determined by the board on the basis of assets and
9 liabilities as shown by actuarial valuation, and such rates shall become
10 effective no later than January 1 of the second year following the year of
11 the most recent actuarial valuation, and shall remain effective until next
12 determined by the board.

13 (2) The normal cost rate shall be computed to be sufficient, when ap-
14 plied to the actuarial present value of the future salary of the average new
15 member entering the system, to provide for the payment of all prospective
16 benefits in respect to such member, which benefits are not provided by the
17 member's own contribution.

18 (3) The amortization rate shall not be less than the minimum amortiza-
19 tion rate computed pursuant to subsection (5) of this section, unless a one
20 (1) year grace period has been made effective by the board. During a grace
21 period, the amortization rate shall be no less than the rate in effect dur-
22 ing the immediately preceding year. A grace period may not be made effective
23 if more than one (1) other grace period has been effective in the immediately
24 preceding four (4) year period.

25 (4) Each of the following terms used in this subsection and in subsec-
26 tion (5) of this section shall have the following meanings:

27 (a) "Valuation" means the most recent actuarial valuation.

28 (b) "Valuation date" means the date of such valuation.

29 (c) "Effective date" means the date the rates of contributions based on
30 the valuation become effective pursuant to subsection (1) of this sec-
31 tion.

32 (d) "End date" means the date thirty (30) years after the valuation date
33 until July 1, 1993. On and after July 1, 1993, "end date" means twenty-
34 five (25) years after the valuation date.

35 (e) "Unfunded actuarial liability" means the excess of the actuarial
36 present value of (i) over the sum of the actuarial present values of
37 (ii), (iii), (iv) and (v) as follows, all determined by the valuation as
38 of the valuation date:

39 (i) all future benefits payable to all members and contingent an-
40 nuitants;

41 (ii) the assets then held by the funding agent for the payment of
42 benefits under this chapter;

43 (iii) the future normal costs payable in respect of all then active
44 members;

45 (iv) the future contributions payable under sections 59-1331
46 through 59-1334, Idaho Code, by all current active members;

47 (v) the future contributions payable to the retirement system un-
48 der sections 33-107A and 33-107B, Idaho Code.

1 (f) "Projected salaries" means the sum of the annual salaries of all
2 members in the system.

3 (g) "Scheduled amortization amount" means the actuarial present value
4 of future contributions payable as amortization payment from the valua-
5 tion date until the effective date.

6 (5) The minimum amortization payment rate shall be that percentage,
7 calculated as of the valuation date, of the then actuarial present value
8 of the projected salaries from the effective date to the end date which is
9 equivalent to the excess of the unfunded actuarial liability over the sched-
10 uled amortization amount.

11 (6) The board, in its discretion, may determine separate rates of con-
12 tribution for employers as described in subsection (1) of this section for
13 each of the following groups in accordance with differences in normal costs
14 between the groups:

15 (a) Police officers and firefighters;

16 (b) School employees; and

17 (c) All other members.

18 SECTION 3. That Section 59-1333, Idaho Code, be, and the same is hereby
19 amended to read as follows:

20 59-1333. CONTRIBUTIONS FROM EMPLOYEES. The contribution for a member
21 who is not classified as a police officer, ~~or firefighter, or school employee~~
22 shall be sixty percent (60%) of the employer contribution rate determined
23 pursuant to section 59-1322, Idaho Code, and rounded to the nearest one hun-
24 dredth percent (.01%) of salary; ~~provided, however, that such member rate~~
25 ~~effective October 1, 1985, shall remain at five and thirty-four hundredths~~
26 ~~percent (5.34%) of salary until the first time after October 1, 1985, that~~
27 ~~the employer rate is changed from eight and eighty-nine hundredths percent~~
28 ~~(8.89%) of salary.~~ The board is specifically authorized to certify to the
29 state controller the necessary adjustments in the rate of member contribu-
30 tions.

31 SECTION 4. That Section 59-1334, Idaho Code, be, and the same is hereby
32 amended to read as follows:

33 59-1334. CONTRIBUTIONS -- FROM POLICEMEN AND FIREFIGHTERS. The con-
34 tribution for a member who is classified as a police officer or firefighter
35 shall be seventy-two percent (72%) of the employer contribution rate deter-
36 mined pursuant to section 59-1322, Idaho Code, and rounded to the nearest one
37 hundredth percent (.01%) of salary; ~~provided, however, that such member rate~~
38 ~~effective October 1, 1985, shall remain at six and forty hundredths percent~~
39 ~~(6.40%) of salary until the first time after October 1, 1985, that the em-~~
40 ~~ployer rate is changed from eight and eighty-nine hundredths percent (8.89%)~~
41 ~~of salary.~~ The board is specifically authorized to certify to the state con-
42 troller the necessary adjustments in the rate of member contributions.

43 SECTION 5. That Chapter 13, Title 59, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 ignated as Section 59-1335, Idaho Code, and to read as follows:

1 59-1335. CONTRIBUTIONS -- FROM SCHOOL EMPLOYEES. The contribution
2 for a member who is classified as a school employee as defined in section
3 59-1302(31A), Idaho Code, shall be sixty percent (60%) of the employer
4 contribution rate determined pursuant to section 59-1322, Idaho Code, and
5 rounded to the nearest one hundredth percent (.01%) of salary. The board is
6 specifically authorized to certify to the state controller the necessary
7 adjustments in the rate of member contributions.

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

10 59-1356. REEMPLOYMENT OF RETIRED MEMBERS. (1) If an early retired
11 member is reemployed with ~~the same~~ an employer participating in the public
12 employee retirement system of Idaho within ninety (90) days from retiring,
13 or the early retired member is guaranteed reemployment with ~~the same~~ an em-
14 ployer participating in the public employee retirement system of Idaho, the
15 member shall be considered to have continued in the status of an employee
16 and not to have separated from service. Any retirement allowance payments
17 received by the retired member shall be repaid to the system and the retire-
18 ment shall be negated. The month of last contribution prior to the negated
19 retirement and the month of initial contribution upon return to reemployment
20 shall be considered consecutive months of contributions in the determina-
21 tion of an appropriate salary base period upon subsequent retirement. A
22 retired member is not considered to have separated from service if he contin-
23 ues performing services for ~~the same~~ an employer participating in the public
24 employee retirement system of Idaho in any capacity, including, but not lim-
25 ited to, independent contractor, leased employee, or temporary services.

26 (2) Except as provided in subsection (3), (4), and (5) of this sec-
27 tion, when a retired member meets the definition of an employee as defined
28 in section 59-1302(14) (A) (a), Idaho Code, any benefit payable on behalf of
29 such member shall be suspended and any contributions payable by such member
30 under sections 59-1331 through 59-1334, Idaho Code, shall again commence.
31 The suspended benefit, as adjusted pursuant to section 59-1355, Idaho Code,
32 shall resume upon subsequent retirement, along with a separate allowance
33 computed with respect ~~to~~ to that salary and service credited during the
34 period of reemployment. Any death benefit that becomes payable under the
35 suspended benefit shall be payable under section 59-1361(2), Idaho Code.
36 Any death benefit that becomes payable with respect to salary and service
37 accrued during the period of reemployment shall be payable under section
38 59-1361(3), Idaho Code, if the member dies during the period of reemploy-
39 ment.

40 (3) If a retired member who is receiving a benefit that is not reduced
41 under section 59-1346, Idaho Code, and who has been retired for more than
42 six (6) months, again becomes employed as defined in this section and sec-
43 tion 59-1302(14) (A) (b), Idaho Code, as a result of being elected to a public
44 office other than an office held prior to retirement, the retired member may
45 elect to continue receiving benefits and not accrue additional service, in
46 which event no contributions shall be made by the member or employer during
47 such reemployment and any benefit payable on behalf of such member shall con-
48 tinue.

1 (4) ~~If a retired schoolteacher, person qualified to drive school buses,~~
2 ~~or administrator school employee, as defined in section 59-1302(31A), Idaho~~
3 ~~Code, who retired on or after age sixty (60) years, or a retired public safety~~
4 ~~officer who retired returns to work as a school employee as defined in sec-~~
5 ~~tion 59-1302(31A), Idaho Code, and is receiving a benefit that is not reduced~~
6 ~~under section 59-1346, Idaho Code, again becomes an employee as defined in~~
7 ~~this section and section 59-1302(14), Idaho Code, as a result of returning~~
8 ~~to employment with a school district as provided in section 33-1004H, Idaho~~
9 ~~Code, the retired member may elect to continue receiving benefits and not ac-~~
10 ~~cruce additional service, in which event no contributions shall be made by~~
11 ~~the member during such reemployment and any benefit payable on behalf of such~~
12 ~~member shall continue. However, the school district shall pay the required~~
13 ~~employer contribution for that employee to the public employee retirement~~
14 ~~system.~~

15 (5) ~~If a retired member as defined in section 59-1302(27), Idaho Code,~~
16 ~~who retired prior to January 1, 2022, and retired on or after age fifty-five~~
17 ~~(55) years, or retired on or after age fifty (50) years for police officer~~
18 ~~or firefighter members, again becomes an employee as defined in this section~~
19 ~~and in section 59-1302(14), Idaho Code, as a result of returning to employ-~~
20 ~~ment with an employer as defined in section 59-1302(15), Idaho Code, the re-~~
21 ~~tired member may elect to continue receiving benefits and not to accrue ad-~~
22 ~~ditional service. In such a situation, no contributions shall be made by the~~
23 ~~member during the reemployment and any benefit payable on behalf of such mem-~~
24 ~~ber shall continue. This subsection shall no longer be in force and effect~~
25 ~~after June 30, 2026, however, the other provisions of this section shall re-~~
26 ~~main in full force and effect and shall remain applicable to all employment.~~

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

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

39 SECTION 7. That Section [59-1371](#), Idaho Code, be, and the same is hereby
40 repealed.

41 SECTION 8. That Section [59-1372](#), Idaho Code, be, and the same is hereby
42 repealed.

43 SECTION 9. That Section [59-1373](#), Idaho Code, be, and the same is hereby
44 repealed.

45 SECTION 10. That Section [59-1374](#), Idaho Code, be, and the same is hereby
46 repealed.

1 SECTION 11. That Section [59-1375](#), Idaho Code, be, and the same is hereby
2 repealed.

3 SECTION 12. That Section [59-1376](#), Idaho Code, be, and the same is hereby
4 repealed.

5 SECTION 13. That Section 33-2101A, Idaho Code, be, and the same is
6 hereby amended to read as follows:

7 33-2101A. JUNIOR COLLEGE SHALL MEAN COMMUNITY COLLEGE. Notwith-
8 standing any other provision of law, in sections 21-805, 21-806, 21-809,
9 23-404, 31-808, 33-101, 33-107, 33-107B, 33-601, 33-1252, 33-2101, 33-2102,
10 33-2103, 33-2104, 33-2105, 33-2106, 33-2107, 33-2107A, 33-2107B, 33-2107C,
11 33-2108, 33-2109A, 33-2110, 33-2110A, 33-2110B, 33-2111, 33-2112, 33-2113,
12 33-2114, 33-2115, 33-2116, 33-2117, 33-2118, 33-2119, 33-2121, 33-2122,
13 33-2123, 33-2124, 33-2125, 33-2126, 33-2130, 33-2135, 33-2137, 33-2138,
14 33-2139, 33-2141, 33-2142, 33-2143, 33-2144, 33-2211, 33-3716, 33-4001,
15 33-4003, 33-4004, 33-4006, 33-4201, 46-314, 50-1721, 57-1105A, 59-1324,
16 ~~59-1371, 59-1374~~, 67-2320, 67-2322 and 67-5332, Idaho Code, the term "junior
17 college" shall mean and shall be denoted as "community college."

18 SECTION 14. An emergency existing therefor, which emergency is hereby
19 declared to exist, Section 6 of this act shall be in full force and effect on
20 and after April 1, 2022; and Sections 1 through 5 and 7 through 13 of this act
21 shall be in full force and effect on and after July 1, 2022.