

Part 5 General Member Provisions

49-11-501 Refunds of member contributions -- Transfers of contributions to defined contribution plan.

- (1) If a member shall for any cause, except retirement, permanent or temporary disability, or death, terminate employment with a participating employer the member may leave the member contributions in the fund or may receive a refund of the member contributions as provided under this section.
- (2) A member who applies for a refund of member contributions shall apply in writing on forms provided by the office.
- (3) A refund of member contributions may not be made to a member within 60 days from the last date of the pay period for which contributions are made by or on behalf of the member.
- (4) If the member is reemployed by a participating employer within the time period under Subsection (3), the member is not eligible for a refund.
- (5) A member who receives a refund of member contributions forfeits the service credit based on those contributions.
- (6) A member who is exempted from or becomes ineligible for service credit in a system but who remains employed by a participating employer may request a direct transfer of member contributions to a qualified plan.
- (7) A member who remains employed with an employer which has withdrawn from a system may request a plan-to-plan transfer of member contributions to a qualified defined contribution plan administered by the board or a qualified plan offered by the member's employer.
- (8) Refund interest shall be paid on refunds of member contributions under this section.

Amended by Chapter 240, 2003 General Session

49-11-502 Redeposits of refunds -- Time period.

- (1)
 - (a) If a member receives a refund of member contributions and is subsequently reemployed in a position covered by a system or the Utah Governors' and Legislators' Retirement Plan, the participating employer or the member may redeposit an amount equal to the member contributions refunded and interest charged under Section 49-11-503.
 - (b) The interest shall be compounded annually from the date of refund through the month of payment.
 - (c) If a redeposit is made, service credit shall be restored to the member's account and credited to the same system or the Utah Governors' and Legislator's Retirement Plan from which the refund was taken.
- (2)
 - (a) A member may redeposit an amount equal to a prior refund of member contributions and interest charges in one lump sum or in monthly installments by payroll deduction in a time period determined by the office.
 - (b) If the total redeposit is not made prior to the member's retirement date, the amount of redeposit paid to the office shall be refunded to the member without interest and the member is not entitled to service credit based on the amount of the refund.
 - (c) The interest rate charged during the installment period shall be a fixed rate calculated at the time of the first installment payment in accordance with Section 49-11-503.

- (3) A member who redeposits a refund of member contributions under this section shall receive the amount of service credit forfeited in taking the refund.
- (4)
 - (a) For purposes of this section, the Public Employees' Contributory Retirement System created under Chapter 12, Public Employees' Contributory Retirement Act, and the Public Employees' Noncontributory Retirement System created under Chapter 13, Public Employees' Noncontributory Retirement Act, are considered one system.
 - (b) For purposes of this section, the Public Safety Contributory Retirement System created under Chapter 14, Public Safety Contributory Retirement Act, and the Public Safety Noncontributory Retirement System created under Chapter 15, Public Safety Noncontributory Retirement Act, are considered one system.
 - (c) For purposes of this section, the Judges' Contributory Retirement System created under Chapter 17, Judges' Contributory Retirement Act, and the Judges' Noncontributory Retirement System created under, Chapter 18, Judges' Noncontributory Retirement Act, are considered one system.
- (5)
 - (a) The board may make rules to allow a member to make the necessary payments to the office for redeposits under this title as permitted by federal law.
 - (b) The office may reject any payments if the office determines the tax status of the systems, plans, or programs may be jeopardized by allowing the payment.

Renumbered and Amended by Chapter 250, 2002 General Session

49-11-503 Rate of interest on redeposits, adjustments, and delinquent payments.

The rate of interest charged on redeposits of refunds, adjustments, or delinquent payments is the greater of:

- (1) the interest rate as determined under a formula approved by the board; or
- (2) the actuarial interest rate as of the preceding June 30.

Amended by Chapter 240, 2003 General Session

49-11-504 Reemployment of a retiree -- Restrictions.

- (1) As used in this section:
 - (a) "full-time" means:
 - (i) employment requiring 20 or more hours of work per week; or
 - (ii) at least a half-time teaching contract.
 - (b) "Reemployed," "reemploy," or "reemployment" means the same as those terms are defined in Section 49-11-1202.
- (2)
 - (a) Except for the provisions of Subsection (3), the provisions of this section do not apply to a person who is subject to the provisions of Chapter 11, Part 12, Postretirement Reemployment Restrictions Act.
 - (b) This section does not apply to employment as an elected official.
- (3) A person who is not a retiree under this title is not subject to any postretirement restrictions under this title.
- (4) A retiree of an agency who is reemployed may not earn additional service credit, if the retiree is reemployed by:
 - (a) a different agency; or

- (b) the same agency after six months from the retirement date.
- (5) A retiree of an agency who is reemployed on a full-time basis by the same agency within six months of the date of retirement is subject to the following:
 - (a) the agency shall immediately notify the office;
 - (b) the office shall cancel the retiree's allowance and reinstate the retiree to active member status;
 - (c) the allowance cancellation and reinstatement to active member status is effective on the first day of the month following the date of reemployment;
 - (d) the reinstated retiree may not retire again with a recalculated benefit for a two-year period from the date of cancellation of the original allowance, and if the retiree retires again within the two-year period, the original allowance shall be resumed; and
 - (e) a reinstated retiree retiring after the two-year period shall be credited with the service credit in the retiree's account at the time of the first retirement and from that time shall be treated as a member of a system, including the accrual of additional service credit, but subject to recalculation of the allowance under Subsection (9).
- (6) A retiree of an agency who is reemployed by the same agency within six months of retirement on a less than full-time basis by the same agency is subject to the following:
 - (a) the retiree may earn, without penalty, compensation from that position which is not in excess of the exempt earnings permitted by Social Security;
 - (b) if a retiree receives compensation in a calendar year in excess of the Social Security limitation, 25% of the allowance shall be suspended for the remainder of the six-month period;
 - (c) the effective date of a suspension and reinstatement of an allowance shall be set by the office; and
 - (d) any suspension of a retiree's allowance under this Subsection (6) shall be applied on a calendar year basis.
- (7) For six months immediately following retirement, the retiree and participating employer who are subject to Subsection (6) shall:
 - (a) maintain an accurate record of gross earnings in employment;
 - (b) report the gross earnings at least monthly to the office;
 - (c) immediately notify the office in writing of any postretirement earnings under Subsection (6); and
 - (d) immediately notify the office in writing whether postretirement earnings equal or exceed the exempt earnings under Subsection (6).
- (8)
 - (a) If a participating employer hires a retiree, the participating employer may not make a retirement related contribution in an amount that exceeds the normal cost rate as defined under Section 49-11-102 on behalf of the retiree under Subsections (8)(b) and (c).
 - (b) The contributions under Subsection (8)(a) are not required, but if paid, shall be paid to a retiree-designated:
 - (i) qualified defined contribution plan administered by the board, if the participating employer participates in a qualified defined contribution plan administered by the board; or
 - (ii) qualified defined contribution plan offered by the participating employer if the participating employer does not participate in a qualified defined contribution plan administered by the board.
 - (c) Notwithstanding the provisions of Subsection (8)(b), if an employer is not participating in a qualified defined contribution plan administered by the board, the employer may elect to pay the contributions under Subsection (8)(a) to a deferred compensation plan administered by the board.

- (9) A retiree who has returned to work, accrued additional service credit, and again retires shall have the retiree's allowance recalculated using:
- (a) the formula in effect at the date of the retiree's original retirement for all service credit accrued prior to that date; and
 - (b) the formula in effect at the date of the subsequent retirement for all service credit accrued between the first and subsequent retirement dates.
- (10) The board may make rules to implement this section.

Amended by Chapter 310, 2016 General Session