



Jeff Youtz
Director

Legislative Services Office Idaho State Legislature

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MEMORANDUM

TO: Rules Review Subcommittee of the Senate Commerce & Human Resources Committee and the House Commerce & Human Resources Committee
FROM: Deputy Division Manager - Eric Milstead
DATE: September 19, 2013
SUBJECT: PERSI (Public Employee Retirement System of Idaho)

IDAPA 59.01.06 - Rules Pertaining To The Retirement Rules of PERSI - vesting requirements (Docket No. 59-0106-1301)

The Public Employee retirement system of Idaho submits notice of proposed rulemaking at DAPA 59.01.06 - Rules Pertaining To The Retirement Rules of PERSI - vesting requirements. The proposed rule includes a new provision governing "pre-ERISA" vesting requirements. The agency notes that, pursuant to the Internal Revenue Code, PERSI is not subject to ERISA but is subject to pre-ERISA vesting requirements. The new section found in the proposed rule reflects PERSI's interpretation of those requirements.

The agency notes that negotiated rulemaking was not conducted because it would be inconsistent with the Retirement Board's exclusive fiduciary responsibility for plan operations.

The proposed rule appears to be authorized pursuant to sections 59-1314 and 72-1405, Idaho Code.

cc: PERSI (Public Employee Retirement System of Idaho)
Don Drum & Joanna L. Guilfooy