

Table of Contents

59.01.05 - SEPARATION FROM SERVICE RULES FOR THE PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO (PERSI)

| | |
|---|---|
| 000.LEGAL AUTHORITY (Rule 0)..... | 2 |
| 001.TITLE AND SCOPE (Rule 1). | 2 |
| 002.WRITTEN INTERPRETATIONS--AGENCY GUIDELINES (Rule 2)..... | 2 |
| 003.ADMINISTRATIVE APPEAL (Rule 3)..... | 2 |
| 004.PUBLIC RECORDS ACT COMPLIANCE (Rule 4). | 2 |
| 005.DEFINITIONS (Rule 5). | 2 |
| 006.CITATION (Rule 6). | 2 |
| 007.EFFECTIVE DATE (Rule 7)..... | 2 |
| 008. -- 099. (RESERVED). | 3 |
| 100.REPAYMENT OF SEPARATION BENEFITS--EMPLOYEE STATUS (Rule 100)..... | 3 |
| 101.INTEREST ACCRUAL AND CALCULATION ON SEPARATION BENEFITS (Rule 101). | 3 |
| 102.REPAYMENT OF SEPARATION BENEFITS BY EMPLOYEES PREVIOUSLY PRECLUDED FROM REPAYMENT (Rule 102). | 3 |
| 103.METHODS OF REPAYMENT OF SEPARATION BENEFITS (Rule 103)..... | 3 |
| 104.EMPLOYER "PICKUP" OF REINSTATEMENT PAYMENTS (Rule 104). | 4 |
| 105. -- 999. (RESERVED). | 4 |

**IDAPA 59
TITLE 01
Chapter 05**

**59.01.05 - SEPARATION FROM SERVICE RULES FOR THE PUBLIC EMPLOYEE
RETIREMENT SYSTEM OF IDAHO (PERSI)**

**Subchapter A -- General Provisions
(Rules 0 through 25 -- General Provisions)**

000. LEGAL AUTHORITY (Rule 0).

All PERSI rules are adopted under the legal authority of Sections 50-1507, 50-1508, 50-1524, 59-1301, 59-1305, 59-1314, 59-1372, 59-1383, 59-1392, 72-1405, and 72-1406, Idaho Code. (1-1-94)

001. TITLE AND SCOPE (Rule 1).

The title of this chapter is PERSI Separation from Service Rules. (1-1-94)

002. WRITTEN INTERPRETATIONS--AGENCY GUIDELINES (Rule 2).

Written interpretations of these rules, to the extent they exist, are available from PERSI, at the following locations:

PERSI Boise Office
607 North Eighth Street
Boise, Idaho 83702
Phone: 208/334-3365 or 1-800-451-8228
Fax: 208/334-4026

PERSI Pocatello Office
850 E. Center, Suite D
Pocatello, Idaho 83201
Phone: 208/236-6225 or 1-800-762-8228
Fax: 208/236-6159

PERSI Coeur d'Alene Office
2005 Ironwood Parkway, Suite 142
Coeur d'Alene, Idaho 83814
Phone: 208/769-1474 or 1-800-962-8228
Fax: 208/769-1476 (5-6-94)

003. ADMINISTRATIVE APPEAL (Rule 3).

Administrative appeals are conducted pursuant to PERSI Rules of Administrative Procedure, IDAPA 59.01.01, Rules 101 through 104 and 150 through 789. (1-1-94)

004. PUBLIC RECORDS ACT COMPLIANCE (Rule 4).

All rules required to be adopted by this chapter are public records. (1-1-94)

005. DEFINITIONS (Rule 5).

PERSI adopts through incorporation by reference as if set forth fully herein all of the definitions listed in Eligibility Rules of the Public Employee Retirement System of Idaho, IDAPA 59.01.02, Rule 5. (1-1-94)

006. CITATION (Rule 6).

The official citation of this chapter is IDAPA 59.01.05.000, et seq. For example, this section's citation is IDAPA 59.01.05.006. In documents submitted to PERSI or issued by PERSI these rules may be cited as PERSI Separation Rule and action number less leading zeros. For example, this rule may be cited as PERSI Separation Rule 6. (1-1-94)

007. EFFECTIVE DATE (Rule 7).

Unless otherwise indicated in the bracketed material following each rule, the effective date of every rule in this

chapter is January 1, 1994.

(1-1-94)

008. -- 099. (RESERVED).

**Subchapter B -- General Members
Rule 100 through 250**

100. REPAYMENT OF SEPARATION BENEFITS--EMPLOYEE STATUS (Rule 100).

Repayment of a separation benefit must commence while the member is an employee, as defined in Section 59-1302(14), Idaho Code. For purposes of this rule the term employee includes employees accruing benefits under the Department of Employment Retirement Plan, the Firefighters' Retirement Fund, the Policeman's Retirement Fund, and the Optional Retirement Program.

Statutory Reference: Section 59-1360, Idaho Code.

(1-1-94)

101. INTEREST ACCRUAL AND CALCULATION ON SEPARATION BENEFITS (Rule 101).

Repayment of separation benefits as provided in Section 59-1360, Idaho Code, for employees whose most recent date of reemployment is after January 23, 1990, shall include payment of interest that shall accrue from the date each separation benefit was issued. Repayment of separation benefits as provided in Section 59-1360, Idaho Code, for employees whose most recent date of reemployment is before January 23, 1990, shall include payment of interest as determined by the law, statutes and rules in effect on the date of last reinstatement to employee status, except as provided in Rule 102, of this chapter.

Statutory Reference: Section 59-1360, Idaho Code.

(1-1-94)

102. REPAYMENT OF SEPARATION BENEFITS BY EMPLOYEES PREVIOUSLY PRECLUDED FROM REPAYMENT (Rule 102).

Any employee who was precluded from repaying a separation benefit due to the fact they failed to meet the requirements of Section 59-1360, Idaho Code (previously 59-1307, Idaho Code), because they: Failed to repay the benefit within six (6) months, as the law required between July 1, 1963 and July 1, 1971; Failed to repay the benefit within two (2) years, as the law required between July 1, 1971 and March 15, 1976; Had more than five (5) years between periods of employee status, as the law provided between July 1, 1963 and July 1, 1971; and/or Had more than ten (10) years between periods of employee status, as the law provided between July 1, 1971 and July 1, 1991; may reinstate their previous credited service by repaying the full amount of their accumulated contributions provided such repayment includes payment of regular interest accruing from the date of each such separation benefit payment.

Statutory Reference: Section 59-1360, Idaho Code. Cross References: 59.01.07.100.

(1-1-94)

103. METHODS OF REPAYMENT OF SEPARATION BENEFITS (Rule 103).

01. Periodic And Lump-Sum Payments. Where an active member elects to repay a separation benefit to reinstate previous service as provided in Section 59-1360, Idaho Code, the member may request that repayment be made in periodic payments or in a lump-sum payment. No service will be reinstated until the full repayment has been made. (3-30-01)

02. Repayments Initiated On Or After March 1, 2000. For all repayments initiated on or after March 1, 2000, except as provided in Rule 101 of this chapter, a repayment amount will be determined which shall be the sum of the separation benefit(s) plus regular interest from the date of the benefit payment(s) until the date of the first payment. The repayment amount will be amortized over the repayment period at the reinstatement rate in effect on the date of the first periodic payment. (3-30-01)

03. Repayments Initiated Before March 1, 2000. For all periodic repayments initiated before March 1, 2000, a repayment amount will be determined which shall be the sum of the separation benefit(s) plus regular interest from the date of the benefit payment(s) until the date of the first payment. The repayment amount will be amortized over the repayment period at four point seventy-five percent (4.75%) interest. This is a grandfathered rate based on the rate in effect December 31, 1999, and will apply so long as payments exceed interest charges on a

calendar year basis. If payments fail to exceed interest charges in any calendar year, the grandfathered rate will be forfeited and replaced by the reinstatement rate beginning in January immediately after the year in which the failure occurs. For purposes of these rules, a repayment is initiated by signing an agreement and making a payment.

(3-30-01)

104. EMPLOYER “PICKUP” OF REINSTATEMENT PAYMENTS (Rule 104).

01. Periodic Pre-Tax Payments. Payroll deduction payments may be made pre-tax under the employer pickup provision referenced in Section 59-1332, Idaho Code, only if the member authorizes an irrevocable payroll deduction. Once executed, the deduction cannot be changed or revoked. If the member terminates employment the member may continue making payments directly to PERSI but they will not be considered pre-tax until they are picked up by a subsequent irrevocable payroll deduction, approved by PERSI, and executed with another PERSI employer.

(3-30-01)

02. Multiple Irrevocable Payroll Deductions. Members who have previously authorized an irrevocable payroll deduction for purposes of making periodic pre-tax payments to reinstate previous credited service as provided in Section 59-1360, Idaho Code, may increase repayments by executing additional irrevocable payroll deductions to supplement the previously authorized deductions so long as the previous irrevocable deductions are not modified or terminated.

(3-30-01)

105. -- 999. (RESERVED).

Subject Index

D

Definitions, IDAPA 59.01.04, PERSI
Separation From Service Rules 2

E

Employer “Pickup” Of Reinstatement
Payments 4

I

Interest Accrual And Calculation On
Separation Benefits, PERSI 3

M

Methods Of Repayment Of Separation
Benefits, PERSI 3

Multiple Irrevocable Payroll
Deductions, Reinstatement
Payments 4

P

Periodic Pre-Tax Payments,
Reinstatement Payments 4

R

Repayment Of Separation Benefits By
Employees Previously Precluded
From Repayment, PERSI 3
Repayment Of Separation Benefits--
Employee Status, PERSI 3