

1 **Public Safety Retirement Amendments**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ryan D. Wilcox

Senate Sponsor:

3 **LONG TITLE**

4 **General Description:**

5 This bill modifies provisions governing postretirement reemployment.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ allows a public safety retiree within the Utah Retirement Systems (URS) to return to work
9 for a URS participating employer without affecting the retiree's retirement allowance, if
10 the retiree returns to work for a local education agency providing law enforcement
11 services and meets other specified criteria.

12 **Money Appropriated in this Bill:**

13 None

14 **Other Special Clauses:**

15 This bill provides a special effective date.

16 **Utah Code Sections Affected:**

17 AMENDS:

18 **49-11-1205**, as last amended by Laws of Utah 2024, Chapter 405

19 **49-11-1206**, as last amended by Laws of Utah 2024, Chapter 405

21 *Be it enacted by the Legislature of the state of Utah:*

22 Section 1. Section **49-11-1205** is amended to read:

23 **49-11-1205 . Postretirement reemployment restriction exceptions.**

24 (1)(a) The office may not cancel the retirement allowance of a retiree who is reemployed
25 with a participating employer within one year of the retiree's retirement date if:

26 (i) the retiree is not reemployed by a participating employer for a period of at least 60
27 days from the retiree's retirement date;

28 (ii) the retiree has a bona fide termination of employment on the retiree's retirement
29 date;

30 (iii) upon reemployment after the break in service under Subsection (1)(a)(i), the

- 31 retiree does not receive any employer paid benefits, including:
- 32 (A) retirement service credit or retirement-related contributions;
- 33 (B) medical benefits;
- 34 (C) dental benefits;
- 35 (D) other insurance benefits except for workers' compensation as provided under
- 36 Title 34A, Chapter 2, Workers' Compensation Act, Title 34A, Chapter 3, Utah
- 37 Occupational Disease Act, and withholdings required by federal or state law
- 38 for social security, Medicare, and unemployment insurance; or
- 39 (E) paid time off, including sick, annual, or other type of leave; and
- 40 (iv)(A) the retiree does not earn in any calendar year of reemployment an amount
- 41 in excess of the lesser of \$15,000 or one-half of the retiree's final average
- 42 salary upon which the retiree's retirement allowance is based; or
- 43 (B) the retiree is reemployed as a judge as defined under Section 78A-11-102.
- 44 (b) The board shall adjust the amounts under Subsection (1)(a)(iv) by the annual change
- 45 in the Consumer Price Index during the previous calendar year as measured by a
- 46 United States Bureau of Labor Statistics Consumer Price Index average as
- 47 determined by the board.
- 48 (2) A retiree shall be considered as having completed the one-year separation from
- 49 employment with a participating employer described in Section 49-11-1204, if the
- 50 retiree:
- 51 (a) before retiring:
- 52 (i) was employed with a participating employer as a public safety service employee
- 53 as defined in Section 49-14-102, 49-15-102, or 49-23-102;
- 54 (ii) during the employment under Subsection (2)(a)(i), suffered a physical injury
- 55 resulting from external force or violence while performing the duties of the
- 56 employment, for which injury the retiree would have been approved for total
- 57 disability in accordance with the provisions under Chapter 21, Public Employees'
- 58 Long-Term Disability Act, if years of service are not considered;
- 59 (iii) had less than 30 years of service credit but had sufficient service credit to retire,
- 60 with an unreduced allowance making the public safety service employee ineligible
- 61 for long-term disability payments under Chapter 21, Public Employees'
- 62 Long-Term Disability Act, or a substantially similar long-term disability program;
- 63 (iv) does not receive any long-term disability benefits from any participating
- 64 employer; and

- 65 (v) is at least 50 years old; and
- 66 (b) is reemployed by a different participating employer.
- 67 (3)(a) The office may not cancel the retirement allowance of a retiree who is employed
- 68 as an affiliated emergency services worker within one year of the retiree's retirement
- 69 date if the affiliated emergency services worker does not receive any compensation,
- 70 except for:
- 71 (i) a nominal fee, stipend, discount, tax credit, voucher, or other fixed sum of money
- 72 or cash equivalent payment not tied to productivity and paid periodically for
- 73 services;
- 74 (ii) a length-of-service award;
- 75 (iii) insurance policy premiums paid by the participating employer in the event of
- 76 death of an affiliated emergency services worker or a line-of-duty accidental death
- 77 or disability; or
- 78 (iv) reimbursement of expenses incurred in the performance of duties.
- 79 (b) For purposes of Subsections (3)(a)(i) and (ii), the total amount of any discounts, tax
- 80 credits, vouchers, and payments to an affiliated emergency services worker may not
- 81 exceed \$500 per month.
- 82 (c) The board shall adjust the amount under Subsection (3)(b) by the annual change in
- 83 the Consumer Price Index during the previous calendar year as measured by a United
- 84 States Bureau of Labor Statistics Consumer Price Index average as determined by the
- 85 board.
- 86 (d) A retiree is eligible for an exemption from the requirement to cease service without
- 87 cancellation of a retirement allowance under this Subsection (3) only if the retiree, at
- 88 the time of retirement, is at least:
- 89 (i) 50 years old, if the retiree is retiring from a public safety system or a firefighter
- 90 system; or
- 91 (ii) 55 years old.
- 92 (4)(a) The office may not cancel the retirement allowance of a retiree who is employed
- 93 as a part-time appointed or elected board member within one year after the retiree's
- 94 retirement date if the part-time appointed or elected board member does not receive
- 95 any compensation exceeding the amount described in this Subsection (4).
- 96 (b) A retiree who is a part-time appointed or elected board member for one or more
- 97 boards, commissions, councils, committees, panels, or other bodies of participating
- 98 employers:

- 99 (i) may receive an aggregate amount of compensation, remuneration, a stipend, or
100 other benefit for service on a single or multiple boards, commissions, councils,
101 committees, panels, or other bodies of no more than \$5,000 per year; and
102 (ii) may not receive an employer paid retirement service credit or retirement-related
103 contribution.
- 104 (c) For purposes of Subsection (4)(b)(i):
- 105 (i) a part-time appointed or elected board member's compensation includes:
- 106 (A) an amount paid for the part-time appointed or elected board member's
107 coverage in a group insurance plan provided by the participating employer; and
108 (B) the part-time appointed or elected board member's receipt of any other benefit
109 provided by the participating employer; and
- 110 (ii) the part-time appointed or elected board member's compensation does not include:
- 111 (A) an amount the participating employer pays for employer-matching
112 employment taxes, if the participating employer treats the part-time appointed
113 or elected board member as an employee for federal tax purposes; or
114 (B) an amount that the part-time appointed or elected board member receives for
115 per diem and travel expenses for up to 12 approved meetings or activities of
116 the government board per year, if the per diem and travel expenses do not
117 exceed the amounts established by the Division of Finance under Sections
118 63A-3-106 and 63A-3-107 or by rules made by the Division of Finance
119 according to Sections 63A-3-106 and 63A-3-107.
- 120 (d) The board shall adjust the amount under Subsection (4)(b)(i) by the annual change in
121 the Consumer Price Index during the previous calendar year as measured by a United
122 States Bureau of Labor Statistics Consumer Price Index average, as determined by
123 the board.
- 124 (5)(a) The office may not cancel the retirement allowance of a retiree who is reemployed
125 with a participating employer within one year of the retiree's retirement date if:
- 126 (i) the retiree has a bona fide termination of employment on the retiree's retirement
127 date;
- 128 (ii) the retiree is not employed, including by a fee-for-service relationship, with any
129 participating employer for a period of:
- 130 (A) at least 90 days if the retiree is a public employee retiree; or
131 (B) at least 90 days if the retiree is a public safety or firefighter retiree;
- 132 (iii) the retiree agrees to a modified retirement allowance as described in Subsections

- 133 (5)(b), (c), and (d); and
- 134 (iv) the participating employer that reemploys the retiree agrees to pay to the office
- 135 the normal cost rate in addition to the amortization rate.
- 136 (b) During a period of reemployment, the retiree:
- 137 (i) receives a retirement allowance that is 20% less than the retirement allowance the
- 138 retiree is entitled to receive in accordance with:
- 139 (A) for a retiree who retired under Chapter 12, Public Employees' Contributory
- 140 Retirement Act, Section 49-12-402;
- 141 (B) for a retiree who retired under Chapter 13, Public Employees' Noncontributory
- 142 Retirement Act, Section 49-13-402; or
- 143 (C) for a retiree who retired under Chapter 22, Part 3, Tier II Hybrid Retirement
- 144 System, Section 49-22-305; or
- 145 (ii) a retirement allowance that is 15% less than the retirement allowance the retiree is
- 146 entitled to receive in accordance with:
- 147 (A) for a retiree who retired under Chapter 14, Public Safety Contributory
- 148 Retirement Act, Section 49-14-402;
- 149 (B) for a retiree who retired under Chapter 15, Public Safety Noncontributory
- 150 Retirement Act, Section 49-15-402;
- 151 (C) for a retiree who retired under Chapter 16, Firefighters' Retirement Act,
- 152 Section 49-16-402; or
- 153 (D) for a retiree who retired under Chapter 23, Part 3, Tier II Hybrid Retirement
- 154 System, Section 49-23-304.
- 155 (c) During the period of reemployment, the retiree does not receive the annual
- 156 cost-of-living adjustment described in:
- 157 (i) for a retiree who retired under Chapter 12, Public Employees' Contributory
- 158 Retirement Act, Section 49-12-407;
- 159 (ii) for a retiree who retired under Chapter 13, Public Employees' Noncontributory
- 160 Retirement Act, Section 49-13-407;
- 161 (iii) for a retiree who retired under Chapter 14, Public Safety Contributory
- 162 Retirement Act, Section 49-14-403;
- 163 (iv) for a retiree who retired under Chapter 15, Public Safety Noncontributory
- 164 Retirement Act, Section 49-15-403;
- 165 (v) for a retiree who retired under Chapter 16, Firefighters' Retirement Act, Section
- 166 49-16-403;

- 167 (vi) for a retiree who retired under Chapter 22, Part 3, Tier II Hybrid Retirement
168 System, Section 49-22-308; or
- 169 (vii) for a retiree who retired under Chapter 23, Part 3, Tier II Hybrid Retirement
170 System, Section 49-23-307.
- 171 (d)(i) The office shall begin paying the retiree's full retirement allowance on the first
172 day of the month following the month in which the office receives written
173 notification that the reemployed retiree has a subsequent retirement date based on
174 a termination of the reemployment.
- 175 (ii)(A) For purposes of Subsection (5)(d)(i), the full retirement allowance includes
176 the elimination of the allowance reduction described in Subsection (5)(b)(i) or
177 (5)(b)(ii) and the annual cost-of-living adjustment that was prohibited under
178 Subsection (5)(c) during the period of reemployment.
- 179 (B) A retiree may not receive the difference between the full retirement allowance
180 and the reduced retirement allowance described in Subsection (5)(b)(i) or
181 (5)(b)(ii) or the annual cost-of-living adjustment that the retiree would have
182 received if the retiree had not been reemployed.
- 183 (6) The office may not cancel the retirement allowance of a retiree who is reemployed with
184 a participating employer within one year of the retiree's retirement date if:
- 185 (a) the retiree has a bona fide termination of employment on the retiree's retirement date;
186 (b) the retiree retires under:
- 187 (i) Chapter 14, Public Safety Contributory Retirement Act;
188 (ii) Chapter 15, Public Safety Noncontributory Retirement Act; or
189 (iii) Chapter 23, New Public Safety and Firefighter Tier II Contributory Retirement
190 Act, if the retiree is a public safety service employee as defined in Section
191 49-23-102;
- 192 (c) the retiree is reemployed by a participating employer that is a local education agency
193 as defined in Section 53E-1-102 to provide law enforcement services; and
- 194 (d) the retiree is not employed, including by a fee-for-service relationship, with any
195 participating employer for a period of at least 30 days after the retiree's retirement
196 date.
- 197 [~~6~~] (7)(a) If a retiree is reemployed under the provisions of Subsection (1) or (4), the
198 termination date of the reemployment, as confirmed in writing by the participating
199 employer, is considered the retiree's retirement date for the purpose of calculating the
200 separation requirement described in Section 49-11-1204.

201 (b) The office shall cancel the retirement allowance of a retiree for the remainder of the
202 calendar year if the reemployment with a participating employer exceeds the
203 limitation under Subsection (1)(a)(iv), (3)(b), or (4)(b).

204 [~~(7)~~] (8) A retiree who is reemployed under the provisions of Subsection (5) or (6) may not
205 subsequently be reemployed under Section 49-11-1204 unless the office cancels the
206 retirement allowance during the subsequent reemployment.

207 Section 2. Section **49-11-1206** is amended to read:

208 **49-11-1206 . Notice of postretirement reemployment.**

209 (1) A participating employer shall immediately notify the office:

210 (a) if the participating employer reemploys a retiree;

211 (b) whether the reemployment is subject to Section 49-11-1204 or Subsection
212 49-11-1205(1), (2), (3), [~~or (5)~~] (5), or (6); and

213 (c) of any election by the retiree under Section 49-11-1204.

214 (2) A participating employer shall certify to the office whether the position of an elected
215 official is or is not full time.

216 (3) A retiree subject to this part shall report to the office the status of the reemployment
217 under Section 49-11-1204 or 49-11-1205.

218 Section 3. **Effective Date.**

219 This bill takes effect on July 1, 2025.