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1	UTAH RETIREMENT SYSTEMS REVISIONS
2	2023 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Walt Brooks
5	Senate Sponsor: Wayne A. Harper
6	
7	LONG TITLE
8	General Description:
9	This bill amends the Utah State Retirement and Insurance Benefit Act (the Act).
10	Highlighted Provisions:
11	This bill:
12	 authorizes the docketing of an abstract of a final administrative order with the court
13	for purposes of creating a lien and other collection remedies against a person who
14	owes money under the Act;
15	 clarifies whose decision triggers the time period for a person to request a review of
16	a decision related to a benefit, right, obligation, or employment right under the Act;
17	updates terminology to reflect defined terms;
18	 creates review and compliance requirements for an individual receiving a long-term
19	disability benefit; and
20	makes technical and conforming changes.
21	Money Appropriated in this Bill:
22	None
23	Other Special Clauses:
24	None
25	Utah Code Sections Affected:
26	AMENDS:
27	49-11-613, as last amended by Laws of Utah 2021, Chapter 193
28	49-11-613.5, as last amended by Laws of Utah 2021, Chapter 193
29	49-14-201, as last amended by Laws of Utah 2022, Chapter 171

30 **49-16-102**, as last amended by Laws of Utah 2022, Chapter 171 31 **49-16-701**, as last amended by Laws of Utah 2011, Chapter 439 32 **49-21-402**, as last amended by Laws of Utah 2019, Chapter 349 **49-21-406**, as last amended by Laws of Utah 2019, Chapter 349 33 **49-23-301**, as last amended by Laws of Utah 2020, Chapter 437 34 35 49-23-601, as last amended by Laws of Utah 2012, Chapter 298 36 37 *Be it enacted by the Legislature of the state of Utah:* 38 Section 1. Section 49-11-613 is amended to read: 39 49-11-613. Appeals procedure -- Right of appeal to hearing officer -- Board reconsideration -- Judicial review -- Docketing abstract of final administrative order. 40 41 (1) (a) A member, retiree, participant, alternative payee, covered individual, employer, participating employer, and covered employer shall inform themselves of their benefits, rights, 42 obligations, and employment rights under this title. 43 (b) Subject to Subsection (8), any dispute regarding a benefit, right, obligation, or 44 45 employment right under this title is subject to the procedures provided under this section. 46 (c) (i) A person who disputes a benefit, right, obligation, or employment right under 47 this title shall request a ruling by the executive director who may delegate the decision to the 48 deputy director. 49 (ii) A request for a ruling to the executive director under this section shall constitute 50 the initiation of an action for purposes of the limitations periods described in Section 51 49-11-613.5. 52 (d) A person who is dissatisfied by a ruling under Subsection (1)(c) with respect to any 53 benefit, right, obligation, or employment right under this title may request a review of that 54 claim by a hearing officer within the time period described in Section 49-11-613.5. 55 (e) (i) The executive director, on behalf of the board, may request that the hearing 56 officer review a dispute regarding any benefit, right, obligation, or employment right under this 57 title by filing a notice of board action and providing notice to all affected parties in accordance

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58	with rules adopted by the board.
59	(ii) The filing of a notice of board action shall constitute the initiation of an action for
60	purposes of the limitations periods described in Section 49-11-613.5.
61	(2) The hearing officer shall:
62	(a) be hired by the executive director after consultation with the board;
63	(b) follow and enforce the procedures and requirements of:
64	(i) this title;
65	(ii) the rules adopted by the board in accordance with Subsection $[(9)]$ (10); and
66	(iii) Title 63G, Chapter 4, Administrative Procedures Act, except as specifically
67	modified under this title or the rules adopted by the board in accordance with Subsection [(9)]
68	<u>(10);</u>
69	(c) hear and determine all facts relevant to a decision, including facts pertaining to
70	applications for benefits under any system, plan, or program under this title and all matters
71	pertaining to the administration of the office; and
72	(d) make conclusions of law in determining the person's rights under any system, plan,
73	or program under this title and matters pertaining to the administration of the office.
74	(3) The board shall review and approve or deny all decisions of the hearing officer in
75	accordance with rules adopted by the board in accordance with Subsection $[(9)]$ (10).
76	(4) The moving party in any proceeding brought under this section shall bear the
77	burden of proof.
78	(5) A party may file an application for reconsideration by the board upon any of the
79	following grounds:
80	(a) that the board acted in excess of the board's powers;

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- (b) that the order or the award was procured by fraud;
- (c) that the evidence does not justify the determination of the hearing officer; or
- 83 (d) that the party has discovered new material evidence that could not, with reasonable 84 diligence, have been discovered or procured prior to the hearing.
 - (6) The board shall affirm, reverse, or modify the decision of the hearing officer, or

86	remand the application to the hearing officer for further consideration.
87	(7) A party aggrieved by the board's final decision under Subsection (6) may obtain
88	judicial review by complying with the procedures and requirements of:
89	(a) this title;
90	(b) rules adopted by the board in accordance with Subsection $[(9)]$ (10); and
91	(c) Title 63G, Chapter 4, Administrative Procedures Act, except as specifically
92	modified under this title or the rules adopted by the board in accordance with Subsection [(9)]
93	<u>(10)</u> .
94	(8) The program shall provide an appeals process for medical claims that complies
95	with federal law.
96	(9) (a) (i) Any interested party may file, in a district court of any county in the state, an
97	abstract of a final administrative order approved by the board in accordance with this section.
98	(ii) Upon receiving the filing of an abstract, the clerk of the district court shall:
99	(A) docket the abstract; and
100	(B) note the date of the abstract's receipt on the abstract and in the docket.
101	(b) (i) From the day on which an interested party files the abstract with a district court,
102	the final administrative order approved by the board is a lien upon the real property of the
103	obligor situated in that county.
104	(ii) Unless satisfied, the lien is for a period of eight years after the day on which the
105	board approves the final administrative order.
106	(c) The final administrative order approved by the board fixing the liability of the
107	obligor has the same effect as any other money judgment entered by a district court.
108	(d) (i) Except as provided in Subsection (9)(d)(ii), an attachment, a garnishment, or an
109	execution on a judgment included in or accruing under a final administrative order approved by
110	the board and filed and docketed in accordance with Subsection (9)(a) has the same manner
111	and same effect as an attachment, a garnishment, or an execution on a judgment of a district
112	court.
113	(ii) A writ of garnishment on earnings continues to operate, and to require the

114	garnishee to withhold the nonexempt portion of earnings at each succeeding earnings
115	disbursement interval, until the office or a court releases the writ of garnishment in writing.
116	(e) The lien and enforcement remedies provided by this section are in addition to any
117	other lien or remedy provided by law.
118	(f) A party may bring an action upon a final administrative order approved by the board
119	within eight years after the day on which the board approves the final administrative order.
120	(g) A final administrative order may be renewed administratively by complying with
121	the procedures and requirements provided in rule adopted by the board in accordance with
122	Subsection (10).
123	[9] (10) (a) The board shall make rules to implement this section and to establish
124	procedures and requirements for adjudicative proceedings.
125	(b) The rules shall be substantially similar to or incorporate provisions of the Utah
126	Rules of Civil Procedure, the Utah Rules of Evidence, and Title 63G, Chapter 4,
127	Administrative Procedures Act.
128	Section 2. Section 49-11-613.5 is amended to read:
129	49-11-613.5. Limitation of actions Cause of action.
130	(1) (a) Subject to the procedures provided in Section 49-11-613 and except as provided
131	in Subsection (3), [an] a party may bring an action regarding a benefit, right, obligation, or
132	employment right brought under this title [may be commenced only] within four years [of]
133	after the day on which the cause of action accrues.
134	(b) A person who is dissatisfied with an executive director's ruling under Section
135	49-11-613 and who seeks a review of that claim by a hearing officer shall file a request for
136	board action within 30 days [of] after the day on which the [hearing officer] executive director
137	issues the ruling.
138	(2) (a) A cause of action accrues under this title and the limitation period in this section
139	runs from the day on which the aggrieved party became aware, or through the exercise of
140	reasonable diligence should have become aware, of the facts giving rise to the cause of action,
141	including when:

142	(i) a benefit, right, or employment right is or should have been granted;
143	(ii) a payment is or should have been made; or
144	(iii) an obligation is or should have been performed.
145	(b) If a claim involves a retirement service credit issue under this title:
146	(i) a cause of action specifically accrues at the time the requisite retirement
147	contributions relating to that retirement service credit are paid or should have been paid to the
148	office; and
149	(ii) the person is deemed to be on notice of the payment or nonpayment of those
150	retirement contributions.
151	(3) If an aggrieved party fails to discover the facts giving rise to the cause of action due
152	to misrepresentation, fraud, intentional nondisclosure, or other affirmative steps to conceal the
153	cause of action, a limitation period prescribed in this section does not begin to run until the
154	aggrieved party actually discovers the existence of the cause of action.
155	(4) The person claiming a benefit, right, obligation, or employment right arising under
156	this title has the burden of bringing the action within the period prescribed in this section.
157	(5) Nothing in this section relieves a member, retiree, participant, alternative payee,
158	covered individual, employer, participating employer, or covered employer of the obligations
159	under this title.
160	(6) The office is not required to bring a claim on behalf of a member, retiree,
161	participant, alternative payee, covered individual, employer, participating employer, or covered
162	employer.
163	(7) (a) A limitation period provided in this section does not apply to actions for which
164	a specific limit is otherwise specified in this title or by contract, including master policies or
165	other insurance contracts.
166	(b) For actions arising under this title, this section supersedes any applicable limitation

Section 3. Section **49-14-201** is amended to read:

period provided in Title 78B, Chapter 2, Statutes of Limitations.

169 **49-14-201.** System membership -- Eligibility.

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(1) Except as provided in Section 49-15-201, a public safety service employee of a participating employer participating in this system is eligible for service credit in this system at the earliest of:

- (a) July 1, 1969, if the public safety service employee was employed by the participating employer on July 1, 1969, and the participating employer was participating in this system on that date;
- (b) the date the participating employer begins participating in this system if the public safety service employee was employed by the participating employer on that date; or
- (c) the date the public safety service employee is employed by the participating employer and is eligible to perform public safety service, except that a public safety service employee initially entering employment with a participating employer on or after July 1, 2011, who does not have service credit accrued before July 1, 2011, in a Tier I system or plan administered by the board, may not participate in this system.
- (2) (a) (i) A participating employer that has public safety service and firefighter service employees that require cross-training and duty shall enroll those dual purpose employees in the system in which the greatest amount of time is actually worked.
- (ii) The employees shall either be full-time public safety service or full-time firefighter service employees of the participating employer.
- (b) (i) Before transferring a dual purpose employee from one system to another, the participating employer shall receive written permission from the office.
 - (ii) The office may request documentation to verify the appropriateness of the transfer.
- (3) The board may combine or segregate the actuarial experience of participating employers in this system for the purpose of setting contribution rates.
- (4) (a) (i) Each participating employer participating in this system shall annually submit to the office a schedule indicating the positions to be covered under this system in accordance with this chapter.
- (ii) The office may require documentation to justify the inclusion of any position under this system.

(b) If there is a dispute between the office and a participating employer or employee over any position to be covered, the disputed position shall be submitted to the Peace Officer Standards and Training Council established under Section 53-6-106 for determination.

- (c) (i) The Peace Officer Standards and Training Council's authority to decide eligibility for public safety service credit is limited to claims for coverage under this system for time periods after July 1, 1989.
- (ii) A decision of the Peace Officer Standards and Training Council may not be applied to service credit earned in another system before July 1, 1989.
- (iii) Except as provided under Subsection (4)(c)(iv), a decision of the Peace Officer Standards and Training Council granting a position coverage under this system may only be applied prospectively from the date of that decision.
- (iv) A decision of the Peace Officer Standards and Training Council granting a position coverage under this system may be applied retroactively only if:
- (A) the participating employer covered other similarly situated positions under this system during the time period in question; and
- (B) the position otherwise meets all eligibility requirements for receiving service credit in this system during the period for which service credit is to be granted.
- (5) The Peace Officer Standards and Training Council may use a subcommittee to provide a recommendation to the council in determining disputes between the office and a participating employer or employee over a position to be covered under this system.
- (6) The Peace Officer Standards and Training Council shall comply with Title 63G, Chapter 4, Administrative Procedures Act, in resolving coverage disputes in this system.
- (7) A public safety <u>service</u> employee who is transferred or promoted to an administration position requiring the performance of duties that consist primarily of management or supervision of public safety service employees shall continue to earn public safety service credit in this system during the period in which the employee remains employed in the same department.
 - (8) An employee of the Department of Corrections shall continue to earn public safety

226	service credit in this system if:
227	(a) the employee's position is no longer covered under this system for new employees
228	hired on or after July 1, 2015; and
229	(b) the employee:
230	(i) remains employed by the Department of Corrections;
231	(ii) meets the eligibility requirements of this system;
232	(iii) was hired into a position covered by this system before July 1, 2015; and
233	(iv) has not had a break in service on or after July 1, 2015.
234	(9) An employee who is reassigned to the Division of Technology Services or to the
235	Division of Human Resource Management, and who was a member of this system, is entitled
236	to remain a member of this system.
237	(10) (a) To determine that a position is covered under this system, the office and, if a
238	coverage dispute arises, the Peace Officer Standards and Training Council shall find that the
239	position requires the employee to:
240	(i) except for a dispatcher, place the employee's life or personal safety at risk; and
241	(ii) complete training as provided in Section 53-6-303, 53-13-103, 53-13-104, or
242	53-13-105.
243	(b) If a position satisfies the requirements of Subsection (10)(a), the office and the
244	Peace Officer Standards and Training Council shall consider whether or not the position
245	requires the employee to:
246	(i) perform duties that consist primarily of actively preventing or detecting crime and
247	enforcing criminal statutes or ordinances of this state or any of its political subdivisions;
248	(ii) perform duties that consist primarily of providing community protection; and
249	(iii) respond to situations involving threats to public safety and make emergency
250	decisions affecting the lives and health of others.
251	(11) If a subcommittee is used to recommend the determination of disputes to the

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Peace Officer Standards and Training Council, the subcommittee shall comply with the

requirements of Subsection (10) in making the subcommittee's recommendation.

(12) A final order of the Peace Officer Standards and Training Council regarding a dispute is a final agency action for purposes of Title 63G, Chapter 4, Administrative Procedures Act.
 (13) Except as provided under Subsection (14), if a participating employer's public

- (13) Except as provided under Subsection (14), if a participating employer's public safety service employees are not covered by this system or under Chapter 15, Public Safety Noncontributory Retirement Act, as of January 1, 1998, those public safety service employees who may otherwise qualify for membership in this system shall, at the discretion of the participating employer, remain in their current retirement system.
- (14) (a) A public safety service employee employed by an airport police department, which elects to cover the airport police department's public safety service employees under the Public Safety Noncontributory Retirement System under Subsection (13), may elect to remain in the public safety service employee's current retirement system.
- (b) The public safety service employee's election to remain in the current retirement system under Subsection (14)(a):
- (i) shall be made at the time the employer elects to move the employer's public safety service employees to a public safety retirement system;
 - (ii) documented by written notice to the participating employer; and
- 271 (iii) is irrevocable.

- (15) (a) Subject to Subsection (16), beginning July 1, 2015, a public safety service employee who is a dispatcher employed by:
 - (i) the state shall be eligible for service credit in this system; and
- (ii) a participating employer other than the state shall be eligible for service credit in this system if the dispatcher's participating employer elects to cover the participating employer's dispatchers under this system.
- (b) A participating employer's election to cover the participating employer's dispatchers under this system under Subsection (15)(a)(ii) is irrevocable and shall be documented by a resolution adopted by the governing body of the participating employer in accordance with rules made by the office.

282 (c) A dispatcher's service before July 1, 2015, or before a date specified by resolution 283 of a participating employer under Subsection (15)(b), is not eligible for service credit in this 284 system. 285 (16) Notwithstanding any other provision of this section, a person initially entering employment with a participating employer on or after July 1, 2011, who does not have service 286 credit accrued before July 1, 2011, in a Tier I system or plan administered by the board, may 287 288 not participate in this system. 289 Section 4. Section 49-16-102 is amended to read: 290 49-16-102. **Definitions.** 291 As used in this chapter: 292 (1) (a) "Compensation" means the total amount of payments that are includable as gross income received by a firefighter service employee as base income for the regularly 293 294 scheduled work period. The participating employer shall establish the regularly scheduled 295 work period. Base income shall be determined prior to the deduction of member contributions 296 or any amounts the firefighter service employee authorizes to be deducted for salary deferral or 297 other benefits authorized by federal law. 298 (b) "Compensation" includes performance-based bonuses and cost-of-living 299 adjustments. 300 (c) "Compensation" does not include: 301 (i) overtime; (ii) sick pay incentives; 302 303 (iii) retirement pay incentives: (iv) remuneration paid in kind such as a residence, use of equipment, uniforms, travel, 304 305 or similar payments;

(v) a lump-sum payment or special payments covering accumulated leave; and

other employee benefit system or plan maintained by a participating employer for the benefit of

(vi) all contributions made by a participating employer under this system or under any

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a member or participant.

310 (d) "Compensation" for purposes of this chapter may not exceed the amount allowed 311 under Section 401(a)(17), Internal Revenue Code. 312 (2) (a) "Disability" means the complete inability, due to objective medical impairment, 313 whether physical or mental, to perform firefighter service. 314 (b) "Disability" does not include the inability to meet an employer's required standards 315 or tests relating to fitness, physical ability, or agility that is not a result of a disability as defined 316 under Subsection (2)(a). 317 (3) (a) "Final average salary" means the amount calculated by averaging the highest 318 three years of annual compensation preceding retirement subject to Subsections (3)(b), (c), and 319 (d). (b) Except as provided in Subsection (3)(c), the percentage increase in annual 320 321 compensation in any one of the years used may not exceed the previous year's compensation by 322 more than 10% plus a cost-of-living adjustment equal to the decrease in the purchasing power of the dollar during the previous year, as measured by a United States Bureau of Labor 323 324 Statistics Consumer Price Index average as determined by the board. 325 (c) In cases where the participating employer provides acceptable documentation to the office, the limitation in Subsection [(3)(a)] (3)(b) may be exceeded if: 326 327 (i) the member has transferred from another agency; or 328 (ii) the member has been promoted to a new position. (d) The annual compensation used to calculate final average salary shall be based on a 329 330 period, as determined by the board, consistent with the period used to determine years of service credit in accordance with Subsection (13). 331 332 (4) (a) "Firefighter service" means employment normally requiring an average of 2,080 333 hours of regularly scheduled employment per year rendered by a member who is: 334 (i) a firefighter service employee trained in firefighter techniques and assigned to a

position of hazardous duty with a regularly constituted fire department; or

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marshal.

(ii) the state fire marshal appointed under Section 53-7-103 or a deputy state fire

338	(b) "Firefighter service" does not include secretarial staff or other similar employees.
339	(5) (a) "Firefighter service employee" means an employee of a participating employer
340	who provides firefighter service under this chapter.
341	(b) "Firefighter service employee" does not include an employee of a regularly
342	constituted fire department who does not perform firefighter service.
343	(6) (a) "Line-of-duty death or disability" means a death or disability resulting from:
344	(i) external force, violence, or disease directly resulting from firefighter service; or
345	(ii) strenuous activity, including a heart attack or stroke, that occurs during strenuous
346	training or another strenuous activity required as an act of duty as a firefighter service
347	employee.
348	(b) "Line-of-duty death or disability" does not include a death or disability that:
349	(i) occurs during an activity that is required as an act of duty as a firefighter service
350	employee if the activity is not a strenuous activity, including an activity that is clerical,
351	administrative, or of a nonmanual nature;
352	(ii) occurs during the commission of a crime committed by the employee;
353	(iii) occurs when the employee's intoxication or use of alcohol or drugs, whether
354	prescribed or nonprescribed, contributes to the employee's death or disability; or
355	(iv) occurs in a manner other than as described in Subsection (6)(a).
356	(c) "Line-of-duty death or disability" includes the death or disability of a paid
357	firefighter resulting from heart disease, lung disease, or a respiratory tract condition if the paid
358	firefighter has five years of firefighter service credit.
359	(7) "Objective medical impairment" means an impairment resulting from an injury or
360	illness that is diagnosed by a physician or physician assistant and that is based on accepted
361	objective medical tests or findings rather than subjective complaints.
362	(8) "Participating employer" means an employer that meets the participation
363	requirements of Section 49-16-201.
364	(9) "Regularly constituted fire department" means a fire department that employs a fire

chief who performs firefighter service for at least 2,080 hours of regularly scheduled paid

366	employment per year.
300	chipioyment per year.

- (10) (a) "Strenuous activity" means engagement involving a difficult, stressful, or vigorous fire suppression, rescue, hazardous material response, emergency medical service, physical law enforcement, prison security, disaster relief, or other emergency response activity.
- (b) "Strenuous activity" includes participating in a participating employer sanctioned and funded training exercise that involves difficult, stressful, or vigorous physical activity.
 - (11) "System" means the Firefighters' Retirement System created under this chapter.
- (12) (a) "Volunteer firefighter" means any individual who is not regularly employed as a firefighter service employee, but who:
 - (i) has been trained in firefighter techniques and skills;
- (ii) continues to receive regular firefighter training; and
- (iii) is on the rolls of a legally organized volunteer fire department that provides ongoing training and serves a political subdivision of the state.
- (b) "Volunteer firefighter" does not include an individual who volunteers assistance but does not meet the requirements of Subsection (12)(a).
- (13) "Years of service credit" means the number of periods, each to consist of 12 full months as determined by the board, whether consecutive or not, during which a firefighter service employee was employed by a participating employer or received full-time pay while on sick leave, including any time the firefighter service employee was absent in the service of the United States on military duty.
 - Section 5. Section **49-16-701** is amended to read:
- 49-16-701. Volunteer firefighters eligible for line-of-duty death and disability benefits in Division A -- Computation of benefit.
- (1) A volunteer firefighter is only eligible for line-of-duty death and line-of-duty disability benefits provided for firefighters enrolled in Division A, subject to Sections 49-16-602 and 49-16-603.
- 392 (2) The lowest monthly compensation of firefighters of a city of the first class in this 393 state at the time of death or disability shall be considered to be the final average monthly salary

394	of a volunteer firefighter for purposes of computing these benefits.
395	(3) Each volunteer fire department shall maintain a current roll of all volunteer
396	firefighters [which] that meet the requirements of Subsection [49-16-102(11)] 49-16-102(12)
397	to determine eligibility for this benefit.
398	Section 6. Section 49-21-402 is amended to read:
399	49-21-402. Reduction or reimbursement of benefit Circumstances
400	Application for other benefits required.
401	(1) A monthly disability benefit may be <u>reduced</u> , <u>suspended</u> , <u>or</u> terminated unless:
402	(a) the eligible employee [is under the] participates in ongoing care and treatment [of a
403	physician or physician assistant other than the eligible employee; and] in accordance with
404	Subsection 49-21-406(3) or (4); and
405	(b) the eligible employee provides the information and documentation requested by the
406	office.
407	(2) (a) The monthly disability benefit shall be reduced or reimbursed by any amount
408	received by, or payable to, the eligible employee for the same injury or illness that is the basis
409	for the monthly disability benefit from the following sources:
410	(i) workers' compensation indemnity benefits, regardless of whether the amount is
411	received as an ongoing monthly benefit, as a lump sum, or in a settlement with a workers'
412	compensation indemnity carrier;
413	(ii) any money received by judgment, legal action, or settlement from a third party
414	liable to the employee for the monthly disability benefit;
415	(iii) automobile no-fault, medical payments, or similar insurance payments;
416	(iv) any money received by a judgment, settlement, or other payment as a result of a
417	claim against an employer; or
418	(v) annual leave or similar lump-sum payments.
419	(b) The monthly disability benefit shall be reduced or reimbursed by any amount
420	received by, or payable to, the eligible employee for the same period of time during which the

eligible employee is entitled to receive a monthly disability benefit from the following sources:

422	(i) social security disability benefits, including all benefits received by the eligible
423	employee, the eligible employee's spouse, and the eligible employee's children as determined
424	by the Social Security Administration;
425	(ii) unemployment compensation benefits;
426	(iii) sick leave benefits; or
427	(iv) compensation received for employment, including self-employment, except for
428	eligible amounts from approved rehabilitative employment in accordance with Section
429	49-21-406.
430	(3) The monthly disability benefit shall be reduced by any amount in excess of
431	one-third of the eligible employee's regular monthly salary received by, or payable to, the
432	eligible employee from the following sources for the same period of time during which the
433	eligible employee is entitled to receive a monthly disability benefit:
434	(a) any retirement payment earned through or provided by public or private
435	employment; and
436	(b) any disability benefit, other than social security or workers' compensation
437	indemnity benefits, resulting from the disability for which benefits are being received under
438	this chapter.
439	(4) After the date of disability, cost-of-living increases to any of the benefits listed in
440	Subsection (2) or (3) may not be considered in calculating a reduction to the monthly disability
441	benefit.
442	(5) Any amounts payable to the eligible employee from one or more of the sources
443	under Subsection (2) are considered as amounts received whether or not the amounts were
444	actually received by the eligible employee.
445	(6) (a) An eligible employee shall first apply for all disability benefits from
446	governmental entities under Subsection (2) to which the eligible employee is or may be

entitled, and provide to the office evidence of the applications.

monthly disability benefit shall be suspended.

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(b) If the eligible employee fails to make application under this Subsection (6), the

450	(7) During a period of total disability, an eligible employee has an affirmative duty to
451	keep the program informed regarding:
452	(a) the award or receipt of an amount from a source that could result in the monthly
453	disability benefit being reduced or reimbursed under this section within 10 days of the award or
454	receipt of the amount; and
455	(b) any employment, including self-employment, of the eligible employee and the
456	compensation for that employment within 10 days of beginning the employment or a material
457	change in the compensation from that employment.
458	(8) The program shall use commercially reasonable means to collect any amounts of
459	overpayments and reimbursements.
460	(9) (a) If the program is unable to reduce or obtain reimbursement for the required
461	amount from the monthly disability benefit for any reason, the employee will have received an
462	overpayment of monthly disability benefits.
463	(b) If an eligible employee receives an overpayment of monthly disability benefits, the
464	eligible employee shall repay to the office the amount of the overpayment, plus interest as
465	determined by the program, within 30 days from the date the overpayment is received by:
466	(i) the eligible employee; or
467	(ii) a third party related to the eligible employee.
468	(c) The executive director may waive the interest on an overpayment of monthly
469	disability benefits under Subsection (9)(b) if good cause is shown for the delay in repayment of
470	the overpayment of monthly disability benefits.
471	Section 7. Section 49-21-406 is amended to read:
472	49-21-406. Rehabilitative employment Interview by disability specialist
473	Maintaining eligibility Additional treatment and care.
474	(1) (a) If an eligible employee, during a period of total disability for which the monthly
475	disability benefit is payable, engages in approved rehabilitative employment, the monthly
476	disability benefit otherwise payable shall be reduced:

(i) by an amount equal to 50% of the income to which the eligible employee is entitled

478 for the employment during the month; and

- (ii) so that the combined amount received from the rehabilitative employment and the monthly disability payment does not exceed 100% of the eligible employee's monthly salary prior to the employee's disability.
- (b) This rehabilitative benefit is payable for up to two years or to the end of the maximum benefit period, whichever occurs first.
- (2) (a) The office shall review an eligible employee's total disability at least one time each year.
- (b) [Each] The office shall interview each eligible employee receiving a monthly disability benefit [shall be interviewed by the office].
- [(b)] (c) The office may refer the eligible employee to a rehabilitative or vocational specialist for a review of the eligible employee's condition and a written rehabilitation plan and return to work assistance.
- (3) If an eligible employee receiving a monthly disability benefit fails to participate in an office-approved rehabilitation program within the limitations set forth by a physician or physician assistant, the monthly disability benefit may be reduced, suspended, or terminated.
- (4) The office may, as a condition of paying a monthly disability benefit, require that the eligible employee receive medical care and treatment if that treatment is reasonable or usual according to current medical practices.
 - Section 8. Section **49-23-301** is amended to read:

49-23-301. Contributions.

- (1) Participating employers and members shall pay the certified contribution rates to the office to maintain the defined benefit portion of this system on a financially and actuarially sound basis in accordance with Subsection (2).
- (2) (a) A participating employer shall pay up to 14% of compensation toward the certified contribution rate to the office for the defined benefit portion of this system.
- (b) Except as provided in Subsection (2)(c), a member shall pay to the office the amount, if any, of the certified contribution rate for the defined benefit portion of this system

that exceeds the percent of compensation paid by the participating employer under Subsection (2)(a).

- (c) A participating employer may elect to pay all or part of the required member contribution under Subsection (2)(b) on behalf of the member as an employer pick up under 26 U.S.C. Sec. 414(h)(2), in addition to the required participating employer contribution under Subsection (2)(a).
- (d) In addition to the percent specified under Subsection (2)(a), the participating employer shall pay the corresponding Tier I system amortization rate of the employee's compensation to the office to be applied to the employer's corresponding Tier I system liability.
- (3) (a) A member contribution is credited by the office to the account of the individual member.
- (b) This amount, together with refund interest, is held in trust for the payment of benefits to the member or the member's beneficiaries.
 - (c) A member contribution is vested and nonforfeitable.
- (4) (a) Each member is considered to consent to payroll deductions of member contributions.
- (b) The payment of compensation less these payroll deductions is considered full payment for services rendered by the member.
- (5) Except as provided under Subsection (6), benefits provided under the defined benefit portion of the Tier II hybrid retirement system created under this part:
- (a) may not be increased unless the actuarial funded ratios of all systems under this title reach 100%; and
 - (b) may be decreased only in accordance with the provisions of Section 49-23-309.
- (6) (a) The Legislature authorizes increases to the death benefit provided to a Tier II public safety service employee or firefighter member's surviving spouse effective on May 12, 2015, and July 1, 2020, as provided in Section 49-23-503.
- (b) (i) The Legislature authorizes an increase to the multiplier for the calculation of the retirement allowance provided to a member of the New Public Safety and Firefighter Tier II

534	hybrid retirement system effective July 1, 2020, as provided in Section 49-23-304.
535	(ii) The requirements of Section [49-22-310] 49-23-309 do not apply to the benefit
536	adjustment described in this Subsection (6)(b).
537	Section 9. Section 49-23-601 is amended to read:
538	49-23-601. Long-term disability coverage.
539	(1) A participating employer shall cover a public safety <u>service</u> employee who initially
540	enters employment on or after July 1, 2011, under Chapter 21, Public Employees' Long-Term
541	Disability Act, or a substantially similar long-term disability program.
542	(2) (a) A participating employer shall cover a firefighter service employee who initially
543	enters employment on or after July 1, 2011, under Chapter 21, Public Employees' Long-Term
544	Disability Act.
545	(b) In accordance with this section, a participating employer shall provide long-term
546	disability benefit coverage for a volunteer firefighter as provided under Section 49-16-701.
547	(c) The office shall ensure that the cost of the long-term disability benefit coverage
548	provided under Subsections (2)(a) and (b) is funded with revenue received under Section

549

49-11-901.5.