

**UTAH RETIREMENT AMENDMENTS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: \_\_\_\_\_

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**LONG TITLE****General Description:**

This bill modifies the provisions relating to an employer match of employee contributions to a retirement savings account.

**Highlighted Provisions:**

This bill:

- ▶ requires an employer to automatically enroll a newly hired benefit-eligible state employee to make a biweekly contribution to a Utah Retirement Systems 401(k) retirement savings account in an amount equal to the amount that is eligible for an employer match; and
- ▶ allows an employee to modify the automatic enrollment, including:
  - opting out of automatic enrollment;
  - changing the amount of a contribution; ~~§~~→ [and] or ←~~§~~
  - changing the Utah Retirement Services retirement savings account into which the contribution is made.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:



(i) shall receive the contribution amount determined under Subsection ~~[(3)(c)]~~ (3)(f) if the qualifying employee makes a voluntary personal contribution to one or more qualifying accounts in an amount equal to or greater than the employer's contribution amount determined ~~[in]~~ under Subsection ~~[(3)(c)]~~ (3)(f);

(ii) shall receive a partial contribution amount that is equal to the qualifying employee's personal contribution amount if the employee makes a voluntary personal contribution to one or more qualifying accounts in an amount less than the employer's contribution amount determined ~~[in]~~ under Subsection ~~[(3)(c)]~~ (3)(f); or

(iii) may not receive a contribution under Subsection (2) if the qualifying employee does not make a voluntary personal contribution to a qualifying account.

(c) (i) (A) An employer shall automatically enroll a qualifying employee who is hired on or after July 1, 2023, to make a personal contribution to a defined contribution plan qualified under Section 401(k) of the Internal Revenue Code, which is sponsored by the Utah State Retirement Board, in an amount equal to the employer's contribution amount determined under Subsection (3)(f).

(B) A qualifying employee who makes a personal contribution in accordance with Subsection (3)(c)(i)(A) shall receive the contribution amount determined under Subsection (3)(f).

(d) (i) A qualifying employee who is hired on or after July 1, 2023, may opt out of the automatic enrollment by choosing not to make any future personal contributions.

(ii) A qualifying employee who opts out of automatic enrollment in accordance with this Subsection (3)(d) may not receive a contribution under Subsection (2).

(e) (i) A qualifying employee who is hired on or after July 1, 2023, may modify the automatic enrollment by opting to make future personal contributions:

(A) in an amount other than the amount determined under Subsection (3)(f); ~~§→~~ [and]  
or ~~←~~§

(B) to a qualifying account other than the defined contribution plan qualified under Section 401(k) of the Internal Revenue Code, which is sponsored by the Utah State Retirement Board.

(ii) A qualifying employee who opts to make a personal contribution for less than the amount determined under Subsection (3)(f) shall receive a partial contribution that is equal to the qualifying employee's personal contribution amount.