

URS Fiscal Analysis of 2026 1st Sub. H.B. 496, “Forestry and Fire Amendments”

This document has been prepared by the Utah Retirement Systems (URS).

Summary of Fiscal Impact

If enacted, 1st Sub. H.B. 496, Forestry and Fire Amendments, likely will not result in a material fiscal impact on URS. The State as an employer will have different costs applied to employer contributions as employees are moved from the Public Employee Retirement System to the Firefighter System.

Fiscal Impact: Increase in unfunded actuarial accrued liability (UAAL)	Fiscal Impact: Increase in actuarially determined contribution rates	Fiscal Impact: Annual cost for Fiscal Year 2026-2027
Change in funded status		
No Increase	No Increase	No Increase
No change in funded status		

Proposed Legislative Provisions

This bill authorizes coverage of nationally certified wildfire dispatcher personnel who work for the State Department of Natural Resources in the firefighter retirement system on a prospective basis. This proposed legislation becomes effective on July 1, 2026. A dispatcher personnel's service before July 1, 2026, is not eligible for service credit in the firefighter retirement systems.

For this bill, "Dispatcher" means an individual who:

- (a) who is required to be trained and certified in accordance with the standards described in Section 49-16-201;
- (b) whose primary duties are to:
 - (i)(A) receive calls for fire or medical service, and to dispatch the appropriate personnel and equipment in response to the calls; and
 - (B) in response to an emergency call, make an urgent decision affecting life, health, or welfare of the public or a firefighter service employee; or
 - (ii) supervise a dispatcher or direct a dispatch communication center; and
- (c) who is employed by a state agency that employs another firefighter service employee in addition to the dispatcher.

Section 49-16-201 states that to qualify for the firefighter retirement benefit, the dispatcher personnel would need to be trained and certified in compliance with national wildfire dispatch training and certification standards.

Discussion and Actuarial Analysis

Under this legislation since firefighter system participation would be prospective only, there would be no impact to the URS contribution rates. The accrual of new service credit in the firefighter retirement systems will be funded on a prospective basis as the normal cost portion of the contribution rate is paid each pay period.

Reclassifying of positions in the future would result in fewer amortization dollars going to the Tier 1 Public Employees System, since if these employees were still covered under the Tier 2 Public Employees System, the state as an employer would make an amortization contribution to Tier 1. However, there are not a sufficient number of impacted positions that the reduction in contribution dollars to Tier 1 would result in a change in the calculated contribution rates.

The change would also result in more new employees in the Tier 2 PS/FF system which will provide additional contributions towards that system's unfunded liabilities.

Administrative Cost Analysis

This bill does not alter benefit design or make substantive benefit modifications.

Implementation of this bill will likely result in some administrative costs, but these will be handled within existing budgets and will not result in direct, measurable costs for URS nor will it increase actuarially determined contribution rates.