

InsideStory

Spring 2022 Newsletter for URS Participating Employers

Retirement-Related Legislation

The 2022 Session

What URS employers should know and how to learn more

HB70 Public Safety Disability Benefits Amendments

Requires benefit protection coverage for Tier 1 Public Safety and Tier 2 Public Safety and Firefighter service employees.

» [What You Need to Know, Page 3](#)

Legislative Update Presentation

In case you missed it, see our legislative update presentation from the URS Employer Event.

» [See Video](#)

Comprehensive Employer Training

Includes legislative updates and more.

» [Learn More](#)

Getting Started

Education & Resources for Employers

Employer Guide

Reference for general retirement information, as well as clarification of URS policies and procedures.

» [Read Now](#)

Employer Education

- » [Webinars](#)
- » [How-to Videos](#)
- » [Publications](#)

Member Education

URS offers various types of member education to fit your employees' preferred style of learning.

- » [Publications](#) | » [Videos](#)
- » [Seminars](#) | » [Webinars](#)
- » [Individual Retirement Planning Sessions](#)

Request printed copies of member publications: publications@urs.org.

Need URS Content?

We can provide articles with news and information about URS benefits for your employee newsletter or internal homepage. To learn more, email kory.cox@urs.org.

URS Employer Line

801-366-7318
800-753-7318

Training/Event	When	Description	Who Should Attend
Comprehensive Employer Training	Will be held at locations across Utah in April and May 2022. See dates and locations.	Review recently enacted laws affecting retirement benefits, compliance matters, and administrative hot topics.	Decision-makers and staff involved in day-to-day retirement administration operations.
Retirement Basics Plus	Conducted semi-annually. Upcoming dates will be announced later in 2022.	Basic retirement laws, general administrative matters, URS Employer Portal functions.	Decision-makers and staff involved in day-to-day retirement administration operations.
Employer Event	Held yearly in March. See slides and videos from the March 2022 event.	News and trends in retirement and healthcare, updates from URS leadership.	Executives, HR and benefits managers, and other decision-makers.



InsideStory
Utah Retirement Systems
 560 East 200 South
 Salt Lake City, UT 84102-2021
www.urs.org

Inside Story provides general information about retirement and other benefits for URS Participating Employers. Nothing herein should be construed to establish, amend, enlarge, reduce, or otherwise affect any benefits, rights, responsibilities, or privileges. If there is a conflict between any applicable law, rule, regulation, plan provision, or contract and the contents of this newsletter, the law, rule, regulation, plan provision, or contract shall prevail.

HB70 » Public Safety Disability Benefits Amendments

Understanding Your Options Under HB70

During the recent session, the Utah legislature amended Utah Code Title 49 to require employers to provide benefit protection coverage for both their Tier 1 Public Safety Service Employees and their Tier 2 Public Safety and Firefighter Service Employees.

This allows Public Safety and Firefighter employees who are injured or ill due to external force or violence because of the performance of their employment duties to continue to accrue retirement service credit or for members of Tier 2 defined contribution plan to receive nonelective employer contributions while receiving a monthly disability benefit. This new requirement is effective July 1, 2022.

HB70
» [See Full Text](#)

Employers that have PEHP Long-Term Disability coverage or a benefit protection contract on file with URS do not need to take any action.

An employer can meet the legislative requirements in three ways:

1. Utilize the PEHP Long-Term Disability Program (PEHP LTD Program) to provide long-term disability benefits to its employees. If an employer chooses the PEHP LTD Program, it is not required to establish a benefit protection contract with URS. However, it is required to pay the requisite retirement contributions for its disabled Tier 2 employees. If interested in the PEHP LTD Program, contact PEHP at 801-366-7583.
 - » Please note that all Tier 2 Firefighter employees are covered under the PEHP LTD Program. Go [here](#) for more information. For Tier 1 Firefighter questions please contact URS Employer Services.

If you have PEHP LTD coverage or a benefit protection contract on file with URS, you don't need to do anything. Otherwise, you can meet legislative requirements in three ways.

2. Utilize a long-term disability insurance program other than with PEHP. If an employer does this, or already has such a program in place, it must submit a long-term disability insurance policy to URS Employer Services for review and acceptance. The long-term disability program benefits must be substantially similar to the PEHP LTD Program. Just as with the PEHP LTD Program, the employer is required to pay the requisite retirement contributions for its Tier 2 disabled employees.
3. Provide long-term disability coverage required by the new law through Workers' Compensation indemnity benefits. Workers' Compensation indemnity benefits meet the minimum qualifications for coverage and allows an employer to cover their Public Safety and Firefighter employees, so long as they are receiving an ongoing monthly disability benefit. However, some workers' compensation benefits may end earlier than a traditional long-term disability plan. If an employer chooses this coverage to comply with the law, it must establish a workers' compensation benefit protection contract with URS, and it will be required to pay the requisite retirement contributions for its Tier 1 and Tier 2 disabled employees.

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Contact the PEHP LTD Program (801-366-7583 or 1-800-365-7347) to discuss enrolling in this coverage for your employees.

HB70

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Next Steps for Employers

Option 1 » Sign up for PEHP Long-Term Disability Benefits.

Contact the PEHP LTD Program (801-366-7583 or 1-800-365-7347) to discuss enrolling in this coverage for your employees.

Option 2 » Establish a Long-Term Disability Benefit Protection Contract.

If you have or would like to offer other long-term disability insurance coverage, and do not have a benefit protection contract, please contact URS to request it. You must provide an entire copy of your long-term disability benefit policy by May 16, 2022, to the online Employee Management Center for review.

URS will review the policy and work with you regarding next steps.

Option 3 - Establish a Workers' Compensation Benefit Protection Contract.

If you determine to provide a benefit protection contract based on your Workers' Compensation Indemnity Benefits, please contact URS to request a workers' compensation benefit protection contract. URS will work with you regarding the next steps to establish the benefit protection contract.

Note About Costs

There is no additional cost for maintaining a long-term disability benefit protection contract for Tier 1 employees, because the funding is paid through the Tier 1 contribution rates you pay to URS every pay period.

However, the cost for a benefit protection contract is not paid through Tier 2 contribution rates, but is paid by each employer for each disabled employee when that Tier 2 employee is approved for disability benefits. The employer continues to pay the requisite Tier 2 contributions (or employer nonelective contributions to the employee's 401(k) if on the Tier 2 DC plan) for that disabled employee as if they were an active employee for as long as they are receiving disability benefits or until retirement.

The retirement contributions are based on the employee's base wages with annual cost of living increases at the time the disability coverage was approved.

If you have any questions, please call Employer Services at 801-366-7318 or 800-753-7318.

For Tier 1 employees, there's no extra cost for a long-term disability benefit protection contract; your contribution rates already cover it.

Reminder



We recently updated our employer communications email address. If your organization has not already done so, please allow emails from "@listserv.urs.org". Our new employer emails will be coming from noreply@listserv.urs.org or URS_Benefits@listserv.urs.org. This update was made in an effort to provide more consistency between both the member and employer communications.

Retirement Eligibility Requirements » Classified School District Employees

School Employees' Eligibility Standards

Some classified school district employees are eligible for retirement coverage based solely on hours, while others are eligible based on hours and benefits. Use the following criteria to see which standard applies to which employees.

Grandfathered Employee

Employee is subject to prior law, and retirement coverage based solely on hours if...

1) The employee worked an average of 20 hours or more at any point while employed with you before July 1, 2013.

and

2) The employee has maintained continuous employment with you regardless of position changes.

Eligibility standards are established by these Sections of Utah Code Title 49.

» [49-12-102](#)

» [49-13-102](#)

» [49-22-102](#)

Learn more in the [URS Employer Guide](#).

Employee Subject to New Rules

Retirement coverage based on hours and benefits if...

1) Employee began a new employment period* with you on or after July 1, 2013.

or

2) Was hired prior to July 1, 2013, and didn't meet eligibility requirements.

If the new law applies, the employee must now meet two criteria to be eligible for retirement benefits:

1) Work an average of 20 hours or more per week.

and

2) Receive a qualifying benefit.

If you have any questions, please call us at 801-366-7318 or 800-753-7318.

** URS considers an employee to have begun a new employment period if the employee returns after being separated from your organization for 120 days or more.*

URS Does Not Contract With Third-Party Investment Advisors

URS directly employs retirement advisors for our members' benefit. These advisors do not charge any commission or fees. URS does not contract with or otherwise outsource investment advising to any third-party for any reason. Any claim of any such affiliation with URS by any third-party is false.

If you learn of any third-parties misrepresenting their relationship with URS, please contact the Employer Services Department.

Please share this information with your employees if you believe it will prevent them from being misled.

» **URS does NOT contract with or endorse any third-party for the purpose of retirement, insurance, or investment advising**

» **We advise members to be wary of providing private financial or other protected information unless certain they're working with a URS representative (call us to verify) or an otherwise reputable and credentialed advisor**

» **URS does NOT sell members' information**

URS Pension Updates

Federal Compensation Limits for 2022

Federal rules in accordance with the Omnibus Budget Reconciliation Act (OBRA) prevent URS from accepting contributions on earned salary that exceeds certain limits. One limit applies to members of URS before January 1, 1994, and the other applies to members of URS after January 1, 1994.

Compensation limits since 2015 are listed at right.

Contributions based on salaries reported to URS above these limits are annually credited back to the employer's clearing account.

Year	Members after January 1, 1994	Members before January 1, 1994
2015	\$265,000	\$395,000
2016	\$265,000	\$395,000
2017	\$270,000	\$400,000
2018	\$275,000	\$405,000
2019	\$280,000	\$415,000
2020	\$285,000	\$425,000
2021	\$290,000	\$430,000
2022	\$305,000	\$450,000

Tier 1 Public Employees' Noncontributory and Contributory Retirement Systems Elected and Appointed Officials' Minimum Earnings Requirements

Each month during the term of office elected or appointed officials must earn \$500 or more indexed as of July 1, 1990, as provided in Utah Code Ann. §§ 49-12-407 and 49-13-407, in order to be eligible for retirement coverage. The minimum earnings requirements increase each year based on the consumer price index. As of February 1, 2022, through January 31, 2023, the minimum earnings requirements are **\$1,148 per month**.

Tier 2 Contributory Retirement System Elected and Appointed Officials' Eligibility Standard

Beginning July 1, 2011, a person initially entering full-time employment shall participate in the Tier 2 system. An elected or appointed official's position must be certified as full-time by the participating employer to qualify for retirement coverage.

Questions? Call URS Employer Services at 801-366-7318 or 800-753-7318.

URS Member Education » Seminars & Webinars

Live Member Education in 2022

Upcoming Member Seminars

Pre-Retirement Seminars

How your pension benefit is calculated, what options are available, and how inflation will impact you. How to maximize retirement savings plans at the end of your career and how to manage them after retirement. Understanding Social Security.

VIRTUAL, 8:30 a.m. - 4 p.m.

June 10, 2022

November 4, 2022

IN-PERSON, 9:30 a.m. - 4 p.m.

June 16, 2022 » Saint George, UT

June 24, 2022 » Roy, UT

July 29, 2022 » Springville, UT

August 5, 2022 » South Salt Lake, UT

September 30, 2022 » Draper, UT

Early to Mid-Career Seminars

Calculating and maximizing your pension benefit. Savings plan and investment options. College savings plans and estate planning.

VIRTUAL, 8:30 a.m. - 1 p.m.

May 6, 2022

IN-PERSON, 8:30 a.m. - 4 p.m.

July 15, 2022 » Cottonwood Heights, UT

Retiree Seminar

Pension cost-of-living increases. Considerations as you draw from your retirement savings plans. Medicare, Social Security, and aging resources. Wills, trusts, and more.

IN-PERSON, 8:30 a.m. - 4 p.m.

September 15, 2022 » South Salt Lake, UT

Upcoming Member Webinars

See recorded webinars at www.urs.org/us/webinars

Creating and Following Your Spending Plan
Strategies to manage your spending.

» 11 a.m., May 5, 2022 | [Register Here](#)

Preparing to Retire

Steps and considerations to prepare yourself.

» 3:30 p.m., May 12, 2022 | [Register Here](#)

Tier 2 Choice

New to URS? Understand your two benefit options.

» 10 a.m., May 19, 2022 | [Register Here](#)

» 10 a.m., August 9, 2022 | [Register Here](#)

» 10 a.m., November 8, 2022 | [Register Here](#)

Tier 1 Public Safety and Firefighters: Understanding Your Pension

Understand the retirement benefits in these systems.

» 2 p.m., June 7, 2022 | [Register Here](#)

A Closer Look at Purchasing Service Credit

How to enhance your retirement benefits.

» 2 p.m., July 12, 2022 | [Register Here](#)

Divorce and Domestic Relations Orders – How Will They Affect My Retirement?

How divorce will affect your retirement.

» 10 a.m., September 1, 2022 | [Register Here](#)

Tier 1 Benefits

An overview of Tier 1 pension benefits.

» 2 p.m., September 13, 2022 | [Register Here](#)

Understanding and Choosing URS Savings Plans and Investment Options

Get help to make informed choices.

» Noon, October 25, 2022 | [Register Here](#)

Understanding the Tier 2 Public Employee Hybrid Option

Understand retirement benefits of this Tier 2 option.

» 1 p.m., December 7, 2022 | [Register Here](#)



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URS: Benefiting Utah

URS touches the lives of all Utahns, those directly enriched by our benefits, as well as the communities they serve. [A recent study](#) shows URS' far-reaching economic impact.

\$1.8 BILLION
IN PENSION BENEFITS PAID IN 2021



ECONOMIC ACTIVITY SUPPORTED...

67,803



UTAHNS RECEIVED PENSION BENEFITS

= 1.1%



EQUIVALENT PORTION OF THE STATE'S TOTAL PERSONAL INCOME

67%

AVERAGE PORTION OF BENEFITS PAID THROUGH INVESTMENT RETURNS OVER THE PAST 10 YEARS

9,411
JOBS



\$453 Million
IN WAGES



\$84 Million
IN STATE AND LOCAL TAX REVENUE

\$859 MILLION
YEARLY ECONOMIC IMPACT

Source: University of Utah's Kem C. Gardner Policy Institute.

