

**CONCURRENT RESOLUTION AUTHORIZING STATE PICK UP OF  
PUBLIC SAFETY AND FIREFIGHTER EMPLOYEE RETIREMENT  
CONTRIBUTIONS**

2022 GENERAL SESSION

STATE OF UTAH

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**LONG TITLE**

**General Description:**

This concurrent resolution increases the employer pick up of certain employee contributions required for state employees who are eligible for and participate as members in the New Public Safety and Firefighter Tier II Contributory Retirement System.

**Highlighted Provisions:**

This resolution:

- ▶ declares that the state will prospectively pick up and pay required employee contributions up to a maximum of 2.59% of each employee's compensation for all state employees who are members of the New Public Safety and Firefighter Tier II Contributory Retirement System;
- ▶ includes provisions relating to the employer pick up; and
- ▶ provides that an equal nonelective contribution will be made to public safety and firefighters who are members of the Tier II Defined Contribution Plan.

**Special Clauses:**

None

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*Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:*

WHEREAS, agencies of the state employ employees who are eligible for and participate as members in the New Public Safety and Firefighter Tier II Contributory Retirement System administered by the Utah Retirement Systems;

WHEREAS, in accordance with federal and state law, including Section 414(h)(2) of the Internal Revenue Code, employers may take formal action to pick up required employee contributions, which will be paid by the employer in lieu of employee contributions;

32 WHEREAS, the state, in the 2020 General Session through H.C.R. 9, Concurrent  
33 Resolution Authorizing Pick Up of Public Safety and Firefighter Employee Retirement  
34 Contributions, took action to formally pick up a maximum of 2% of an employee's  
35 compensation, which represents a portion of the employee contributions required to be paid  
36 under Subsection 49-23-301(2), for all state employees participating in the New Public Safety  
37 and Firefighters Tier II Contributory Retirement System;

38 WHEREAS, the state now desires to pick up an additional amount of the employee  
39 contribution required to be paid under Subsection 49-23-301(2) for all state employees  
40 participating in the New Public Safety and Firefighter Tier II Contributory Retirement System;

41 WHEREAS, the state is required under Subsection 49-23-401(1)(b) to make an equal  
42 nonelective contribution to a public safety or firefighter employee who is a member of the Tier  
43 II Defined Contribution Plan;

44 WHEREAS, the Legislature and the Governor are duly authorized to take this formal  
45 action on behalf of the state as a participating employer with the Utah Retirement Systems:

46 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the  
47 Governor concurring therein, declares that beginning July 1, 2022, the state, on behalf of the  
48 state's agencies, shall prospectively pick up and pay required employee contributions for all  
49 state employees who are members of the New Public Safety and Firefighter Tier II  
50 Contributory Retirement System, subject to a maximum of 2.59% of compensation for each  
51 employee.

52 BE IT FURTHER RESOLVED that the picked up contributions paid by the employer,  
53 even though designated as employee contributions for state law purposes, are being paid by the  
54 state on behalf of the state's agencies in lieu of the required employee contributions.

55 BE IT FURTHER RESOLVED that the picked up contributions will not be included in  
56 the gross income of the employees for tax reporting purposes, that is, for federal or state  
57 income tax withholding, until distributed from the Utah Retirement Systems, so that the  
58 contributions are treated as employer contributions pursuant to Section 414(h)(2) of the Internal  
59 Revenue Code.

60 BE IT FURTHER RESOLVED that the picked up contributions are a supplement and  
61 not a salary reduction to the state employees who are eligible for and participating members in  
62 the New Public Safety and Firefighter Tier II Contributory Retirement System.

63 BE IT FURTHER RESOLVED that, from and after the date of this pick up, a state  
64 employee may not have a cash or deferred election right with respect to the designated  
65 employee contributions, including that an employee may not be permitted to opt out of the pick  
66 up and may not be entitled to any option of choosing to receive the contributed amounts  
67 directly instead of having them paid by the state on behalf of the state's employees to the Utah  
68 Retirement Systems.

69 BE IT FURTHER RESOLVED that the state will make an equal nonelective  
70 contribution to the public safety and firefighter employees who are members of the Tier II  
71 Defined Contribution Plan.