

URS Fiscal Analysis of 2024 H.B. 482,
“Utah Retirement Systems Appeals Amendments”

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

Summary of Fiscal Impact

If enacted, H.B. 482, Utah Retirement Systems Appeals Amendments, will result in a fiscal impact for URS, but the impacts are not material enough to require increases to actuarially determined contribution rates.

This bill does not alter benefit design or make substantive benefit modifications for the retirement systems administered by URS. However, this bill would allow a claimant to appeal a Utah Retirement Systems Board Administrative Hearing Decision to the District Court prior to being heard by the Court of Appeals. The Utah State Retirement Board maintains an administrative hearing process to resolve any disputes regarding, “a benefit, right, obligation, or employment right under [the Utah Retirement Act – Title 49] . . .” The current process is a formal administrative hearing process under the Utah Administrative Procedures Act, and requires appeals be heard by the Utah Court of Appeals.

URS, including its division, PEHP Health & Benefits (PEHP), utilize this hearing process since both their creation and benefits arise under the Utah Retirement Act. PEHP will be submitting its own fiscal impact analysis detailing the fiscal impacts from this bill on its programs.

If, despite the existing formal administrative hearing process, claimants were allowed to appeal de novo to the Utah District Court, it would result in additional administrative costs to URS for such appeals. Implementation of this bill will result in some additional attorney time and additional litigation costs relating to discovery, expert fees, and other additional administrative costs. These will be handled within existing budgets and will not result in direct, measurable costs for URS that are material enough to require increases to actuarially determined contribution rates paid by URS’ participating employers and members. Accordingly, without a material fiscal impact to contribution rates, actuarial analysis, calculations, and exhibits are not needed from the changes in this bill.