



**NEWS TO USE FOR EMPLOYERS
MARCH 2025**



**ONE MONTH UNTIL PUBLIC SAFETY
CONTRIBUTION RATES CHANGE
ARE YOU READY?**

**PUBLIC SAFETY CONTRIBUTION RATES ARE CHANGING
EFFECTIVE APRIL 1, 2025**

BACKGROUND

During the 2023 Legislative session, Senate Bill 1054 was passed by the Idaho Legislature. The legislation became effective on July 1, 2023, and amended Idaho Statute §59-1356 to allow for the reemployment of certain public safety class members.

Under Idaho Statute §59-1356(6) a retired member, with police officer or firefighter status, may return to work in a full-time capacity for any PERSI employer and continue to receive their PERSI retirement benefit, provided certain conditions are met. This benefit enhancement is scheduled to sunset June 30, 2027.

COST OF IDAHO STATUTE §59-1356(6)

At the September 2023 Board meeting, the PERSI Board voted to implement an additional 1.14% contribution rate for the public safety class to fund this benefit enhancement, based upon the actuarial data available at the time. Additionally, the Board required that the utilization of the benefit be studied each year to review the necessity of the 1.14% contribution rate increase.

In December 2024, actuarial analysis determined the benefit is being used less than expected, so the initial cost estimates were reevaluated. The Board determined that eliminating the 1.14% additional contribution rate was reasonable and unanimously passed a motion to eliminate the increase.

BEGINNING APRIL 1, 2025 (NOT AN APRIL FOOL'S JOKE)

New contribution rates for public safety employers and employees will be the following.

	UNTIL MARCH 31, 2025	BEGINNING APRIL 1, 2025
PUBLIC SAFETY EMPLOYER	14.65%	13.98%
PUBLIC SAFETY EMPLOYEE	10.83%	10.36%

The rates are effective for the first full payroll cycle starting April 1 or later. Please make the necessary updates to your system to prepare for this change.

If you have questions, please contact the PERSI Employer Services Center (ESC) at 1-866-887-9525 or 208-287-9525.

Reporting PERSI Choice 401(k) Plan Contributions is Changing
ARE YOU READY?

**PREPARING TO CHANGE THE WAY EMPLOYERS REPORT
CHOICE 401(k) PLAN CONTRIBUTIONS**

PERSI has been communicating to employers that changes are coming to the PERSI Employer portal that will require some modification to your reporting processes.

We understand that changes like this are not convenient for you, so we have made every effort to keep them to a minimum for more than ten years. Despite the inconvenience, updates are now necessary for the following reasons:

- To comply with the requirements of the Federal Secure 2.0 Act
- To maintain compatibility with present-day technology
- To enhance security and ease-of-use in reporting your PERSI Base Plan and PERSI Choice 401(k) Plan contributions

REQUIREMENTS FOR THE SECURE 2.0 ACT

Among other things, the Federal Secure 2.0 Act of 2022 establishes new eligibility requirements for 401(k) plans. The new requirements make it impractical to continue routing PERSI Choice 401(k) Plan contributions through PERSI. So, the first change will be for employers to separate PERSI Choice 401(k) Plan reports and payments and begin sending them directly to Empower — the PERSI Choice 401(k) Plan recordkeeper. For employers that enter payroll directly on the PERSI Employer Portal, Empower has contacted you with instructions for moving to their portal.

For employers that upload files, modification of your payroll software is required to create a separate transmittal file to send to Empower. This step does not require changes to the file you send to PERSI. You will just begin creating a second file to send to Empower. It is okay for Choice Plan contributions to appear on both files until the PERSI Base Plan transmittal file is modified in a later phase of the Employer Reporting upgrade.

EMPOWER WORKING WITH EMPLOYERS NOW

Empower has contacted all PERSI employers to share file specifications and reporting procedures. Empower may need to contact your software providers directly. Empower is working directly with employers (or your software vendor/in-house programming staff) to finalize and test the file changes. Once the test files are approved by Empower, employers are authorized to start sending Choice Plan reports and payments directly to Empower.

Several employers have already submitted test files to Empower, been approved, and have completed the transition. All employers who have not yet submitted test files are encouraged to do so as soon as you are able.

Your new Choice Plan file must be completed and approved by June 30, 2025.

FOR ADDITIONAL INFORMATION AND GUIDANCE, PLEASE USE THE BELOW BUTTON TO SEE IF YOU ARE READY FOR THE CHANGES.

[CLICK HERE FOR FURTHER INFORMATION AND A GUIDE](#)



IT'S TIME FOR YOUR RETIREMENT CHECK-UP

Your retirement wellness is a lot like your physical wellness. A regular check-up is a smart idea. Even if you consistently contribute to your account, you may need to make some periodic adjustments to ensure that you stay on track for the retirement you want. Ready to get started? Here's a list of tasks to perform for your annual retirement check-up:

- **Create/register your online account** – If you haven't yet set up online access for your account, there's no time like the present. You'll get real-time access to your balance. You can track your projected retirement income. And the security features help you prevent unauthorized access to your account. Visit mypersi401k.com to get started.
- **Plan smarter with web and app tools** – With your plan website and the Empower app, you'll also have access to the financial wellness and planning tools that will make you a better-informed investor. You'll find tools to help you plan your retirement income goals, create a budget, calculate your net worth, and more.
- **Consider increasing your contributions** – Are you contributing enough right now to build up the income you'll rely on in retirement? According to a commonly used rule-of-thumb, you'll need between 70% and 80% of your pre-retirement income after you retire. If you're not on track to meet that goal, it might be time to increase your contribution amount.
- **Check your asset allocation** – The mix of asset types in your portfolio (including stocks, bonds, and cash equivalents) should reflect your tolerance for risk and your planned retirement date. And as you near retirement age, it's especially important to make any needed adjustments. Double-check your lineup of investment choices to confirm that you have the right balance of risk and

return potential for your unique goals and circumstances. If not, you may need to make some adjustments.¹

- **Rebalance your portfolio if needed** – Different types of investments can grow at different rates. For example, your stock funds can sometimes grow faster than your bond funds. As a result, your portfolio may be out of sync with your target asset allocation. Rebalancing involves shifting funds from one type of investment to another, so your portfolio stays aligned with your strategy.
- **Get up to speed on 2025 contribution limits** – Remember, the IRS caps the amount you can contribute to your account each year. In 2025, the annual contribution limit has increased to \$23,500 — or the lesser of 100% of includible compensation. Depending on what career stage you're in, you may have additional opportunities to save with catch-up contributions. Learn more at irs.gov.²
- **Name/update your beneficiary** - Naming or updating the beneficiary information for your account is a simple thing you can do to make a difficult time easier for the people you care about. By keeping your beneficiary designation up to date, you may make it easier for your beneficiaries to access the funds in your account in the event of your death.

Need help with any of these tasks? Schedule a session with your local Empower retirement plan counselor, Bruce Singkhaophet today at mypersi401k.com.

¹ Asset allocation, diversification, dollar-cost averaging, or rebalancing does not ensure a profit or protect against loss.

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