Racial Equity and Social Justice (RESJ) Impact Statement

EXPEDITED PERSONNEL-EMPLOYEES’ RETIREMENT SYSTEM—RETIREMENT SAVINGS PLAN-GROUP TRUST—AMENDMENTS

SUMMARY

The Office of Legislative Oversight (OLO) expects Expedited Bill 12-21 to have a minimal impact on racial equity and social justice in the County.

BACKGROUND

The County Council introduced Expedited Bill 12-21 on March 16, 2021. The bill intends to align the County’s retirement plans with recent changes made to the Internal Revenue Code. If enacted, the bill would:

- Increase the mandatory required distribution age by which benefits must begin as permitted by a recent change to federal law;
- Change the timing of distributions of benefits for beneficiaries as required by a recent change to federal law;
- Change the submission timing of a beneficiary form for GRIP, EOP or RSP participants;
- Permit the suspension of required minimum distributions for 2020 from the Retirement Savings Plan and Elected Officials’ Plan as permitted by recent federal law;
- Clarify the process for escheatment for certain distributions to participants in the Retirement Savings Plan, GRIP, or Elected Officials’ Plan when a participant or beneficiary cannot be located, or the participant or beneficiary has not accepted the distribution;
- Clarify operations of the Group Trust;
- Permit unitization of the Employees Retirement System held within the Group Trust to provide an investment option for defined contribution participants; and
- Generally amend the retirement laws.¹

ANTICIPATED RESJ IMPACTS

As noted above, Expedited Bill 12-21 primarily keeps the County’s retirement plans in compliance with newly updated federal law. The consequences of this bill should impact all eligible County employees relatively the same regardless of their race and ethnicity. Therefore, OLO anticipates that Bill 12-21 will have a minimal impact on racial equity or social justice in the County.

Office of Legislative Oversight March 22, 2021
Caveats

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO’s endorsement of, or objection to, the bill under consideration.

Contributions

OLO staffer Dr. Theo Holt, Performance Management and Data Analyst, drafted this racial equity and social justice impact statement.