



Retirement Changes for Public Safety Employees



The Michigan Office of Retirement Services (ORS) is here to update you along your retirement journey.

We want you to know that changes to the State of Michigan 401(k) and 457 Plans took effect on Dec. 29, 2022, when the **Setting Every Community Up for Retirement Enhancement (SECURE) 2.0 Act of 2022** became federal law.

The SECURE Act 2.0 of 2022 made changes to encourage employees to participate in their employers' retirement plans.

How SECURE 2.0 Act of 2022 might affect your retirement

More position titles qualify for retirement incentives

The public safety officers title was changed to **public safety employees**.

Public safety employees now includes:

- Corrections officers and forensic security employees providing for the care, custody, and control of forensic patients.
- Both public and private firefighters.

If you aren't sure if your position is included

Ask your employer or tax advisor whether you qualify as a public safety employee. Neither ORS nor Voya Financial can make that determination. For more, view the **FAQs** on the Voya website under the Plan Information tab.

Qualifying employees can take advantage of tax exemptions

Qualifying public safety employees may be able to:

- Take a distribution from your State of Michigan 401(k) Plan without paying a 10% early withdrawal penalty if you are age 50 or older, or have at least 25 years of service as a public safety employee, by the end of the year (Dec. 31) in which you take the distribution.
- Exclude up to \$3,000 from their taxable income for distributions taken from their State of Michigan 401(k) Plan when the money is used to pay plan premiums for accident, health, or long-term care insurance.



**Doesn't affect the Public
Safety Officers Benefit
Act 46 of 2004**

The SECURE Act 2.0 of 2022 doesn't affect or change Michigan's **Public Safety Officers Benefit Act 46 of 2004**, which provides a one-time payment of \$25,000 for the care of a public safety officer permanently and totally disabled in the line of duty and to the spouse, children, or estate of a public safety officer killed in the line of duty.

