

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
2013 PROPOSED LEGISLATION**

Updated June 19, 2013

H2056

PSPRS; AMENDMENTS

Makes various changes to statutes governing the Public Safety Personnel Retirement System, including prohibiting members from taking a loan against or removing contributions from their account prior to termination of membership or receipt of a pension, exempting stocks acquired for co-investment with the system's investments and interests in mutual funds from certain investment requirements, and modifying provisions for contributions by retired members who are reemployed following retirement. Also, PSPRS will no longer pay part of the single coverage premium of any group health insurance premium for members who retire or become a survivor on or after the effective date of this legislation and who are reemployed and participate in employer-provided health care coverage. AS PASSED HOUSE.

Affects Plans: PSPRS

First sponsor: Rep. Lovas

Current Action: 6/14 House concurred in Senate amendments and passed on final reading 57-0; ready for Governor; 5/14 passed Senate 29-0; ready for House action on Senate amendments; 4/16 Senate COW approved with amendment #4844 and floor amendment #5000; 3/26 from Senate rules okay; 3/21 from Senate Finance with amendment #4844; Hearing: 3/20 Senate Finance, 2:00 PM, Senate Rm. 3; 2/20 referred to Senate Finance; 2/18 passed House 58-0, ready for Senate; 2/14 House COW approved with amendment #4048 and floor amendment #4170; 2/14 House COW (Committee of the Whole); Hearing: 2/11 House Rules, 1:00 PM, House Rm. 4; 2/5 House Insurance & Retirement amended; report awaited; Hearing: 2/5 House Insurance & Retirement, 2:00 PM, House Rm. 3; 1/15 referred to House and Retirement

H2123

TECH CORRECTION; PSPRS; SOCIAL SECURITY

Minor change in Title 38 (Public Officers and Employees) related to the Public Safety Personnel Retirement System. Apparent striker bus.

Affects Plans: PSPRS

First sponsor: Rep. Robson

Current Action: None

H2204

LAW ENFORCEMENT; SURVIVING SPOUSE; INSURANCE

The surviving spouse or a "dependent" of a "law enforcement officer" (both defined) killed in the line of duty is entitled to receive payments for health insurance premiums from public monies of the officer's employer. The employer is required to make payments if the surviving spouse or dependent is enrolled in the employer's health insurance program or the health insurance plan offered by the retirement system or plan from which the person is receiving benefits. The amount of the payment and circumstances under which payments will be discontinued are specified. Emergency clause. AS SIGNED BY GOVERNOR.

First sponsor: Rep. Robson

Current Action: 4/5 signed by the Governor, Chapter 54, Laws 2013; 4/1 passed Senate 25-0; ready for Governor; 3/25 Senate COW approved; amendment #4628 was withdrawn; 3/7 from Senate Public Safety with amendment #4628; 2/19 referred to Senate Public Safety; 2/12 passed House 54-5; ready for Senate; 2/7 House COW approved with amendment #4017 and floor amendment #4084; 2/5 from House rules okay; 1/30 from House Public Safety, Military & Regulatory Affairs with amendment #4017; 1/22 referred to House Public Safety, Military & Regulatory Affairs

H2223 FIREFIGHTERS; SPOUSE; INSURANCE PAYMENT

Statute entitling the surviving spouse of law enforcement officers killed in the line of duty to payments for health insurance premiums from public monies of the officer's employer is expanded to include the surviving spouse of municipal and state firefighters killed in the line of duty. For all spouses, the payments continue until the spouse's death or remarriage, instead of only for the first year after the officer's death.

Affects Plans: PSPRS

First sponsor: Rep. Alston

Current Action: *1/22 referred to House Public Safety, Military & Regulatory Affairs*

H2294 RETIREMENT; EORP; SUPERIOR COURT COMMISSIONERS (LOBBYIST REGISTRATION; STATE OF INCORPORATION)

For the purpose of the Elected Officials Retirement Plan, the definition of "elected official" is modified to include every full-time superior court administrator. Deletes provisions making full-time superior court commissioners appointed on or after July 1 of the first fiscal year after the federal Social Security Administration approves the inclusion of the commissioners on Arizona's section 218 agreement members of the Arizona State Retirement System instead of EORP. AS PASSED HOUSE.

First sponsor: Rep. Robson

Current Action: *4/17 signed by the Governor, Chapter 122, Laws 2013; 4/15 passed Senate 28-1, ready for Governor; 3/20 Senate Consent; 3/19 from Senate rules okay; 3/19 Senate Caucus; 3/18 to Senate consent calendar; Hearing: 3/18 Senate Rules, Caucus Rm. 1; 3/14 from Senate Finance do pass; report awaited; Hearing: 3/13 Senate Finance, 2:00 PM, Senate Rm. 3; 3/5 referred to Senate Finance; 2/28 House COW approved with amendment [#4248](#), passed House 56-0, ready for Senate; 2/25 from House Rules okay; Hearing: 2/25 House Rules, 1:00 PM, House Rm. 4; 2/20 from House Insurance and Retirement with amendment [#4248](#); 2/19 House Insurance and Retirement amended, report awaited; 2/12 referred to House Insurance and Retirement*

H2389 PEACE OFFICERS; OMNIBUS

Various changes relating to peace officers. The spouse or minor child of a deceased peace officer are added to the list of persons who may file an affidavit to request county officers and the Department of Transportation prohibit access to that person's residential address and telephone number contained in certain public records, and who must be notified of the expiration of restrictions on related public records. Law enforcement officers are permitted to terminate a rental agreement within 30 days if the officer provides to the landlord a written notice that the officer is protected under an order of protection that was issued within the immediately preceding 30 day period. If the officer received any lease concession or benefit, the concession or benefit actually received or used must be repaid to the landlord prior to vacating the rental unit. The common law doctrine known as the fireman's rule cannot operate to deny a peace officer a recovery in any action at law based on the intentional act of a tortfeasor. AS PASSED HOUSE.

First sponsor: Rep. Petersen

Current Action: *6/13 passed Senate on final reading 29-0; ready for Governor; 5/23 House adopted conference report [#5082](#) and passed on final reading 53-1, awaits Senate final vote; 5/15 Senate adopted conference report [#5082](#); Awaits House adoption and final vote in both houses; 4/30 Senate named Crandell, Griffin and Pancrazi to the FREE Conference Committee (House conferees: Pierce, Mitchell and McCune Davis; 4/25 House refused to concur in Senate amendments and named Pierce, Mitchell and McCune Davis to a FREE Conference Committee. Senate conferees awaited.; 4/23 Passed Senate 28-0, ready for House action on Senate amendments; 4/22 Senate COW approved with amendment [#4761](#) and floor amendments [#5029](#), [#5030](#) and [#5031](#); 3/28 from Senate rules okay; 3/14 from Senate Public Safety with amendment [#4761](#); 3/13 Senate Public Safety amended; report awaited; Hearing: 3/13 Senate Public Safety, 2:00 PM, Senate Rm. 109; 2/27 referred to Senate Public Safety ; 2/26 passed House 59-0, ready for Senate; 2/25 House COW approved with amendment [#4141](#) and floor amendment [#4358](#); 2/19 House Caucus; 2/18 from House rules okay; 2/13 from House Public Safety, Military & Regulatory Affairs with amendment [#4141](#); 2/13 House Public Safety, Military & Regulatory Affairs amended; report awaited; Hearing: 2/13 House Public Safety, Military & Regulatory Affairs, 9:00 AM, House Rm. 3; 1/24 referred to House Public Safety, Military & Regulatory Affairs*

H2418 STATE PERSONNEL SYSTEM; COVERED EMPLOYEES

Statutes governing the state personnel system are repealed and replaced. Impossible to determine new provisions without a line by line comparison.

First sponsor: Rep. Quezada

Current Action: 2/5 referred to House Public Safety, Military & Regulatory Affairs, House Federalism & Fiscal Responsibility

H2562 PUBLIC RETIREMENT SYSTEMS; INELIGIBLE EMPLOYEES

State or political subdivision employees who are not eligible for the Arizona State Retirement System or other public retirement systems because the employee is not included in agreements providing for the employee's coverage or does not meet the definition of member, but who work at least 20 hours per week for at least 20 weeks in each fiscal year are enrolled in the ASRS defined contribution plan. The definition of "member" for the Public Safety Personnel Retirement System is modified to include an employee of an eligible group whose primary duties include the performance of law enforcement, crime suppression activities, fire investigation, fire suppression and prevention or emergency management, and to exclude employees of an eligible group whose position classification provides solely for support duties or who are eligible to participate in the Corrections Officer Retirement Plan. ASRS and PSPRS are not liable in any civil action by an employee who was participating in the system but who was not eligible because either the employee was not included in agreements providing for the employee's coverage or did not meet the definition of member. Beginning on the effective date of this legislation, the ASRS and PSPRS are required to begin the disenrollment of ineligible employees and the enrollment of those employees in the appropriate plan. Emergency clause. AS PASSED HOUSE.

First sponsor: Rep. Robson

Current Action: 6/13 House adopted conference report [#5122](#) and passed on final ready 59-0. Passed Senate on final reading 29-0; ready for Governor; 6/11 Senate adopted conference report [#5122](#). Awaits House adoption and final vote in both houses; 5/21 Senate named Yarbrough, Farley and Reagan to the free Conference Committee (House conferees: Robson, Lovas, McCune Davis); 5/21 House refused to concur in Senate amendments and named Robson, Lovas and McCune Davis to a FREE Conference Committee. Senate Conferees awaited; 5/8 passed Senate 16-12; ready for House action on Senate amendments; 4/10 Senate COW approved with amend [#4754](#), floor amend [#4973](#) and the Senate rules tech amendment; 3/19 from Senate rules with a technical amendment; Hearing: 3/19 from Senate rules with technical amendment; 3/18 Senate Rules, Caucus Rm. 1; 3/14 from Senate Finance with amendment [#4754](#); 3/13 Senate Finance amended, report awaited; Hearing: 3/13 Senate Finance, 2:00 PM, Senate Rm. 3; 3/5 referred to Senate Finance; 2/28 passed House 55-0; ready for Senate; 2/28 House COW approved with floor amendment [#4435](#); 2/28 House Consent; 2/26 stricken from House consent calendar by Mendez; Hearing: 2/25 House Rules, 1:00 PM, House Rm. 4; 2/20 from House Insurance and Retirement do pass; 2/19 House Insurance and Retirement do pass, report awaited; Hearing: 2/19 House Insurance and Retirement, 2:00 PM, House Rm. 3; 2/7 referred to House Insurance and Retirement

Establishes an Elected Officials' Defined Contribution Retirement System (EODCRS) for elected officials who are elected or appointed on or after July 1, 2013 and who were not a member of the plan on June 30, 2013. Elected officials are enrolled in the defined contribution plan established by the Arizona State Retirement System (ASRS). Elected officials who are members of the EODCRS must contribute eight percent of the member's gross compensation, and each employer must annually make a contribution equal to five percent of each member's gross compensation. The ASRS Board is responsible for the administration of the EODCRS. Members of the EODCRS are added to the definition of "member" for the ASRS long-term disability program, and retired members of the EODCRS may elect to obtain group health insurance coverage through the ASRS, but must pay the premium for the coverage selected and is not eligible for premium assistance benefits. The Elected Officials' Retirement Plan (EORP) is available only to elected officials who were a member of the plan before July 1, 2013. An elected official who is elected or appointed on or after July 1, 2013 and who was not a member of the plan on June 30, 2013 is not eligible for EORP. Beginning July 1, 2013 through June 30, 2043, each EORP employer is required to make level percent compensation contributions of 23.5 percent of the compensation of all employees who are members of EORP or the EODCRS to meet the normal cost plus an amount to amortize the unfunded accrued liability. This employer contribution cannot be used to pay for an increase in benefits to members. In FY2013-14 through FY2042-43, appropriates \$3.5 million from the general fund to the EORP Fund to supplement the normal cost plus an amount to amortize the unfunded accrued liability. Appropriates \$121,400 and 1 FTE position for personal services and \$325,000 for professional services from the ASRS Administration Account Fund in FY2013-14 to the ASRS for implementation. AS PASSED HOUSE.

First sponsor: Rep. Lovas

Current Action: 6/13 House concurred in Senate amendments and passed on final reading 35-24; ready for Governor; 5/8 Senate voted to reconsider 5/7 failure to pass bill and passed on reconsideration 16-13; ready for House action on Senate amendments; 5/7 FAILED to pass Senate 12-12; 5/2 Senate COW approved with amendment #4843 and floor amendment #5058; 3/26 from Senate rules okay; 3/21 from Senate Finance with amendment #4843; Hearing: 3/20 Senate Finance, 2:00 PM, Senate Rm. 3; 3/5 referred to Senate Finance; 2/28 House COW approved with amendment #4238 and floor amendment #4459, passed house 35-22, ready for Senate; 2/26 from House rules okay; 2/20 from House Insurance and Retirement with amendment #4238; 2/19 House Insurance and Retirement amended, report awaited; Hearing: 2/19 House Insurance and Retirement, 2:00 PM, House Rm. 3; 2/12 referred to House Insurance and Retirement

Various changes relating to the Corrections Officer Retirement Plan, including prohibiting members from taking a loan against or removing contributions from their account prior to termination of membership or receipt of a pension, allowing the CORP Board to make a retroactive payment of a pension for a period of up to 180 days, increased from 90 days, before the date of application, and prohibiting a disability pension from being recomputed at a disabled retired member's normal retirement date. Also, CORP will no longer pay part of the single coverage premium of any group health insurance premium for members who retire or become a survivor on or after the effective date of this legislation and who are reemployed and participate in employer-provided health care coverage. AS PASSED SENATE.

Affects Plans: CORP

First sponsor: Sen. Yarbrough

Current Action: 4/10 signed by the Governor, Chapter 78, Laws 2013; 4/3 passed House 60-0, ready for Governor; 3/28 House Consent; 3/26 House Caucus; 3/25 to House consent calendar; Hearing: 3/19 House Insurance and Retirement do pass; report awaited; 3/19 House Insurance and Retirement, 2:00 PM, House Rm. 3; 2/26 referred to House Insurance and Retirement; 2/25 passed Senate 28-0, ready for House; 2/25 Senate Third Reading; 2/21 Senate COW approved with amendment #4151; 2/19 from Senate rules okay; 2/19 Senate Caucus; 2/14 from Senate Finance with amendment #4151; 2/13 Senate Finance do pass; report awaited; Hearing: 2/13 Senate Finance, 2:00 PM, Senate Rm. 3; Hearing: 2/6 Senate Finance, 2:00 PM, Senate Rm. 3; 1/24 referred to Senate Finance

Makes various changes to statutes governing the Elected Officials' Retirement Plan, including prohibiting members from taking a loan against or removing contributions from their account prior to termination of membership or receipt of a pension, and allowing members of a municipal retirement system or EORP who become a member of one or the other systems to transfer service credits if specified conditions are met. Also, EORP will no longer pay part of the single coverage premium of any group health insurance premium for members who retire or become a survivor on or after the effective date of this legislation and who are reemployed and participate in employer-provided health care coverage. The EORP Board is required to establish a separate account for health insurance premium benefits, and health insurance premium benefits cannot exceed 25 percent of the total actual employer and employee contributions to the plan after the day the account is established. AS PASSED SENATE.

Affects Plans: EORP

First sponsor: Sen. Yarbrough

Current Action: 4/16 signed by the Governor, Chapter 111, Laws 2013; 4/4 passed House 59-0, ready for Governor; 4/4 House third reading; 3/28 House Consent; 3/26 from House rules okay; 3/26 House Caucus; 3/25 to House Consent calendar; 3/19 House Insurance and Retirement do pass; report awaited; Hearing: 3/19 House Insurance and Retirement, 2:00 PM, House Rm. 3; 2/19 referred to House Insurance and Retirement; 2/18 passed Senate 30-0, ready for House; 2/14 Senate COW approved with amendment #4071 and floor amendment #4175; 2/14 Senate COW; 2/12 from Senate rules okay; Hearing: 2/11 Senate Rules, 1:00 PM, Senate Caucus Rm.; Hearing: 2/6 Senate Finance, 2:00 PM, Senate Rm. 3; /24 referred to Senate Finance

For a member of the Arizona State Retirement System whose disability begins before January 1, 2014, monthly long-term disability (LTD) program benefits equal 2/3 of the member's monthly compensation at the time the disability begins. For ASRS members whose disability begins on or after January 1, 2014, monthly LTD program benefits equal 60 percent of the member's "average monthly compensation" (defined) at the time the disability begins. Appropriates \$35,000 from the ASRS Administration Account in FY2013-14 to the ASRS for implementation.

Affects Plans: PSPRS (striker amendment)

First sponsor: Sen. Yarbrough

Current Action: 5/2 House COW approved with amendment #4847 and floor amendment #5060, NOTE SHORT TITLE CHANGE TO "EXERCISE OF RELIGION; PROTECTION"; Hearing: 4/30 House Rules, 1:00 PM, House Rm. 4; 3/21 from House Judiciary with amendment #4847; 3/19 withdrawn from House Insurance and Retirement and referred to House Judiciary; 3/12 House Insurance and Retirement held; 2/26 House Insurance and Retirement held; 2/18 referred to House Insurance and Retirement; 2/6 passed Senate 19-9; ready for House; 2/4 to Senate consent calendar, from Senate rules okay; 1/31 from Senate Finance do pass; 1/24 referred to Senate Finance

A beneficiary designated by a deceased member of the Public Safety Personnel Retirement System must be paid a surviving spouse's pension only if it does not result in an abrogation of a deceased member's community property obligations.

Affects Plans: PSPRS

First sponsor: Sen. Gallardo

Current Action: 1/30 referred to Senate Finance

The 2014 general election ballot is to carry the question of whether to amend the state Constitution to provide that the Constitutional provision prohibiting public retirement system benefits from being diminished or impaired does not prohibit increases in member contributions or reductions in member benefits that are consistent with generally accepted actuarial standards and that are in the interest of the financial stability of the system.

Affects Plans: PSPRS/EORP/CORP

First sponsor: Rep. Kavanagh

Current Action: 2/12 referred to House Insurance and Retirement