

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
2015 LEGISLATIVE SESSION
(adjourned April 3, 2015)**

ENACTED BILLS ONLY

**Bills become law on July 3, 2015
(unless stated otherwise)**

To review a bill in its entirety, please visit
The State Legislature's Website: <http://www.azleg.gov/>

SB1054 CORP; HEALTH BENEFITS; RETIREMENT BENEFITS

If a member of the Corrections Officer Retirement Plan who is eligible for group health and accident coverage benefits forfeits his/her interest in the account before the termination of the plan, an amount equal to the amount of the forfeiture must be applied as soon as possible to reduce employer contributions to fund the benefits. Retroactive to September 27, 1990. Lump sum payments made for an increase in retirement benefits under specified conditions are no longer eligible for a direct rollover distribution. The definition of "eligible rollover distribution" is expanded to include any distribution made to satisfy the requirements of section 415 of the Internal Revenue Code (Code), hardship distributions, and similar items designated by the U.S. Internal Revenue Service in revenue rulings, notices and other guidance. For distributions occurring beginning January 1, 2008, a CORP member or member's beneficiary is permitted to rollover an eligible rollover distribution to a Roth individual retirement account (IRA). For distributions occurring before January 1, 2010, the member or member's beneficiary must satisfy the requirements for making a Roth IRA contribution under the Code as in effect on the date of the rollover. For distributions made beginning January 1, 2010, a nonspouse designated beneficiary is permitted to elect to directly rollover an eligible rollover distribution to an IRA or an individual retirement annuity that is established on behalf of the beneficiary and that will be treated as an inherited individual retirement plan. For plan years occurring before January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 90 days before the date of distribution. For plan years beginning January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 180 days before the date of distribution. For plan years beginning January 1, 2009, a CORP member who does not currently perform services for an employer by reason of qualified military service is not considered having a severance from employment during that military service. Any payments by the employer to the member during the military service must be considered compensation. For deaths occurring beginning January 1, 2007, for a CORP member who dies while performing qualified military service, the survivors of the member are entitled to any benefits provided under the plan as though the member resumed and then terminated employment on account of death. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Lesko

Current Action: Signed by the Governor, March 26, 2015. Chapter 62, Laws 2015.

If a member of the Elected Officials' Retirement Plan who is eligible for group health and accident coverage benefits forfeits his/her interest in the account before the termination of the plan, an amount equal to the amount of the forfeiture must be applied as soon as possible to reduce employer contributions to fund the benefits. Retroactive to May 16, 1990. Lump sum payments made for an increase in retirement benefits under specified conditions are no longer eligible for a direct rollover distribution. The definition of "eligible rollover distribution" is expanded to include any distribution made to satisfy the requirements of section 415 of the Internal Revenue Code (Code), hardship distributions, and similar items designated by the U.S. Internal Revenue Service in revenue rulings, notices and other guidance. For distributions occurring beginning January 1, 2008, an EORP member or member's beneficiary is permitted to rollover an eligible rollover distribution to a Roth individual retirement account (IRA). For distributions occurring before January 1, 2010, the member or member's beneficiary must satisfy the requirements for making a Roth IRA contribution under the Code as in effect on the date of the rollover. For distributions made beginning January 1, 2010, a nonspouse designated beneficiary is permitted to elect to directly rollover an eligible rollover distribution to an IRA or an individual retirement annuity that is established on behalf of the beneficiary and that will be treated as an inherited individual retirement plan. For plan years occurring before January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 90 days before the date of distribution. For plan years beginning January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 180 days before the date of distribution. . For plan years beginning January 1, 2009, an EORP member who does not currently perform services for an employer by reason of qualified military service is not considered having a severance from employment during that military service. Any payments by the employer to the member during the military service must be considered compensation. For deaths occurring beginning January 1, 2007, for an EORP member who dies while performing qualified military service, the survivors of the member are entitled to any benefits provided under the plan as though the member resumed and then terminated employment on account of death. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Lesko

Current Action: Signed by the Governor, March 26, 2015. Chapter 63, Laws 2015.

If a member of the Public Safety Personnel Retirement System who is eligible for group health and accident coverage benefits forfeits his/her interest in the account before the termination of the plan, an amount equal to the amount of the forfeiture must be applied as soon as possible to reduce employer contributions to fund the benefits. Retroactive to September 30, 1988. Lump sum payments made for an increase in retirement benefits under specified conditions are no longer eligible for a direct rollover distribution. The definition of “eligible rollover distribution” is expanded to include any distribution made to satisfy the requirements of section 415 of the Internal Revenue Code (Code), hardship distributions, and similar items designated by the U.S. Internal Revenue Service in revenue rulings, notices and other guidance. For distributions occurring beginning January 1, 2008, a PSPRS member or member’s beneficiary is permitted to rollover an eligible rollover distribution to a Roth individual retirement account (IRA). For distributions occurring before January 1, 2010, the member or member’s beneficiary must satisfy the requirements for making a Roth IRA contribution under the Code as in effect on the date of the rollover. For distributions made beginning January 1, 2010, a nonspouse designated beneficiary is permitted to elect to directly rollover an eligible rollover distribution to an IRA or an individual retirement annuity that is established on behalf of the beneficiary and that will be treated as an inherited individual retirement plan. For plan years occurring before January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 90 days before the date of distribution. For plan years beginning January 1, 2007, the period for providing the rollover notice is at least 30 days and no more than 180 days before the date of distribution. For plan years beginning January 1, 2009, a PSPRS member who does not currently perform services for an employer by reason of qualified military service is not considered having a severance from employment during that military service. Any payments by the employer to the member during the military service must be considered compensation. For deaths occurring beginning January 1, 2007, for a PSPRS member who dies while performing qualified military service, the survivors of the member are entitled to any benefits provided under the plan as though the member resumed and then terminated employment on account of death. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Lesko

Current Action: Signed by the Governor, March 26, 2015. Chapter 64, Laws 2015.