

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
2015 PROPOSED LEGISLATION**

(52nd Legislature, 1st Regular Session)

Updated: April 3, 2015

H2146 PSPRS; SERVICE WEAPON; PURCHASE

The Public Safety Personnel Retirement System pension includes the ability of a member to purchase the “firearms” (defined), instead of only the handgun or shotgun, issued by the employer to the member at a price determined by the administrator of the employing agency, instead of at less than fair market value.

Affected Plans/Statutes: PSPRS

First sponsor: Rep. Thorpe

Current Action: 1/26 referred to House Military Affairs and Public Safety

H2351 PSPRS; FIRE CHIEFS; ELIGIBILITY

Beginning retroactively to January 1, 2009, a fire chief is included in the definition of “member” of the Public Safety Personnel Retirement System only if the fire chief is “regularly assigned to hazardous duty” (defined) as determined by the local board, unless the fire chief is already a member of the system. Emergency clause.

Affected Plans/Statutes: PSPRS

First sponsor: Rep. Fann

Current Action: 2/19 from House Military Affairs and Public Safety do pass; 2/12 from House Government and Higher Education do pass; 1/29 referred to House Government and Higher Education, Military Affairs and Public Safety

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.

Affected Plans/Statutes: CORP

First sponsor: Sen. Lesko

Current Action: 3/26 signed by Governor, Chap. 62, Laws 2015; 3/24 Senate concurred in House amendments and passed on final reading 28-0, ready for Governor; 3/17 passed house 59-0, ready for Senate action on House amendments; 3/16 House COW approved with amendment #4708; 3/9 from House Rules okay; 3/5 from House Government and Higher Education with amendment #4708; 3/5 House Government and Higher Education amended, report awaited; 2/24 referred to House Government and Higher Education; 1/29 passed Senate 28-0, ready for House; 1/27 from Senate Rules okay; 1/26 to Senate consent calendar; 1/21 from Senate Finance do pass; 1/14 referred to Senate Finance

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.

Affected Plans/Statutes: EORP

First sponsor: Sen. Lesko

Current Action: 3/26 signed by Governor, Chap. 63, Laws 2015; 3/24 Senate concurred in House amendments and passed on final reading 28-0, ready for Governor; 3/17 passed house 59-0, ready for Senate action on House amendments; 3/16 House COW approved with amendment #4709; 3/9 from House Rules okay; 3/5 from House Government and Higher Education with amendment #4709; 3/5 House Government and Higher Education amended, report awaited; 2/24 referred to House Government and Higher Education; 1/29 passed Senate 28-0, ready for House; 1/27 from Senate Rules okay; 1/26 to Senate consent calendar; 1/21 from Senate Finance do pass; 1/14 referred to Senate Finance

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.

Affected Plans/Statutes: PSPRS

First sponsor: Sen. Lesko

Current Action: 3/26 signed by Governor, Chap. 64, Laws 2015; 3/24 Senate concurred in House amendments and passed on final reading 28-0, ready for Governor; 3/17 passed house 59-0, ready for Senate action on House amendments; 3/16 House COW approved with amendment #4710; 3/9 from House Rules okay; 3/5 from House Government and Higher Education with amendment #4710; 3/5 House Government and Higher Education amended, report awaited; 2/26 referred to House Government and Higher Education; 1/29 passed Senate 28-0, ready for House; 1/27 from Senate Rules okay; 1/26 to Senate consent calendar; 1/21 from Senate Finance do pass; 1/14 referred to Senate Finance

The Corrections Officer Retirement Plan local board of the judiciary is authorized to specify a designated position within the department as a nondesignated position if the position is filled by an employee with at least 5 years of credited service under the Arizona State Retirement System and who makes a written request to the local board to do so within 90 days of accepting the position. Session law specifies that existing employees who meet these qualifications may submit a written request within 90 days after the effective date of this legislation.

Affected Plans/Statutes: CORP

First sponsor: Sen. Griffin

Current Action: 3/16 from House Rules okay; 3/12 from House Government and Higher Education do pass; 3/3 referred to House Government and Higher Education; 1/29 passed Senate 28-0, ready for House; 1/27 from Senate rules okay; 1/26 to Senate consent calendar; 1/21 from Senate Finance do pass; 1/14 referred to Senate Finance