

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
2019 LEGISLATIVE SESSION**

(54th Legislature, 1st Regular Session)
(adjourned May 28, 2019)

ENACTED BILLS ONLY

**Bills become law on August 27, 2019
(unless stated otherwise)**

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

HB2007 ASRS; POLITICAL SUBDIVISION PLANS; ADJUSTMENTS

An employee of a political subdivision who was previously a member of another public employee retirement system and who receives or is eligible to receive retirement benefits from that system is ineligible to receive service credit from the Arizona State Retirement System (ASRS) for the same period of employment. ASRS employers are permitted to correct a contributions error by making payment adjustments through the employer's payroll reporting if the adjustment is made within the same fiscal year and the employer obtains written consent from the employee. AS SIGNED BY GOVERNOR.

Sponsor: Rep. Kavanagh

Current Action: Signed by the Governor March 22, 2019. Chapter 25, Laws 2019.

HB2190 CORP; ACCIDENTAL DISABILITY; DEFINITION

For the purpose of the Corrections Officer Retirement Plan, the definition of "accidental disability" is modified to mean a physical or mental condition that the local board finds totally and permanently prevents an employee from performing a reasonable range of duties within the employee's department, and that was incurred in the performance of the employee's duties. AS SIGNED BY GOVERNOR.

Sponsor: Rep. Payne

Current Action: Signed by the Governor June 7, 2019. Chapter 286, Laws 2019.

HB2422 PUBLIC RETIREMENT SYSTEMS

Numerous changes relating to public retirement systems. The Public Safety Personnel Retirement System (PSPRS) Board is required to establish a deferred compensation plan in which a PSPRS member may voluntarily participate, and plan provisions are specified. An active member of the Elected Officials' Defined Contribution Retirement System (EODCRS) or Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP) who volunteers or is ordered to perform military service is permitted to receive years of service for up to 60 months of military service as provided by federal law. The member's employer is required to make employer contributions and the member is required to make member contributions. Provides a process for paying contributions and crediting service. For deaths occurring from and after January 1, 2014 for the EODCRS or from and after July 1, 2017 for the PSPDCRP, in the case of a member who dies while performing qualified military service, the survivors of the member are entitled to any benefits, other than benefit accruals relating to the period of qualified military service, provided under the EODCRS or PSPDCRP as though the member resumed and then terminated employment on account of death. The provisions relating to defined contribution retirement plans are retroactive to the dates these death benefits are valid. Credited service provisions for military service members of the Arizona State Retirement System and PSPRS are extended to a member who served in any military reserve unit of any branch of the U.S. Armed Forces. AS SIGNED BY GOVERNOR.

Sponsor: Rep. Blackman

Current Action: Signed by the Governor March 26, 2019. Chapter 36, Laws 2019.

SB1146 PSPRS; EORP; CORP; MODIFICATIONS

Various changes to statutes governing the Elected Officials Retirement Plan (EORP), the Corrections Officer Retirement Plan (CORP), and the Public Safety Personnel Retirement System (PSPRS). Retroactive to July 20, 2011, an active elected official who became a member of EORP before January 1, 2012, or an active member who became a member of PSPRS or CORP before January 1, 2012, is permitted to redeem any amount of eligible prior service without having to have accrued any minimum amount of credited service in the plan. Retroactive to July 1, 2017, for PSPRS or CORP members enrolled before July 1, 2017, the discount rate is the assumed rate of return that is prescribed by the PSPRS Board. By June 30, 2019, the PSPRS Board is authorized to choose to require interest to be paid on monies returned to members of a retirement plan or system under the jurisdiction of the board for the period of time between the transaction until a date to be determined by the PSPRS Board, but not later than the effective date of this legislation. Emergency clause. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Livingston

Current Action: Signed by the Governor April 1, 2019. Chapter 38, Laws 2019.

SB1186 MUNICIPALITIES; PENSION FUND; TRANSFER

A municipality that maintains a fire fighters' relief and pension fund for past and/or present volunteer and/or part-time firefighters, is permitted to elect to transfer excess monies from the fund to the Public Safety Personnel Retirement System (PSPRS) to be applied to any past or present unfunded liability. Before transferring any monies to the PSPRS, the municipality is required to determine by actuarial procedures the amount necessary to fully fund any benefits accrued for part-time or volunteer firefighters as of the date of the proposed transfer. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Pratt

Current Action: Signed by the Governor May 7, 2019. Chapter 186, Laws 2019.

SB1213 ASRS; RETURN TO WORK

An Arizona State Retirement System (ASRS) employer is not required to pay contributions at an alternate contribution rate on behalf of a retired member that returns to work with the employer in a position that is currently filled by an employee who is an active ASRS member and for which the employer is currently required to pay and is paying contributions on behalf of the active member in that same position. An ASRS employer is permitted to pay contributions at an alternate contribution rate for a retired member who meets the requirements for an exemption. For contributions made beginning July 1, 2019, if ASRS and the employer determine that the "alternative" contribution rate does not apply to a member for whom the employer has paid contributions at the alternate contribution rate, the employer is permitted to request an employer credit, not including interest, for those contributions within 90 days after the end of the fiscal year in which the contributions were paid. If ASRS determines that an employer credit is not feasible, ASRS is required to issue a refund to an employer in a form determined by ASRS. For the purpose of the Elected Officials' Retirement Plan, any pension payments received by a member, who retired on or after July 1, 2009, while holding the same office from which the member retired within one full term after the date of retirement are considered overpayments and are subject to repayment up to the maximum of only the amount received during that term. For the purpose of the Public Safety Personnel Retirement System (PSPRS) and the Corrections Officer Retirement Plan (CORP), any pension payments received by the retired member who retired on or after July 1, 2009 during a period of reemployment are considered overpayments, with some exceptions. If the PSPRS Board determines that the retired member's reemployment during the 12-month period and the failure of the employer or local board to suspend the member's pension were not intentional, the pension payments received by the retired member after reemployment are subject to repayment up to only the amount received between the date of the member's reemployment and the expiration of the 12-month period. If a retired PSPRS or CORP member who retired on or after July 1, 2009 and who is reemployed terminates employment, the retired member may be subsequently reemployed with the same employer and resume receiving pension payments after a period of 12 months, less the period of time the member was not reemployed with the same employer after retirement, if at least 60 days of the 12 months are consecutive. AS SIGNED BY GOVERNOR.

Sponsor: Sen. Livingston

Current Action: Signed by the Governor June 7, 2019. Chapter 302, Laws 2019.