

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
2020 PROPOSED LEGISLATION**

(54th Legislature, 2nd Regular Session)

Updated: June 11, 2020

H2145 PSPRS; CORP; DEATH BENEFITS; SUICIDE

For the purpose of Public Safety Personnel Retirement System and Corrections Officer Retirement Plan death benefits, the definition of "killed in the line of duty" is modified to include suicide. Retroactive to January 1, 2019.

Affected Plans/Statutes: PSPRS and CORP
First sponsor: Rep. Kern

Current Action: 2/27 FAILED House 19-41; 2/27 House COW approved with amendment [#4415](#) and floor amendment 4583; 2/26 retained on House COW calendar; 2/25 from House Rules okay; Hearing: 2/25 at 8:30 AM, House Rm. 4; 2/24 from House Government with amendment [#4415](#); 2/20 from House Public Safety do pass; Hearing: 2/20 at 8:30 AM, House Rm., 1; 2/19 House Public Safety do pass, report awaited; Hearing: 2/19 at 9:00 AM, House Rm. 3; 2/6 referred to House Government, Public Safety

H2157 PSPRS; BENEFIT COMPUTATION; RETURN-TO-WORK

In the computation of average monthly benefit compensation for the Public Safety Personnel Retirement System, a period of nonpaid or partially paid industrial leave must be considered based on the compensation the employee would have received in the employee's job classification if the employee was not on industrial leave. Payment of benefits to a Public Safety Personnel Retirement System, Corrections Officer Retirement Plan or Elected Officials' Retirement Plan member are required to commence no later than April 1 of the calendar year following the later of the date the member terminates employment or the calendar year in which the member attains 72 years of age, increased from 70.5 years of age. AS PASSED HOUSE.

Affected Plans/Statutes: PSPRS
First sponsor: Rep. Blackman

Current Action: 3/17 from Senate Rules okay; Hearing: 3/16 at 1:00 PM, Caucus Rm. 1; 3/12 from Senate Finance with amendment [#4846](#); 3/11 Senate Finance amended, report awaited; 2/24 referred to Senate Finance; 2/20 passed House 59-1, ready for Senate; 2/20 House COW approved with amendment [#4042](#); 2/17 from House Rules okay; 1/30 from House Government with amendment [#4042](#); 1/30 House Government amended, report awaited; Hearing: 1/30 at 9:00 AM, House Rm. 1; 1/16 referred to House Government

H2263**PSPRS; NORMAL RETIREMENT; AGE**

For an employee who becomes a member of the Public Safety Personnel Retirement System on or after July 1, 2017, the "normal retirement date" is changed to the first day of the calendar month immediately following the employee's completion of 15 years of credited service if the employee is at least 54 years of age, reduced from 55. Retroactive to July 1, 2017.

Affected Plans/Statutes: PSPRS

First sponsor: Rep. Espinoza

Current Action: 1/22 referred to House Government

H2469**LAW ENFORCEMENT OFFICERS; ADDITIONAL BENEFITS**

If a law enforcement officer was killed in the line of duty, the surviving spouse continues to receive workers' compensation death benefits until the surviving spouse's death regardless of whether the surviving spouse remarries. If a surviving spouse of a deceased law enforcement officer who was killed in the line of duty is receiving payment for health insurance premiums from the officer's employer and the surviving spouse remarries, the health insurance premium payments are no longer discontinued, and family coverage is required to include coverage for the additional new family members. In addition to any other death benefits, a surviving spouse, or a dependent if there is not a surviving spouse, of a deceased member of the Public Safety Personnel Retirement System (PSPRS) or Corrections Officer Retirement Plan (CORP) must receive payment for all of the deceased member's unused sick leave. If a PSPRS or CORP member is receiving an accidental or catastrophic or total and permanent disability pension, the retired member's employer is required to continue to pay the employer portion of the health care benefits that was being paid by the employer on the date that the member's disability pension commenced until the retired member is eligible for Medicare.

Affected Plans/Statutes:

First sponsor: Rep. Payne

Current Action: 2/17 from House Rules okay; 2/12 from House Public Safety with amendment [#4200](#); Hearing: 2/12 at 9:00 AM, House Rm. 3; 2/5 House Public Safety held; Hearing: 2/5 at 9:00 AM, House Rm. 3; 1/28 referred to House Transportation

H2475 LAW ENFORCEMENT OFFICERS; RIGHTS; PRIVILEGES

A law enforcement officer has all of the officer's rights and privileges that are due to a law enforcement officer 24 hours each day and not only when the law enforcement officer is on duty.

Affected Plans/Statutes:

First sponsor: Rep. Payne

Current Action: 5/19 referred to House Rules only

H2631 PSPRS; LOCAL BOARDS; DUTIES; CONSOLIDATION

Various changes to statutes governing the Public Safety Personnel Retirement System (PSPRS) and Corrections Officer Retirement Plan (CORP). The powers and duties of PSPRS local boards and CORP local boards are expanded to include deciding all questions of eligibility for disability and in the line of duty death benefits, and a uniform process for reviewing applications for these benefits is established. Each PSPRS local board and CORP local board is required to hire an independent legal counsel. PSPRS and CORP local board members, secretaries and independent counsel are required to complete local board training within 180 days after appointment or election. PSPRS and CORP employers and local boards are required to submit any materials requested by the PSPRS Board of Trustees for any reason. If the PSPRS Board of Trustees finds through an audit or investigation that a local board is not in compliance with statute or rule, the local board has 60 days to take corrective action, and failure to take adequate corrective action authorizes the Board of Trustees to act on behalf of that local board until the matter is resolved. PSPRS and CORP local boards are authorized to enter into an intergovernmental agreement with other local boards to consolidate the boards. Effective January 1, 2021.

Affected Plans/Statutes: PSPRS

First sponsor: Rep. Blackman

Current Action: 3/10 from Senate Rules okay; 3/5 from Senate Finance do pass; 3/4 Senate Finance do pass, report awaited; Hearing: 3/4 at 2:00 PM, Senate Rm. 1; 2/27 referred to Senate Finance; 2/25 passed House 60-0, ready for Senate; 2/17 from House Rules okay; 1/30 from House Government do pass; 1/30 House Government do pass, report awaited; Hearing: 1/30 at 9:00 AM, House Rm. 1; 1/28 referred to House Government

H2717 TREASURER; PENSION PREFUNDING; INVESTMENT ACCOUNTS

The State Treasurer is authorized to invest and reinvest pension prefunding plan monies in equity securities for pension prefunding plan investment accounts. Pension prefunding plan monies are for the purpose of allowing employers that provide a "defined benefit pension" (defined) plan to their employees to prefund the employer's required defined benefit pension payments. AS PASSED HOUSE.

Affected Plans/Statutes: PSPRS and CORP
First sponsor: Rep. Kavanagh

Current Action: Hearing: 3/18 at 2:00 PM, Senate Rm. 1; 3/2 referred to Senate Finance; 2/27 House COW approved with amendment #4252, passed House 60-0, ready for Senate; 2/25 from House Rules okay; Hearing: 2/25 at 8:30 AM, House Rm. 4; 2/13 from House Government with amendment #4252; 2/13 House Government amended, report awaited; 2/4 referred to House Government

S1280 PENSIONS; UNFUNDED LIABILITY; EXPENDITURE LIMITS

A county's or municipality's unfunded accrued liability under the Arizona State Retirement System, Elected Officials' Retirement Plan, Public Safety Personnel Retirement System, and Corrections Officer Retirement Plan are required to be considered a long-term obligation required by a contract for the purpose of the definition of "local revenues" for the purpose of calculating the local government expenditure limitation in the state Constitution.

Affected Plans/Statutes: PSPRS, CORP and EORP
First sponsor: Sen. Mesnard

Current Action: Hearing: 2/3 at 1:00 PM, Caucus Rm. 1; 1/29 Senate Finance do pass, report awaited; Hearing: 1/29 at 2:00 PM, Senate Rm. 1; 1/27 referred to Senate Finance

S1329 DEFINED CONTRIBUTION; HEALTH SUBSIDY; DISABILITY

Retired members of the Public Safety Personnel Defined Contribution Retirement System are no longer required to pay the premium for coverage in the group health and accident coverage and are no longer excluded from eligibility for benefits under the health insurance premium assistance program for members with disabilities. The accidental disability pension for a member of the Public Safety Personnel Retirement System must be at least 50 percent of the member's average monthly benefit compensation.

Affected Plans/Statutes: PSPRS/PSPDCRS
First sponsor: Sen. Livingston

Current Action: Hearing: 3/19 at 9:00 AM, House Rm. 1 - CANCELLED; 3/12 referred to House Government; 2/20 passed Senate 25-0, ready for House; 2/18 from Senate Rules okay; 2/6 from Senate Finance do pass; 2/17 at 1:00 PM, Caucus Rm. 1; 2/6 from Senate Finance do pass; 2/5 Senate Finance do pass, report awaited; Hearing: 2/5 at 2:00 PM, Senate Rm. 1; 1/28 referred to Senate Finance

S1332 APPROPRIATIONS; PSPRS; EORP; UNFUNDED LIABILITIES

Appropriates \$45 million from the general fund in FY2020-21 to the Public Safety Personnel Retirement System to be deposited in the employer account of the Department of Public Safety to offset unfunded pension liability. Appropriates \$5 million from the general fund in FY2020-21 to the Elected Officials' Retirement Plan to offset unfunded pension liability.

Affected Plans/Statutes: EORP

First sponsor: Sen. Livingston

Current Action: Hearing: 3/19 at 9:00 AM, House Rm. 1 - CANCELLED; 3/9 referred to House Government, House Appropriations; 2/27 passed Senate 28-2, ready for House; 2/25 Senate Rules okay; Hearing: 2/24 at 1:00 PM, Caucus Rm. 1; 2/19 from Senate Appropriations do pass; 2/18 Senate Appropriations do pass, report awaited; Hearing: 2/18 at 2:00 PM, Senate Rm. 109; 2/11 referred to Senate Appropriations; 1/28 referred to Senate Finance

S1354 PUBLIC RETIREMENT SYSTEMS; PREFUNDING PLAN

Adds a new article to Title 38 (Public Officers and Employees) establishing the Arizona Employers' Pension Prefunding Plan as a special trust fund for the purpose of allowing participating employers that provide a "defined benefit pension" (defined) plan to their employees to prefund the employer's required defined benefit pension payments. The Board of Trustees of the Public Safety Personnel Retirement System has the sole and exclusive control of the administration and investment of the Prefunding Plan. Establishes requirements for employer participation in the Prefunding Plan, requirements for a transfer of monies into the Prefunding Plan, and requirements for a transfer of assets out of the Prefunding Plan. A process for termination of an employer's participation in the Prefunding Plan is specified. Requirements for annual financial statements, audits, and actuarial valuation reports are also established. More. Severability clause. AS PASSED SENATE.

Affected Plans/Statutes: PSPRS

First sponsor: Sen. Livingston

Current Action: 6/5 signed by the Governor, Chapter 79; 5/21 passed House 55-5, ready for Governor; 5/21 from House Government do pass, from House Rules okay, House COW approved; Hearing: 3/21 at 12:30 PM; Hearing: 3/19 at 9:00 AM, Rm. 1 - CANCELLED; 3/12 referred to House Government; 2/20 passed Senate 27-0, ready for House; 2/19 Senate COW approved with amendment [#4213](#); Hearing: 2/17 at 1:00 PM, Caucus Rm. 1; 2/13 from Senate Finance with amendment [#4213](#); Hearing: 2/12 at 2:00 PM, Senate Rm. 1; 1/29 referred to Senate Finance

The 2020 general election ballot is to carry the question of whether to amend the state statute to require, if an "eligible person" (defined to include a list of law enforcement, emergency responders, and correctional officers) is killed in the line of duty, the state to pay to the decedent's surviving spouse or dependent the difference of \$1 million and the amount received under the federal public safety officers' benefits program. Also, if an eligible person becomes disabled in the line of duty and qualifies for social security disability insurance, the state is required to pay a state supplemental disability benefit to the person of \$50,000.

Affected Plans/Statutes:

First sponsor: Sen. Livingston

Current Action: 2/19 from Senate Appropriations with amendment [#4311](#); 2/18 Senate Appropriations amended, report awaited; Hearing: 2/18 at 2:00 PM, Senate Rm. 109; Hearing: 1/29 at 9:00 AM, Senate Rm. 109; 1/29 Transportation & Public Safety amended, report awaited; 1/13 referred to Senate Transportation & Public Safety, Appropriations