



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

House: WM DP 10-0-0-0

HB 2008: ASRS; contribution prepayment
Sponsor: Representative Livingston, LD 28
Caucus & COW

Overview

Allows employers to elect a short-term investment rate of return and eliminates the requirement that employers elect an amortization schedule for their prepaid contributions within a specified period of time when they have entered a contribution prepayment program with the Arizona State Retirement System (ASRS).

History

Employers are required to pay contributions based on a percentage of compensation for eligible employees. The required employer contributions are determined on an annual basis by an actuary selected by the ASRS Board. The contributions made by an employer are allocated to the ASRS Trust Fund are irrevocable and used as benefits for the ASRS or to pay expenses of the ASRS. Additionally, employers may enter into a written agreement with ASRS and enter a contribution prepayment program to prepay their 401(a) pension contributions. ([A.R.S § 38-737](#))

Provisions

1. Allows employers to elect a short-term investment rate of return, if available and agreed to by ASRS. (Sec. 1)
2. Removes the requirement that employers immediately elect an amortization schedule for their prepaid contributions. (Sec. 1)
3. Makes conforming changes. (Sec. 1)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
--	--	---	--------------------------------------