



Below is a summary of legislation passed that impacts the ASRS. Complete versions of bills can be found on the [Arizona State Legislature](#) website.

The 52nd Legislature – Second Regular Session adjourned on May 7, 2016. The effective date for legislation signed into law is August 6, 2016, unless otherwise noted.

The following bills related to the Arizona State Retirement System have been passed by the legislature and signed into law by the Governor.

House Bill 2160 – Eligible Rollovers

This bill allows the ASRS to no longer accept “indirect rollovers” for payment of service purchases made by members. Payments for service purchase can continue to be made through “direct rollovers” that is, funds transferred directly from a qualified tax plan or through a personal check. Service purchase payments through indirect rollovers are rare for members and can be confusing and potentially result in double taxation.

House Bill 2104 – Retention of Credited Service

This bill states that an employee who is employed with an ASRS employer in a position that was exempt from ASRS membership because the position was not included in Social Security coverage, but on whose behalf the employer has remitted ASRS contributions, will retain credited service for the period of employment for which the contributions were made by the employer. This legislation will also allow elected officials who are retired from the ASRS to return to work without having to suspend their pension benefit. This bill carried an emergency clause and became effective upon the Governor’s signature, which was May 18, 2016.

House Bill 2159 – Rulemaking Exemption

This bill allows the ASRS an exemption from the Administrative Procedures Act (rulemaking) for the following processes: actuarial assumptions and calculations; investment strategy and decisions, and certain accounting methodologies.

Senate Bill 1037 – Board Delegation

This bill permits the ASRS Board of Trustees to delegate the duty and authority to act on the Board’s behalf to a committee of the Board for purposes of determining the rights, benefits or obligations of any person for related administrative hearings. For example, the full Board may choose to allow a committee of the Board to hear individual appeals of such issues as pension calculations or Long Term Disability determinations rather than having them presented to the full Board.

Senate Bill 1151 – ASRS Continuation

This bill extends the statutory life of the ASRS for eight years, to July 1, 2024. It was passed retroactive from July 1, 2016. (The state legislature, on a periodic basis, authorizes the continuation of state agencies following a “sunset review.”)