

Arizona State Retirement System

5 YEAR REVIEW REPORT

2 A.A.C. 8, Articles 6 & 7

January 29, 2021

1. Authorization of the rules by existing statutes: A.R.S. §§ 41-1021 et seq. and 38-735, 38-738, 38-743, and 38-747.

2. The objective of each rule:

Rule	Objective
R2-8-601. Definitions	To provide definitions used in Article 6.
R2-8-602. Reviewing Agency Rulemaking Record and Directory of Substantive Policy Statements	To identify when and where members of the public may review the rulemaking record and directory.
R2-8-603. Petition for Rulemaking	To clarify how a member of the public may petition the ASRS to make or amend a rule.
R2-8-604. Review of a Rule, Agency Practice, or Substantive Policy Statement	To clarify how a member of the public may petition the ASRS to review a substantive policy statement or agency practice.
R2-8-605. Objection to Rule Based Upon Economic, Small Business and Consumer Impact	To clarify how a member of the public may object to a rule.
R2-8-606. Oral Proceedings	To clarify how members of the public may participate in an Oral Proceeding.
R2-8-607. Petition for Delayed Effective Date	To clarify how a member of the public may petition the ASRS to delay the effective date of a rule.
R2-8-701. Definitions	To provide definitions used in Article 7.
R2-8-702. General Information	To provide notice to the public of requirements and/or limitations that apply to contributions not withheld.
R2-8-703. Employer's Discovery of Error	To provide notice to the public of how the Employer must notify the ASRS of any Contributions Not Withheld error the Employer discovers.
R2-8-704. Member's Discovery of Error	To provide notice to the public of the information that should be provided to the ASRS when a member discovers a Contributions Not Withheld error.
R2-8-705. ASRS' Discovery of Error	To provide notice to the public of how the member and Employer will be notified when the ASRS discovers a Contributions Not Withheld error and identifies the information the ASRS will request.
R2-8-706. Determination of Contributions Not Withheld	To provide notice to the public of how the ASRS will make a Contributions Not

	Withheld determination and how the Employer and member will be notified.
R2-8-707. Submission of Payment	To provide notice to the public of the deadlines and methods for the Employer and member to submit payment and the penalties if payment is not submitted timely.

3. **Are the rules effective in achieving their objectives:** Yes
4. **Are the rules consistent with other rules and statutes:** Yes
5. **Are the rules enforced as written:** Yes
6. **Are the rules clear, concise, and understandable:** Mostly; R2-8-701(2)(b) could be clearer by adding “or was Engaged to Work.” R2-8-704(B) could be clearer by indicating how an Employer may correct inaccurate information or cancel a request for documentation provided by the eligible member. R2-8-706 could be clearer by adding an additional subsection to indicate that “the ASRS shall send the member an invoice pursuant to subsection (E) after the Employer has remitted the full amount due to be paid by the Employer.” R2-8-707(a) could be clearer by changing “statement” to “invoice.”
7. **Has the agency received written criticisms of the rules in the last five years:** No
8. **Economic, small business, and consumer impact comparison:** The economic impact has not differed from the impact that was anticipated in the final rulemaking at 22 A.A.R. 3323, effective January 1, 2017 for Article 6 and at 25 A.A.R. 303, effective March 18, 2019 for Article 7.
9. **Has the agency received any business competitiveness analyses of the rules:** No
10. **Has the agency completed the course of action indicated in the agency’s previous five-year-review report:** Yes; the rules in 2 A.A.C. 8, Article 6 were amended by final rulemaking at 22 A.A.R. 3323, effective January 1, 2017 and the rules in 2 A.A.C. 8, Article 7 were amended by final rulemaking 25 A.A.R. 303, effective March 18, 2019.
11. **A determination that the probable benefits of the rule outweigh within this state the probably costs of the rule, and the rule imposes the least burden and costs to regulated persons regulated by the rule, including paperwork and other compliance costs, necessary to achieve the underlying regulatory objective:** The probably benefits of the rules outweigh the probable costs of the rules because the rules simply clarify statutory requirements without imposing any additional requirements. The rules impose the least burdens and costs because they simply contain the information necessary for members of the public to participate in the rulemaking process or for ASRS members and Employers to correct a contributions not withheld situation.
12. **Are the rules more stringent than corresponding federal laws:** There are no corresponding federal laws.
13. **For rules adopted after July 29, 2010 that require the issuance of a regulatory permit, license, or agency authorization, whether the rules are in compliance with the general permit requirements of A.R.S. § 41-1037 or explain why the agency believes an exception applies:** The rules do not issue a permit, license or agency authorization.
14. **Proposed Course of Action:** The ASRS anticipates making the changes identified in item 6 above by December 2021.

