



NOTICES OF RULEMAKING DOCKET OPENING

This section of the Arizona Administrative Register contains Notices of Rulemaking Docket Opening.

A docket opening is the first part of the administrative rulemaking process. It is an "announcement" that the agency intends to work on its rules.

When an agency opens a rulemaking docket to consider rulemaking, the Administrative Procedure Act (APA) requires the publication of the Notice of Rulemaking Docket Opening.

Under the APA effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process. Many times an agency may file the Notice of Rulemaking Docket Opening with the Notice of Proposed Rulemaking.

The Office of the Secretary of State is the filing office and publisher of these notices. Questions about the interpretation of this information should be directed to the agency contact person listed in item #4 of this notice.

NOTICE OF RULEMAKING DOCKET OPENING

STATE RETIREMENT SYSTEM BOARD

[R15-132]

1. Title and its heading:

2, Administration

Chapter and its heading:

8, State Retirement System Board

Article and its heading:

5, Purchasing Service Credit

Section number:

R2-8-502, R2-8-503, R2-8-507, R2-8-508, R2-8-509, R2-8-510, R2-8-511, R2-8-512, R2-8-513, R2-8-513.02, R2-8-514, R2-8-515, R2-8-516, R2-8-517, R2-8-519

2. The subject matter of the proposed rule:

R2-8-502 provides notice to members of the public of how to request to purchase service credit with the ASRS. The ASRS will amend this rule to reflect that members on or after July 1, 2010, must have five years of service with the ASRS in order to be eligible to purchase service credit.

R2-8-503 provides notice to members of the public of the requirements necessary for completing a service credit purchase with the ASRS. The ASRS will amend this rule to reflect statutory changes. The term "presidential call-up" has been changed to "military call-up" in statute. The language in subsection (D)(2)(f) also needs to be amended to more accurately reference the specific requirements in R2-8-503(B) without being repetitive.

R2-8-507 provides notice to members of the public regarding what documentation is required to purchase forfeited service credits with the ASRS and how the ASRS calculates the cost for purchasing forfeited service credits. The ASRS will amend this rule to remove subsection (A)(1)(c) because the member's telephone number is no longer required.

R2-8-508 provides notice to members of the public regarding what documentation is required to purchase leave of absence service credits with the ASRS. The ASRS will amend this rule to remove reference to cost calculations, which is unnecessary because it is addressed in R2-8-506. The rule could also be more concise by removing subsection (A)(2) because the "guidelines" to which it refers are not required.

R2-8-509 provides notice to members of the public regarding what documentation is required to purchase military service credits with the ASRS. The ASRS will amend this rule to reflect the same statutory changes referenced in the comments for R2-8-503 above. Also, the rule could be more concise by removing reference to cost calculations, which is unnecessary because it is addressed in R2-8-506. Additionally, the rule could be more concise by amending subsection (A)(3)(e) to remove the requirement that military history be documented by fiscal year.

R2-8-510 provides notice to members of the public regarding what documentation is required to purchase presidential call-up service credits with the ASRS and how the ASRS calculates the cost for purchasing military call-up service credits. The ASRS will amend this rule to reflect the same statutory changes referenced in the comments for R2-8-503 above. Also, the ASRS does not require employers to submit a request to purchase military call-up service credits within 30 days of the active duty termination date. The member may take up to 90 days to return to employment and it is the member's responsibility to provide the employer with evidence supporting the military call-up service. The member may receive service credits for the time it takes, up to 90 days, to return to work after being called-up to military service.



R2-8-511 provides notice to members of the public regarding what documentation is required to purchase other public service credits with the ASRS. The ASRS will amend this rule to be more concise by removing reference to cost calculations, which is unnecessary, because it is addressed in R2-8-506.

R2-8-512 provides notice to members of the public regarding how to make a payment for a service credit purchase. The ASRS will amend this rule to reflect that members whose membership commenced prior to July 1, 2010 and July 20, 2011 must have five years of service on account with the ASRS in order to purchase commonwealth, insular area, territory, or overseas possession service and may only purchase five years of such service credits if those members are using after-tax monies.

R2-8-513 provides notice to members of the public regarding how to purchase service credits with the ASRS using an irrevocable payroll deduction authorization. The ASRS will amend this rule to reflect the same statutory changes referenced in the comments for R2-8-503 above. The rule could be more effective by reflecting a longer time period to submit a rollover to pay off a PDA if termination pay is also used.

R2-8-513.02 provides notice to members of the public regarding when the ASRS considers a member terminated from ASRS employment. The ASRS will amend this rule to reflect the same statutory changes referenced in the comments for R2-8-503 above.

R2-8-514 provides notice to members of the public regarding how to purchase service credits with the ASRS using a direct rollover. The ASRS will amend this rule to reflect a longer time period to submit a rollover to pay off a PDA if termination pay is also used. Also, The ASRS does not require an extension request under subsection (H) to be written. The ASRS does not require the authorized representative's address as indicated in subsection (E)(10), but the ASRS requires the Plan's address instead.

R2-8-515 provides notice to members of the public regarding how to purchase service credits by using a trustee-to-trustee transfer. R2-8-516 provides notice to members of the public regarding how to purchase service credits by using an indirect individual retirement account rollover. The ASRS will amend both rules to reflect a longer time period to submit a rollover to pay off a PDA if termination pay is also used. Also, the ASRS does not require an extension request under subsection (G) to be written.

R2-8-517 provides notice to members of the public regarding how to purchase service credits by using a distributed rollover contribution. The ASRS will amend this rule to reflect a longer time period to submit a rollover to pay off a PDA if termination pay is also used. Also, the ASRS uses the "Direct Rollover Transfer Certification" and the "Rollover Contribution from Eligible Plan" forms.

R2-8-519 provides notice to members of the public regarding how to purchase service credits by using a termination pay distribution. The ASRS will amend this rule to reflect that ASRS requires the member to contact our offices for a Termination Pay Authorization form because the form is not sent automatically. Also, the rule could be made clearer by amending the rule to reflect that a member must be actively contributing in order to request a recalculation of the service purchase cost if the member missed the six month deadline to terminate.

3. A citation to all published notices relating to the proceeding:

None

4. The name and address of agency personnel with whom persons may communicate regarding the rulemaking:

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5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

The Board will accept comments during business hours at the address listed in item 4. Information regarding an oral proceeding will be included in the Notice of Proposed Rulemaking.

6. A timetable for agency decisions or other action on the proceeding, if known:

To be determined