

REFERENCE TITLE: ASRS; benefit formula; graded multiplier

State of Arizona
House of Representatives
Forty-fourth Legislature
Second Regular Session
2000

HB 2010

Introduced by
Representative Brimhall

AN ACT

AMENDING SECTION 38-757, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 1999,
CHAPTER 327, SECTION 13; RELATING TO THE ARIZONA STATE RETIREMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 38-757, Arizona Revised Statutes, as amended by
3 Laws 1999, chapter 327, section 13, is amended to read:

4 38-757. Normal retirement

5 A. After application on a form prescribed by the director, a member
6 may retire on reaching the member's normal retirement date.

7 B. Except as provided in section 38-768 **AND SUBSECTION C OF THIS**
8 **SECTION**, a member who meets the requirements for retirement benefits at
9 normal retirement shall receive a monthly life annuity that equals the result
10 of paragraph 1 multiplied by paragraph 2 when those paragraphs are defined as
11 follows:

12 1. The number of whole and fractional years of credited service times
13 **THE FOLLOWING:**

14 (a) Two and one-tenth per cent **IF THE MEMBER HAS LESS THAN FIFTEEN**
15 **YEARS OF CREDITED SERVICE.**

16 (b) **TWO AND TWO-TENTHS PER CENT IF THE MEMBER HAS FIFTEEN OR MORE**
17 **YEARS BUT LESS THAN EIGHTEEN YEARS OF CREDITED SERVICE.**

18 (c) **TWO AND THREE-TENTHS PER CENT IF THE MEMBER HAS EIGHTEEN OR MORE**
19 **YEARS BUT LESS THAN TWENTY-TWO YEARS OF CREDITED SERVICE.**

20 (d) **TWO AND FOUR-TENTHS PER CENT IF THE MEMBER HAS TWENTY-TWO OR MORE**
21 **YEARS BUT LESS THAN TWENTY-FIVE YEARS OF CREDITED SERVICE.**

22 (e) **TWO AND ONE-HALF PER CENT IF THE MEMBER HAS TWENTY-FIVE OR MORE**
23 **YEARS OF CREDITED SERVICE.**

24 2. The member's average monthly compensation.

25 C. **THE AMOUNT OF A MEMBER'S MONTHLY LIFE ANNUITY COMPUTED PURSUANT TO**
26 **SUBSECTION B OF THIS SECTION SHALL NOT BE MORE THAN EIGHTY PER CENT OF THE**
27 **MEMBER'S AVERAGE MONTHLY COMPENSATION. THIS LIMITATION DOES NOT PRECLUDE**
28 **BENEFIT INCREASES PURSUANT TO SECTION 38-767.**

29 ~~C.~~ D. Employers shall provide evidence of, and certify to, in a
30 manner provided by the board, the member's average monthly compensation if
31 that information is not already available from the records of ASRS.

32 Sec. 2. Arizona state retirement system defined benefit
33 retirees; benefit increase

34 A member or a member's beneficiary who is receiving a benefit under the
35 Arizona state retirement system defined benefit program established by title
36 38, chapter 5, article 2, Arizona Revised Statutes, on July 1, 2001 is
37 entitled to receive a one-time permanent increase equal to an amount
38 necessary for the member's or member's beneficiary's benefit to equal the
39 amount of the benefit that would have been computed at the time of the
40 member's retirement if section 38-757, Arizona Revised Statutes, as amended
41 by this act, had been in effect.

42 Sec. 3. Effective date

43 This act is effective from and after June 30, 2001.