

**BILL #** SB 1257

**TITLE:** ASRS; veterans; service credits

**SPONSOR:** Bundgaard

**STATUS:** As Introduced

**REQUESTED BY:** Senate

**PREPARED BY:** Gretchen Logan

**FISCAL YEAR**

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**2001**

**2002**

**2003**

**EXPENDITURES**

General Fund	\$-0-	\$ -0-	\$-0-
Arizona State Retirement System			
Administration Account	<u>-0-</u>	<u>50,000</u>	<u>-0-</u>
Total	\$-0-	\$50,000	\$-0-

**FISCAL ANALYSIS**

**Description**

SB 1257 provides for the recalculation of the military service purchasing cost for Arizona State Retirement System (ASRS) members who purchased this service on or before July 20, 1996. If the cost of the military service under the new methodology is less than was paid by the member under the previous methodology, the member will be refunded the difference at the time of retirement.

**Estimated Impact**

Due to the limited number of individuals that will require a recalculation and because the amount of refund will be relatively small in the majority of cases, the actuaries contracted by ASRS report that SB 1257 will not impact the system's contribution rate. Therefore, the bill would not have a budget impact when the new contribution rate is set for the FY 2004 – FY 2005 biennium. The appropriation from the Arizona State Retirement Administration Account of \$50,000 is sufficient to fund the agency's administrative activities related to the recalculation of benefits as prescribed by SB 1257.

**Local Government Impact**

None.

3/8/01