

SB 1609 Revisited by Lawmakers Starting Today

Last legislative session SB 1609 was passed and later signed into law by the Governor. This bill, as you may remember, significantly changed the state's public employee retirement system and our member's benefit packages. Starting today the last segment of this bill awaiting action will be initiated. This segment calls for a Study Committee to meet and study several elements of the various state retirement systems.

When the study committee convenes today at 2:30 p.m. it will initiate a process which will review:

1. The feasibility and cost of transferring existing members of a retirement system to a new defined contribution plan as well as providing for a defined contribution plan for newly hired public employees.
2. Review all the existing supplemental retirement plans in the public safety personnel retirement system and the Arizona state retirement system and the feasibility of merging these supplemental retirement plans.
3. Review the definitions of compensation, average yearly salary and salary as used by the various plans to ascertain the actuarial effect of these definitions on the retirement systems.
4. Study the advantages and disadvantages of the local retirement board system and the advantages and disadvantages of the agent multiple employer public retirement system model.
5. Study the procedures, determinations and granting of accidental and ordinary disability retirements to members of PSPRS and CORP.
6. Feasibility of establishing another medical disability tier for PSPRS and CORP members and the elimination of local boards in making such disability determinations.

The study committee is required to prepare an interim report and send it to the Speaker of the House, President of the Senate and the Governor by December 31, 2012. The APA Executive Director and many of its directors will be watching what occurs at this committee hearing closely and will take special note of any commentary made for or against the retirement systems that are now in place by any legislator. A report will be provided to each APA Director following the conclusion of the last of the four scheduled hearings.