

COMMITTEE ON FINANCE
SENATE AMENDMENTS TO S.B. 1052
(Reference to printed bill)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 38-740, Arizona Revised Statutes, is amended to
3 read:

4 38-740. Return of contributions

5 A. A member whose membership commenced before July 1, 2011 and who
6 leaves employment other than by retirement or death may elect to receive a
7 return of the contributions as follows:

8 1. If the member has less than five years of credited service, the
9 member shall receive all of the member's contributions.

10 2. If a member has five or more years of credited service, the
11 member shall receive the member's contributions and an amount equal to a
12 percentage of the employer contributions paid on behalf of the
13 member. This amount excludes payments made by an employer pursuant to
14 section 38-738, subsection B, paragraph 3, unless the member has made the
15 payment required by section 38-738, subsection B, paragraph 1. The
16 percentage of employer contributions paid on behalf of the member shall be
17 as follows:

18 (a) 5.0 to 5.9 years of credited service, twenty-five per cent.

19 (b) 6.0 to 6.9 years of credited service, forty per cent.

20 (c) 7.0 to 7.9 years of credited service, fifty-five per cent.

21 (d) 8.0 to 8.9 years of credited service, seventy per cent.

22 (e) 9.0 to 9.9 years of credited service, eighty-five per cent.

23 (f) 10.0 or more years of credited service, one hundred per cent.

24 3. Interest on the returned contributions as determined by the
25 board.

1 B. A member whose membership commenced on or after July 1, 2011 and
2 who leaves employment other than by retirement or death may elect to
3 receive a return of all of the member's contributions with interest as
4 determined by the board.

5 C. Notwithstanding subsection B of this section, if a member has
6 five or more years of credited service and the member is terminated solely
7 because of an employer reduction in force by reason of a lack of monies or
8 elimination of the member's position, the member is entitled to receive the
9 amounts prescribed in subsection A of this section.

10 D. Withdrawal of contributions with interest constitutes a
11 withdrawal from membership in ASRS and results in a forfeiture of all other
12 benefits under ASRS.

13 E. IF A MEMBER HAS RECEIVED AN OVERPAYMENT PURSUANT TO SECTION 38-765
14 OR 38-797.08, ASRS SHALL WITHHOLD THE OVERPAYMENT AMOUNT PLUS ANY REQUIRED
15 INCOME TAX WITHHOLDING FROM THE RETURN OF CONTRIBUTIONS.

16 ~~F.~~F. Notwithstanding any other provision of this article, a member
17 who has not received a return of contributions pursuant to this section may
18 combine any two or more periods of service for purposes of determining the
19 member's benefits.

20 ~~F.~~G. If a member receives more than the amount due to a member
21 pursuant to this section, the member shall repay the amount of the
22 overpayment together with interest at the interest rate earned on ASRS
23 investments as reported on a quarterly basis, but not less than the
24 valuation rate established by the board, from the time of overpayment to
25 the settlement of the debt."

26 Renumber to conform

27 Page 2, line 45, strike "MAY NOT"

28 Page 3, line 1, strike "AUTHORIZE THE DISTRIBUTION THROUGH A" insert "SHALL
29 WITHHOLD THE OVERPAYMENT AMOUNT PLUS ANY REQUIRED INCOME TAX WITHHOLDING
30 FROM THE"; after "SUM" strike remainder of line

Senate Amendments to S.B. 1052

- 1 Page 3, strike line 2
- 2 Line 3, strike "MEMBER"
- 3 Amend title to conform

1052FIN
02/13/2017
08:45 AM
S: CS/rr