

REFERENCE TITLE: ASRS; reinstatement; technical correction

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1243

Introduced by
Senator Gorman

AN ACT

AMENDING SECTION 38-742, ARIZONA REVISED STATUTES; 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 38-742, Arizona Revised Statutes, is amended to
3 read:

4 38-742. Reinstatement

5 A. If an active member who received a return of contributions on
6 termination of employment and by receipt of those contributions forfeited
7 credited service earned on that employment, as provided in section 38-740,
8 subsection A, is subsequently reemployed by an employer, the member's service
9 shall be credited only from the date the member's most recent reemployment
10 period commenced.

11 B. Notwithstanding subsection A of this section, the member may
12 redeposit the amount of the contributions the member received at the time of
13 the member's separation from service, with interest on that amount to the
14 date of redeposit at the interest rate assumption approved by the board for
15 actuarial equivalency. On satisfaction of this obligation, the member's
16 service credits acquired by the previous employment shall be reinstated. If
17 a member redeposits less than the amount required under this subsection, ASRS
18 shall proportionately reduce the member's reinstated service credits.

19 C. A member who is receiving benefits pursuant to section 38-797.07
20 and who received a return of contributions on termination of employment and
21 by receipt of those contributions forfeited credited service earned on that
22 employment, as provided in section 38-740, subsection A, may redeposit the
23 amount of the contributions the member received at the time of the member's
24 previous separation from service, with interest on that amount to the date of
25 redeposit at the interest rate assumption approved by the board for actuarial
26 equivalency. On redeposit of the contributions and interest, the member's
27 service ~~credit~~ CREDITS acquired by the previous employment shall be
28 reinstated. If a member redeposits less than the amount required under this
29 subsection, ASRS shall proportionately reduce the member's reinstated service
30 credits.