

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 112
HOUSE BILL 2097

AN ACT

AMENDING TITLE 38, CHAPTER 5, ARTICLE 4, ARIZONA REVISED STATUTES, BY
ADDING SECTION 38-863.01; RELATING TO THE PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 38, chapter 5, article 4, Arizona Revised
3 Statutes, is amended by adding section 38-863.01, to read:

4 38-863.01. Pension funding policies; employers

5 A. BEGINNING ON OR BEFORE JULY 1, 2019, EACH GOVERNING BODY OF AN
6 EMPLOYER SHALL ANNUALLY:

7 1. ADOPT A PENSION FUNDING POLICY FOR THE SYSTEM FOR EMPLOYEES WHO
8 WERE HIRED BEFORE JULY 1, 2017. THE PENSION FUNDING POLICY SHALL INCLUDE
9 FUNDING OBJECTIVES THAT ADDRESS AT LEAST THE FOLLOWING:

10 (a) HOW TO MAINTAIN STABILITY OF THE GOVERNING BODY'S CONTRIBUTIONS
11 TO THE SYSTEM.

12 (b) HOW AND WHEN THE GOVERNING BODY'S FUNDING REQUIREMENTS OF THE
13 SYSTEM WILL BE MET.

14 (c) DEFINING THE GOVERNING BODY'S FUNDED RATIO TARGET UNDER THE
15 SYSTEM AND THE TIMELINE FOR REACHING THE TARGETED FUNDED RATIO.

16 2. FORMALLY ACCEPT THE EMPLOYER'S SHARE OF THE ASSETS AND
17 LIABILITIES UNDER THE SYSTEM BASED ON THE SYSTEM'S ACTUARIAL VALUATION
18 REPORT.

19 B. THE GOVERNING BODY SHALL POST THE PENSION FUNDING POLICY ON THE
20 GOVERNING BODY'S PUBLIC WEBSITE.

APPROVED BY THE GOVERNOR APRIL 3, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 3, 2018.