

House Engrossed

EORP; CORP; funded ratio

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
First Regular Session  
2025

**CHAPTER 261**

**HOUSE BILL 2015**

AN ACT

AMENDING SECTIONS 38-810 AND 38-891, ARIZONA REVISED STATUTES; RELATING TO  
PUBLIC RETIREMENT SYSTEMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 38-810, Arizona Revised Statutes, is amended to  
3 read:

4 38-810. Contributions; appropriations

5 A. Each member shall contribute to the fund an amount equal to the  
6 amount prescribed in subsection G of this section. Contributions of  
7 members shall be made by payroll deductions. Every member is deemed to  
8 consent to these deductions. Payment of a member's compensation, less  
9 these payroll deductions, constitutes a full and complete discharge and  
10 satisfaction of all claims and demands by the member relating to  
11 remuneration for the member's services rendered during the period covered  
12 by the payment, except with respect to the benefits provided under the  
13 plan. A member may not, under any circumstance, borrow from, take a loan  
14 against or remove contributions from the member's account before the  
15 termination of membership in the plan or the receipt of a pension.

16 B. The board's office shall be credited monthly with monies  
17 collected pursuant to section 12-119.01, subsection B, paragraph 2,  
18 section 12-120.31, subsection D, paragraph 2, section 12-284.03,  
19 subsection A, paragraph 6, section 22-281, subsection C, paragraph 3 and  
20 section 41-178. The monies credited to the fund pursuant to this  
21 subsection shall be deposited in the fund on a monthly basis, and there  
22 shall be a complete accounting of the determination of these monies  
23 deposited in the fund.

24 C. Beginning on July 1, 2018, as determined by actuarial valuations  
25 performed by the plan's actuary each employer shall make contributions on  
26 a level percent of compensation basis for all employees of the employer  
27 who are either members under this article, article 3.1 of this chapter or  
28 article 2 of this chapter pursuant to section 38-727, subsection B  
29 sufficient under the actuarial valuation to meet both the normal cost plus  
30 the actuarially determined amount required to amortize the unfunded  
31 accrued liability over a closed period of at least twenty and not more  
32 than thirty years that is established by the board taking into account the  
33 recommendation of the plan's actuary and the employer's contribution under  
34 the elected officials' defined contribution retirement system established  
35 pursuant to article 3.1 of this chapter and the employer's contribution  
36 under article 2 of this chapter for members who are eligible pursuant to  
37 section 38-727, subsection B. The employer also shall pay the amount  
38 required by section 38-797.05 for members under article 2 of this chapter  
39 who are eligible pursuant to section 38-727, subsection B and the amount  
40 required by article 3.2 of this chapter for members under article 3.1 of  
41 this chapter. The monies deposited in the fund pursuant to subsection B  
42 of this section shall be used to supplement the contributions required of  
43 all employers under the plan. The employer level percent compensation  
44 contribution that is paid pursuant to this subsection, less the amount  
45 contributed by the employer pursuant to section 38-833 and section 38-737

1 for members eligible pursuant to section 38-727, subsection B, shall not  
2 be used to pay for an increase in benefits that is otherwise payable to  
3 members but shall be used to meet the normal cost plus an amount to  
4 amortize the unfunded accrued liability.

5 D. In any fiscal year, an employer's contribution to the plan in  
6 combination with member contributions may not be less than the actuarially  
7 determined normal cost for that fiscal year. After the close of any  
8 fiscal year, if the plan's actuary determines that the actuarial valuation  
9 of the fund contains excess valuation assets and is more than one hundred  
10 percent funded, the board shall account for ~~fifty percent of~~ the excess  
11 valuation assets **UP TO ONE HUNDRED PERCENT OF PRESENT VALUE OF ALL FUTURE**  
12 **BENEFITS OF THE EMPLOYER** in a stabilization reserve account. After the  
13 close of any fiscal year, if the plan's actuary determines that the  
14 actuarial valuation of the fund has a valuation asset deficiency and an  
15 unfunded actuarial accrued liability, the board shall use any valuation  
16 assets in the stabilization reserve account, to the extent available, to  
17 limit the decline in the fund's funding ratio to not more than two  
18 percent.

19 E. The department of administration and the treasurer of each  
20 county and participating city and town shall transfer to the board the  
21 contributions provided for in subsections A and C of this section within  
22 ten working days after each payroll date. The state, county treasurers  
23 and clerks of the superior court shall transfer the monies credited under  
24 subsection B of this section to the board on or before the fifteenth day  
25 of each calendar month that follows the month in which the court fees were  
26 collected. Contributions and monies credited under subsection B of this  
27 section and transferred after these dates shall include a penalty equal to  
28 ten percent a year, compounded annually, for each day that the  
29 contributions or monies credited under subsection B of this section are  
30 late. Delinquent payments due under this subsection, together with  
31 interest charges as provided in this subsection and court costs, may be  
32 recovered by action in a court of competent jurisdiction against the  
33 person or persons responsible for the payments or, at the request of the  
34 board, may be deducted from any other monies, including excise revenue  
35 taxes, payable to a political subdivision by any department or agency of  
36 this state. If requested by the board, the state, county treasurers or  
37 clerks of the superior court shall transfer the monies credited under  
38 subsection B of this section, in an amount determined by the board,  
39 directly to the qualified governmental excess benefit arrangement  
40 established pursuant to section 38-803.01.

41 F. The employer shall pay the member contributions required of  
42 members on account of compensation earned after August 7, 1985. The paid  
43 contributions shall be treated as employer contributions for the purpose  
44 of determining tax treatment under the United States internal revenue  
45 code. The effective date of the employer payment shall not be before the

1 date the retirement plan has received notification from the United States  
2 internal revenue service that pursuant to section 414(h) of the United  
3 States internal revenue code the member contributions paid will not be  
4 included in gross income for income tax purposes until the paid  
5 contributions are distributed by refund or pension payments. The employer  
6 shall pay the member contributions from monies established and available  
7 in the retirement deduction account, which monies would otherwise have  
8 been designated as member contributions and paid to the retirement plan.  
9 Member contributions paid pursuant to this subsection shall be treated for  
10 all other purposes, in the same manner and to the same extent, as member  
11 contributions made before August 7, 1985.

12 G. An elected official who became a member of the plan before July  
13 20, 2011 shall contribute seven percent of the member's gross salary  
14 pursuant to subsection A of this section. The amount contributed pursuant  
15 to subsection A of this section by an elected official who became a member  
16 of the plan on or after July 20, 2011 is:

17 1. For fiscal year 2011-2012, ten percent of the member's gross  
18 salary.

19 2. For fiscal year 2012-2013, eleven and one-half percent of the  
20 member's gross salary.

21 3. For fiscal year 2013-2014 and each fiscal year thereafter,  
22 thirteen percent of the member's gross salary.

23 H. ~~For fiscal year 2011-2012 and each fiscal year thereafter,~~ The  
24 amount of the member's contribution that exceeds seven percent of the  
25 member's compensation shall not be used to reduce the employer's  
26 contributions that are calculated pursuant to subsection C of this section  
27 UNTIL THE EMPLOYER'S FUNDED RATIO AS EXPRESSED AS A PERCENTAGE OF THE  
28 EMPLOYER'S ACTUARIAL VALUE OF ASSETS TO ACCRUED ACTUARIAL LIABILITY AS  
29 DETERMINED BY THE ACTUARIAL VALUATIONS REPORTED PURSUANT TO SUBSECTION D  
30 OF THIS SECTION IS AT OR ABOVE ONE HUNDRED PERCENT. IF THE EMPLOYER'S  
31 FUNDED RATIO FALLS BELOW ONE HUNDRED PERCENT, THE AMOUNT OF THE MEMBER'S  
32 CONTRIBUTIONS ABOVE SEVEN PERCENT AS PROVIDED IN SUBSECTION G, PARAGRAPH 3  
33 OF THIS SECTION SHALL ACCUMULATE FROM THAT TIME AND NOT BE USED TO REDUCE  
34 THE EMPLOYER'S CONTRIBUTION RATE UNTIL THE EMPLOYER'S FUNDED RATIO RETURNS  
35 TO ONE HUNDRED PERCENT FUNDED.

36 I. In fiscal years 2013-2014 through 2042-2043, the sum of  
37 \$5,000,000 is appropriated in each fiscal year from the state general fund  
38 to the elected officials' retirement plan fund to supplement the normal  
39 cost plus an amount to amortize the unfunded accrued liability pursuant to  
40 subsection C of this section. Monies appropriated pursuant to this  
41 subsection shall not be used to pay for an increase in benefits that is  
42 otherwise payable to members and shall only be used as specified in this  
43 subsection. Monies appropriated pursuant to this subsection are exempt  
44 from the provisions of section 35-190 relating to lapsing of  
45 appropriations.

J. IN ANY FISCAL YEAR, AN EMPLOYER'S CONTRIBUTION TO THE PLAN IN COMBINATION WITH MEMBER CONTRIBUTIONS MAY NOT BE LESS THAN THE ACTUARIALLY DETERMINED NORMAL COST FOR THAT FISCAL YEAR. THE BOARD MAY NOT SUSPEND CONTRIBUTIONS TO THE PLAN UNLESS BOTH OF THE FOLLOWING APPLY:

1. THE PLAN ACTUARY, BASED ON THE ANNUAL VALUATION, DETERMINES THE STABILIZATION RESERVE OF AN EMPLOYER'S ACCOUNT IS FUNDED TO ONE HUNDRED PERCENT OF PRESENT VALUE OF ALL FUTURE BENEFITS OF THE EMPLOYER.

2. THE BOARD DETERMINES THAT SUSPENDING, IN WHOLE OR IN PART, THE NORMAL COST CONTRIBUTIONS AS CALCULATED UNDER SUBSECTION D OF THIS SECTION WOULD NOT BE IN CONFLICT WITH ITS FIDUCIARY RESPONSIBILITY.

Sec. 2. Section 38-891, Arizona Revised Statutes, is amended to read:

38-891. Employer and member contributions

A. As determined by actuarial valuations reported to the employers and the local boards by the board, each employer shall make contributions sufficient under the actuarial valuations to meet both the normal cost for members hired before July 1, 2018 plus the actuarially determined amount required to amortize the unfunded accrued liability on a level percent of salary basis for all employees of the employer who are members of the plan or participants as defined in section 38-865, paragraph 7, subdivision (b) over, beginning July 1, 2018, a closed period of not more than twenty years, except as provided in subsection ~~M~~ P or ~~Q~~ R of this section, that is established by the board taking into account the recommendation of the plan's actuary, ~~except that, beginning with fiscal year 2006-2007, except as otherwise provided, the employer contribution rate shall not be less than six percent of salary. For any employer whose actual contribution rate is less than six percent of salary for fiscal year 2006-2007 and each year thereafter, that employer's contribution rate shall be at least five percent and not more than the employer's actual contribution rate.~~ An employer may pay a higher level percent of salary thereby reducing its unfunded past service liability. All contributions made by the employers and all state taxes allocated to the fund shall be irrevocable and shall be used to pay benefits under the plan or to pay expenses of the plan and fund. The minimum employer contribution that is paid and that is in excess of the normal cost plus the actuarially determined amount required to amortize the unfunded accrued liability as calculated pursuant to this subsection shall be used to reduce future employer contribution increases and shall not be used to pay for an increase in benefits that are otherwise payable to members. The board shall separately account for these monies in the fund. Forfeitures arising because of severance of employment before a member becomes eligible for a pension or for any other reason shall be applied to reduce the cost to the employer, not to increase the benefits otherwise payable to members. After the close of any fiscal year, if the plan's actuary determines that the actuarial valuation of an employer's account contains excess valuation assets other

1 than excess valuation assets that were in the employer's account as of  
2 fiscal year 2004-2005 and is more than one hundred percent funded, the  
3 board shall account for ~~fifty percent of~~ the excess valuation assets UP TO  
4 ONE HUNDRED PERCENT OF PRESENT VALUE OF ALL FUTURE BENEFITS OF THE  
5 EMPLOYER in a stabilization reserve account. After the close of any  
6 fiscal year, if the plan's actuary determines that the actuarial valuation  
7 of an employer's account has a valuation asset deficiency and an unfunded  
8 actuarial accrued liability, the board shall use any valuation assets in  
9 the stabilization reserve account for that employer, to the extent  
10 available, to limit the decline in that employer's funding ratio to not  
11 more than two percent.

12 B. Each member who was hired before July 1, 2018, shall contribute  
13 the amount prescribed in subsection H of this section to the retirement  
14 plan. Each member who was hired on or after July 1, 2018, through the  
15 member's period of service from the member's effective date of  
16 participation, shall contribute an amount equal to the amount prescribed  
17 in subsection K of this section. Member contributions shall be made by  
18 payroll deduction. Continuation of employment by the member constitutes  
19 consent and agreement to the deduction of the applicable member  
20 contribution. Payment of the member's salary less the deducted  
21 contributions constitutes full and complete discharge and satisfaction of  
22 all claims and demands of the member relating to salary for services  
23 rendered during the period covered by the payment. A member may not,  
24 under any circumstance, borrow from, take a loan against or remove  
25 contributions from the member's account before the termination of  
26 membership in the plan or the receipt of a pension.

27 C. Each employer shall transfer to the board the employer and  
28 employee contributions provided for in this section within ten working  
29 days after each payroll date. Contributions transferred after that date  
30 shall include a penalty of ten percent per annum, compounded annually, for  
31 each day the contributions are late. The employer shall pay this  
32 penalty. Delinquent payments due under this subsection, together with  
33 interest charges as provided in this subsection, may be recovered by  
34 action in a court of competent jurisdiction against an employer liable for  
35 the payments or, at the request of the board, may be deducted from any  
36 other monies, including excise revenue taxes, payable to the employer by  
37 any department or agency of this state.

38 D. During a period when an employee is on industrial leave and the  
39 employee elects to continue contributions during the period of industrial  
40 leave, the employer and employee shall make contributions based on the  
41 salary the employee would have received in the employee's job  
42 classification if the employee was in normal employment status.

43 E. The local board of the state department of corrections or the  
44 local board of the department of juvenile corrections may specify a  
45 position within that department as a designated position if the position

1 is filled by an employee who has at least five years of credited service  
2 under the plan, who is transferred to temporarily fill the position and  
3 who makes a written request to the local board to specify the position as  
4 a designated position within ninety days after being transferred. On the  
5 employee leaving the position, the position is no longer a designated  
6 position.

7 F. The local board of the state department of corrections, the  
8 local board of the department of juvenile corrections, the local board of  
9 the judiciary or the local board of a county, city or town that operates  
10 detention facilities may specify a designated position within the  
11 department or facility as a nondesignated position if the position is  
12 filled by an employee who has at least five years of credited service  
13 under the Arizona state retirement system and who makes a written request  
14 to the local board to specify the position as a nondesignated position  
15 within ninety days after accepting the position. On the employee leaving  
16 the position, the position reverts to a designated position.

17 G. The local board of the judiciary may specify positions within  
18 the administrative office of the courts that require direct contact with  
19 and primarily provide training or technical expertise to county probation,  
20 surveillance or juvenile detention officers as a designated position if  
21 the position is filled by an employee who is a member of the plan  
22 currently employed in a designated position as a probation, surveillance  
23 or juvenile detention officer and who has at least five years of credited  
24 service under the plan. An employee who fills such a position shall make  
25 a written request to the local board to specify the position as a  
26 designated position within ninety days after accepting the position. On  
27 the employee leaving the position, the position reverts to a nondesignated  
28 position.

29 H. The amount contributed by a member who was hired before July 1,  
30 2018 pursuant to subsection B of this section is:

31 1. Through June 30, 2011, 8.41 percent of the member's salary,  
32 except for a full-time dispatcher. The amount contributed by a full-time  
33 dispatcher through June 30, 2011 is 7.96 percent of the member's salary.

34 2. For fiscal year 2011-2012 and each fiscal year thereafter, 8.41  
35 percent of the member's salary or fifty percent of the sum of the member's  
36 contribution rate from the preceding fiscal year and the aggregate  
37 computed employer contribution rate that is calculated pursuant to  
38 subsection A of this section, whichever is lower, except that the member  
39 contribution rate shall not be less than 7.65 percent of the member's  
40 salary and the employer contribution rate shall not be less than the rate  
41 prescribed in subsection A of this section.

42 I. Notwithstanding subsection H, paragraph 2 of this section, the  
43 contribution rate for a full-time dispatcher is forty-five basis points  
44 less than the member contribution amount calculated pursuant to subsection  
45 H, paragraph 2 of this section, except that after the close of any fiscal

1 year, if the plan's actuary determines that the aggregate ratio of the  
2 funding value of the accrued assets to the accrued liabilities of the fund  
3 is at least one hundred percent, from and after June 30 of the following  
4 year the member contribution rate for a full-time dispatcher is equal to  
5 the member contribution rate for a member who is not a full-time  
6 dispatcher.

7 J. ~~For fiscal year 2011-2012 and each fiscal year thereafter,~~ The  
8 amount of the member's contribution that exceeds 8.41 percent of the  
9 member's salary for a member other than a full-time dispatcher or 7.96  
10 percent of the member's salary for a full-time dispatcher shall not be  
11 used to reduce the employer's contributions that are calculated pursuant  
12 to subsection A of this section UNTIL THE EMPLOYER'S FUNDED RATIO AS  
13 EXPRESSED AS A PERCENTAGE OF THE EMPLOYER'S ACTUARIAL VALUE OF ASSETS TO  
14 ACCRUED ACTUARIAL LIABILITY AS DETERMINED BY THE ACTUARIAL VALUATIONS  
15 REPORTED PURSUANT TO SUBSECTION A OF THIS SECTION IS AT OR ABOVE ONE  
16 HUNDRED PERCENT. IF THE EMPLOYER'S FUNDED RATIO FALLS BELOW ONE HUNDRED  
17 PERCENT, THE AMOUNT OF THE MEMBER'S CONTRIBUTIONS ABOVE 8.41 PERCENT OR  
18 7.96 PERCENT, AS APPLICABLE PURSUANT TO THIS SUBSECTION, SHALL ACCUMULATE  
19 FROM THAT TIME AND NOT BE USED TO REDUCE THE EMPLOYER'S CONTRIBUTION RATE  
20 UNTIL THE EMPLOYER'S FUNDED RATIO RETURNS TO ONE HUNDRED PERCENT FUNDED.

21 K. For members hired on or after July 1, 2018, the employer and  
22 member contributions are determined as follows:

23 1. As determined by actuarial valuations reported to the employer  
24 and the local board by the board of trustees, each employer shall make  
25 contributions sufficient under such actuarial valuations to pay 33.3  
26 percent of the normal cost plus 50 percent of the actuarially determined  
27 amount required to amortize the total unfunded accrued liability for each  
28 employer attributable only to those members hired on or after July 1,  
29 2018. For each year that new unfunded liabilities are attributable to the  
30 employer's own members hired on or after July 1, 2018, a new amortization  
31 base representing the most recent annual gain or loss, smoothed over a  
32 period not more than five years as determined by the board, shall be  
33 created on a level-dollar basis over a closed period equal to the average  
34 expected remaining service lives of all members but not more than ten  
35 years, as determined by the board.

36 2. The remaining 66.7 percent of the normal cost and the remaining  
37 50 percent of the actuarially determined amount required to amortize the  
38 total unfunded accrued liability as determined pursuant to paragraph 1 of  
39 this subsection shall be divided by the total number of the employer's  
40 members who were hired on or after July 1, 2018 such that each member  
41 contributes an equal percentage of the member's compensation. Member  
42 contributions shall begin simultaneously with membership in the plan and  
43 shall be made by payroll deduction.

44 L. In any fiscal year, an employer's contribution to the plan in  
45 combination with member contributions may not be less than the actuarially



1 determined normal cost for that fiscal year. The board may not suspend  
2 contributions to the plan unless both of the following apply:

3 1. The plan's actuary, based on the annual valuation, determines  
4 ~~that continuing to accrue excess earnings could result in disqualification~~  
5 ~~of the plan's tax-exempt status under the provisions of the United States~~  
6 ~~internal revenue code~~ THE STABILIZATION RESERVE OF AN EMPLOYER'S ACCOUNT  
7 IS FUNDED TO ONE HUNDRED PERCENT OF PRESENT VALUE OF ALL FUTURE BENEFITS  
8 OF THE EMPLOYER.

9 2. The board determines that ~~the receipt of any additional~~  
10 ~~contributions required under this section would~~ SUSPENDING, IN WHOLE OR IN  
11 PART, THE NORMAL COST CONTRIBUTIONS AS CALCULATED UNDER SUBSECTION A OF  
12 THIS SECTION WOULD NOT BE IN conflict with its fiduciary responsibility.

13 M. AN EMPLOYER MAY REQUEST THAT THE BOARD TRANSFER EXCESS ASSETS OF  
14 AN EMPLOYER'S ACCOUNT THAT HAS NO LIABILITIES OR BENEFICIARIES TO ANOTHER  
15 ACCOUNT OF THE EMPLOYER THAT IS MANAGED BY THE BOARD. THE BOARD MAY  
16 AUTHORIZE THE TRANSFER OF ASSETS IF ALL OF THE FOLLOWING APPLY:

17 1. THE BOARD VERIFIES THAT THE EMPLOYER'S LIABILITIES HAVE BEEN  
18 RECONCILED WITH THE ADMINISTRATOR AND THERE ARE NO REMAINING OR POTENTIAL  
19 LIABILITIES OR BENEFICIARIES OF THE EMPLOYER'S ACCOUNT.

20 2. THE BOARD AND THE SYSTEM BEAR NO LIABILITY THAT THE PROPOSED  
21 TRANSFER CONFORMS WITH ANY OTHER RESTRICTIONS ON THE USE OR TRANSFER OF  
22 THE ASSETS OF THE PROPOSED TRANSFER.

23 3. THE TRANSFER DOES NOT VIOLATE THE INTERNAL REVENUE CODE OR  
24 THREATEN TO IMPAIR THE SYSTEM'S STATUS AS A QUALIFIED PLAN UNDER THE  
25 INTERNAL REVENUE CODE.

26 N. FOR THE PURPOSES OF REQUESTING A TRANSFER OF ASSETS PURSUANT TO  
27 THIS SECTION, AN EMPLOYER MUST MEET BOTH OF THE FOLLOWING REQUIREMENTS:

28 1. THE GOVERNING BODY OF THE EMPLOYER ADOPTS A RESOLUTION  
29 REQUESTING THE TRANSFER OF ASSETS IN AN OPEN SESSION WHERE PUBLIC COMMENT  
30 IS ALLOWED.

31 2. THE EMPLOYER SUBMITS A WRITTEN REQUEST TO THE ADMINISTRATOR OF  
32 THE BOARD FOR THE TRANSFER OF ASSETS ALONG WITH THE ADOPTED RESOLUTION.

33 O. FOR A STATE EMPLOYER THAT MEETS THE REQUIREMENTS OF SUBSECTION M  
34 OF THIS SECTION, THE JOINT LEGISLATIVE BUDGET COMMITTEE MAY REQUEST FROM  
35 THE ADMINISTRATOR OF THE BOARD CONFIRMATION THAT AN EMPLOYER'S ACCOUNT  
36 MEETS THE REQUIREMENTS TO TRANSFER THE ACCOUNT ASSETS. THE LEGISLATURE  
37 SHALL PASS A BILL DIRECTING THE BOARD TO TRANSFER THE ASSETS FROM THE  
38 ELIGIBLE EMPLOYER ACCOUNT TO ANOTHER ACCOUNT OF THE EMPLOYER. BEFORE THE  
39 LEGISLATURE PASSES THE BILL, THE JOINT LEGISLATIVE BUDGET COMMITTEE SHALL  
40 CONFIRM WITH THE ADMINISTRATOR OF THE BOARD THAT THE ASSETS ARE ELIGIBLE  
41 FOR TRANSFER TO ANOTHER EMPLOYER ACCOUNT AND DISCUSS THE MATTER IN A  
42 SCHEDULED PUBLIC MEETING.

43 ~~M.~~ P. For the purposes of calculating unfunded liability  
44 amortization payments pursuant to subsection A of this section, an  
45 employer may make a onetime election to request that the board use a

1 closed period of not more than thirty years if the employer meets both of  
2 the following requirements:

3 1. The governing body of the employer adopts a resolution  
4 requesting the longer amortization period and specifying the actuarial  
5 valuation date for which the new amortization period is to begin. The  
6 actuarial valuation date chosen must be the plan's fiscal year end either  
7 immediately before or immediately after the date of the resolution.

8 2. The employer submits a written request for the longer  
9 amortization period along with the adopted resolution to the administrator  
10 of the board.

11 ~~M~~. Q. For the purposes of subsection ~~M~~ P of this section,  
12 employer does not include this state or any state agency.

13 ~~R~~. R. For the purposes of calculating unfunded liability  
14 amortization payments pursuant to subsection A of this section, the board  
15 may use a closed period of not more than thirty years for the judiciary.

16 ~~P~~. S. Except as provided in subsection ~~T~~ of this section, if a  
17 member's employment is terminated with an employer by either party, the  
18 total liability under the plan associated with the member's service with  
19 the employer remains with the employer.

20 ~~T~~. T. If an active or inactive member is reemployed in the same  
21 retirement plan with a subsequent employer, assets equal to the  
22 actuarially accrued liability earned with the previous employer through  
23 the date of reemployment shall transfer to the subsequent employer and all  
24 benefit liabilities for the member are attributed to that employer.  
25 Actuarially accrued liability shall be computed using the actuarial  
26 methods and assumptions prescribed by the PUBLIC SAFETY PERSONNEL  
27 RETIREMENT system's actuary and adopted by the board.

APPROVED BY THE GOVERNOR JULY 1, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 1, 2025.