



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR H.B. 2206

ASRS; contingent annuitants

Purpose

Specifies that an Arizona State Retirement System (ASRS) member who chooses an optional premium benefit (OPB) may name one contingent annuitant to receive the OPB.

Background

ASRS offers optional forms of retirement benefits that continue to provide benefits beyond the member's lifetime. If one of these options is elected, the member designates a beneficiary, or contingent annuitant, who is entitled to receive the benefits following the member's death. A *contingent annuitant* is the person named by a member to receive retirement income payable following a member's death after retirement (A.R.S. §§ [38-711](#) and [38-760](#); [ASRS](#)).

An ASRS member who elects to receive a period certain and life annuity may also elect, at the time of retirement, an optional form of health insurance premium benefit to supplement the cost of retiree health insurance. The OPB is designed for members who have a spouse or dependent who will want to continue to receive the health benefit following the member's death ([A.R.S. § 38-783](#); [ASRS](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Specifies that a member who chooses an OPB may only name one contingent annuitant to receive the OPB after the member's death.
2. Replaces the term *beneficiary* with the term *contingent annuitant* for the purposes of the period certain and life annuity.
3. Makes technical changes.
4. Becomes effective on the general effective date.

House Action

WM	1/17/24	DP	10-0-0-0
3 rd Read	1/25/24		55-0-4-0-1

Prepared by Senate Research
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 MG/JC/cs