

1 **State of Arkansas**  
2 **80th General Assembly**  
3 **Regular Session, 1995**  
4 **By: Senators Snyder and Hopkins**

# A Bill

**ACT 1356 OF 1995**  
**SENATE BILL 465**

## For An Act To Be Entitled

8 "AN ACT TO AMEND VARIOUS SECTIONS OF TITLE 24, CHAPTER 3,  
9 OF THE ARKANSAS CODE OF 1987, ANNOTATED, TO REDUCE THE  
10 MINIMUM SERVICE TIME TO FIVE (5) YEARS FOR MEMBERS, *EXCEPT*  
11 *MEMBERS OF THE GENERAL ASSEMBLY*, TO VEST UNDER THE PUBLIC  
12 EMPLOYEES RETIREMENT SYSTEM BEGINNING JANUARY 1, 1996; AND  
13 FOR OTHER PURPOSES."

## Subtitle

16 "AN ACT TO REDUCE THE MINIMUM SERVICE TO  
17 FIVE (5) YEARS FOR MEMBERS, *EXCEPT*  
18 *MEMBERS OF THE GENERAL ASSEMBLY*, TO VEST  
19 IN THE PUBLIC EMPLOYEES RETIREMENT  
20 SYSTEM."

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24 SECTION 1. Arkansas Code § 24-3-201(a) is amended to read as follows:

25 "(a) (1) Any member in named plan employment may retire with an annuity  
26 provided for in subsection (e) of this section upon his written application to  
27 the governing body of his named plan setting forth at what time, not less than  
28 thirty (30) days nor more than ninety (90) days subsequent to the execution  
29 and filing of his application, he desires to be retired.

30 (2) At the time of his separation from employment and at the time  
31 so specified for his retirement, the member must have attained normal  
32 retirement age and must have five (5) or more years of credited service,  
33 *except for members of the General Assembly who must have ten (10) or more*  
34 *years of credited service.*

35 (3) The member's annuity starting date shall be that date  
36 established by the provisions in each named plan, and he shall have a right to

1 elect an option provided for in § 24-3-203."

2

3 SECTION 2. Arkansas Code § 24-3-206(a) (1) is amended to read as  
4 follows:

5 "(1) *Except for members of the General Assembly who must have at least*  
6 *ten (10) years of credited service, the member has five (5) or more years of*  
7 *total credited service with named plans or with reciprocal systems under the*  
8 *provisions of §§ 24-2-401 - 24-2-405 if, in establishing the minimum total*  
9 *credited service, periods of credited service covering the same calendar time*  
10 *shall be counted only once. However, both service in the Arkansas Public*  
11 *Employees' Retirement System as a member of the General Assembly and service*  
12 *in another reciprocal system during the same period of time may be counted to*  
13 *meet the service requirements for benefits from the reciprocal systems,*  
14 *subject to the following:*

15 (A) The provisions of § 24-3-301 may not be used to meet the  
16 service requirements;

17 (B) The benefit payable by a reciprocal system will be based on  
18 the credited service in that system and on the final average pay under that  
19 system; and

20 (C) If a member has fewer than five (5) actual years of service  
21 credited in a reciprocal system, then final average pay means the monthly  
22 average of pay to him during his total years of service in that system;"

23

24 SECTION 3. Arkansas Code § 24-3-207 is amended to read as follows:

25 "24-3-207. Benefit provisions - Early retirement.

26 (a) (1) Any member or former member with sufficient years of credited  
27 service to qualify for a vested termination annuity who has not attained his  
28 normal retirement age may retire with an early annuity provided for in  
29 subsection (b) of this section upon his written application to the plan  
30 setting forth at what time, not less than thirty (30) days nor more than  
31 ninety (90) days subsequent to the execution and filing of his application, he  
32 desires to be retired.

33 (2) The member or former member eligible for a vested termination  
34 annuity must have at least five (5) years of credited service and be within  
35 ten (10) years of normal retirement age, *except for members of the General*

1 Assembly who must have at least ten (10) years of credited service and be  
2 within ten (10) years of normal retirement age.

3 (b) Upon early retirement, a member shall receive a certain percent of  
4 an annuity for life provided for in § 24-3-201(e), which percent shall be one  
5 hundred percent (100%) reduced by one-half of one percent (0.5%) multiplied by  
6 the number of months by which his age at early retirement is younger than his  
7 normal retirement age, using what his normal retirement age would have been if  
8 he had continued named plan-covered employment from the time of early  
9 retirement."

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11 SECTION 4. Arkansas Code § 24-3-208(a) is amended to read as follows:

12 "(a) (1) *Except for members of the General Assembly who need at least*  
13 *ten (10) years of credited service, any active member with five (5) or more*  
14 *years of credited service, including credited service for at least eighteen*  
15 *(18) of the twenty-four (24) calendar months immediately preceding his*  
16 *disability, who becomes totally and permanently physically or mentally*  
17 *incapacitated for any suitable job or position as an employee, as a result of*  
18 *a personal injury or disease may be retired by the board of trustees upon*  
19 *written application filed with the board by or on behalf of the member. This*  
20 *may take place only if, after a medical examination of the member made by or*  
21 *under the direction of a physician or physicians designated by the board, the*  
22 *physician reports to the board in writing that the member is physically or*  
23 *mentally totally incapacitated for any suitable job or position, that the*  
24 *incapacity will probably be permanent, and that the member should be retired.*

25 (2) The disability annuity shall be effective the first day of  
26 the calendar month next following the later of either his termination of  
27 active membership or thirty (30) days after the date the written application  
28 is filed with the board."

29

30 SECTION 5. Arkansas Code § 24-3-301 is hereby amended to read as  
31 follows:

32 "24-3-301. Credited service generally.

33 (a) The governing body of each named plan shall establish the amounts  
34 of service to be credited its members subject to the provisions of subsection  
35 (b) of this section.

1 (b) (1) Employment as a public safety member shall be credited at one  
2 and one-half (1 1/2) times the regular rate for crediting service, except that  
3 at least five (5) years of actual service shall be required to meet the  
4 retirement eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a),  
5 24-3-207(a), and 24-3-208, and at least five (5) years of actual service shall  
6 be required to meet the eligibility requirements of § 24-3-209.

7 (2) Employment as Governor shall be credited as service at three  
8 (3) times the regular rate for credited service, except that at least four (4)  
9 years of actual service shall be required to meet the retirement eligibility  
10 requirements of §§ 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a), and  
11 24-3-208, and at least five (5) years of actual service shall be required to  
12 meet the eligibility requirements of § 24-3-209.

13 (3) (A) (i) Employment as an elected state constitutional officer  
14 shall be credited at two and one-half (2 1/2) times the regular rate for  
15 crediting service, except that at least five (5) years of actual service shall  
16 be required to meet the retirement eligibility requirements of §§ 24-3-201(a)  
17 and (b), 24-3-206(a), 24-3-207(a), and 24-3-208, and at least five (5) years  
18 of actual service shall be required to meet eligibility requirements of §  
19 24-3-209.

20 (ii) *Employment as a member of the General Assembly shall be*  
21 *credited at the regular rate for crediting service, except that at least ten*  
22 *(10) years of actual service shall be required to meet the retirement*  
23 *eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a),*  
24 *and 24-3-208, and at least five (5) years of actual service shall be required*  
25 *to meet eligibility requirements of §24-3-209.*

26 (B) A member of the General Assembly who at any time has  
27 served at least six (6) months during a two-year term to the General Assembly  
28 shall be credited with no more than one (1) year actual service.

29 (4) Employment as an elected public official other than Governor  
30 or an elected state constitutional officer or a *member of the General Assembly*  
31 shall be credited as service at two (2) times the regular rate for crediting  
32 service, except that at least five (5) years of actual service shall be  
33 required to meet the retirement eligibility requirements of §§ 24-3-201(a) and  
34 (b), 24-3-206(a), 24-3-207(a), and 24-3-208, and at least five (5) years of  
35 actual service shall be required to meet the eligibility requirements of §

1 24-3-209.

2 (5) As used in this section, *\_elected state constitutional*  
3 *officer\_* means the Lieutenant Governor, Attorney General, Secretary of State,  
4 State Auditor, State Treasurer, and Commissioner of State Lands."

5

6 SECTION 6. The provisions of this act shall be effective *July 1, 1997*.

7

8 SECTION 7. All provisions of this act of general and permanent nature  
9 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
10 Revision Commission shall incorporate the same in the Code.

11

12 SECTION 8. If any provisions of this act or the application thereof to  
13 any person or circumstance is held invalid, the invalidity shall not affect  
14 other provisions or applications of the act which can be given effect without  
15 the invalid provisions or application, and to this end the provisions of this  
16 act are declared to be severable.

17

18 SECTION 9. All laws and parts of laws in conflict with this act are  
19 hereby repealed.

20

*/s/Snyder et al*

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22 BECAME LAW WITHOUT GOVERNOR'S SIGNATURE: 4-19-95

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