

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas *As Engrossed: S2/26/99 S3/2/99 S3/8/99 S3/10/99 S3/11/99*

2 82nd General Assembly

A Bill

Act 865 of 1999

3 Regular Session, 1999

SENATE BILL 357

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5 By: Senator Hopkins

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For An Act To Be Entitled

9 "AN ACT TO AMEND CHAPTER 4 OF TITLE 24 OF THE ARKANSAS
10 CODE TO ALLOW THE BOARD OF TRUSTEES OF THE ARKANSAS
11 PUBLIC EMPLOYEES' RETIREMENT SYSTEM, THE ARKANSAS
12 TEACHER RETIREMENT SYSTEM, AND THE ARKANSAS LOCAL
13 POLICE AND FIRE RETIREMENT SYSTEM TO PROMULGATE RULES
14 AND REGULATIONS GOVERNING THE PARTICIPATION OF CERTAIN
15 EMPLOYERS; AND FOR OTHER PURPOSES. "

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Subtitle

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"TO AUTHORIZE VARIOUS RETIREMENT BOARDS
19 TO REGULATE PARTICIPATION BY CERTAIN
20 EMPLOYEES. "

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

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SECTION 1. *Arkansas Code 24-4-101 (5), concerning the definition of
26 "participating public employer" under the Arkansas Public Employees'
27 Retirement System, is amended to read as follows:*

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*"(5) 'Participating public employer' means any county, municipality,
rural waterworks facilities board, regional airport authority, public
facilities board, regional solid waste management board, joint county and
municipal sanitation authority, or regional water distribution board, in the
state whose employees are included in the membership of the system or the
employees of the Intergovernmental Juvenile Detention Council who are included
in the membership of the system or a rehabilitative services corporation or
local unit of government as provided for in § 24-4-745."*

1 SECTION 2. Arkansas code Title 24, Chapter 4, Subchapter 7 is amended
2 to add an additional Section to read as follows:

3 "24-4-745. The Board of Trustees shall have the authority to promulgate
4 such rules and regulations as are necessary to provide for the participation
5 of employers defined as Rehabilitative Services Corporations, under the
6 provisions of an act of the 1999 regular session of the General Assembly, and
7 such local units of government as are provided for under the Arkansas Code.
8 Provided, however, the board shall not admit or retain any employer whose
9 participation in the Arkansas Public Employees Retirement System would
10 jeopardize the tax-qualified status of the Plan under the Internal Revenue
11 Code, or that would subject the Plan to additional federal requirements, or to
12 any other consequence that the Board of Trustees would determine to be
13 detrimental to the system."

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15 SECTION 3. Arkansas Code 24-7-202 (6), concerning definitions under the
16 Arkansas Teacher Retirement System, is amended to read as follows:

17 "(6) 'Employer' means any school, habilitative services corporation, or
18 other educational agency participating in the system;"

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20 SECTION 4. The Board of Trustees of the Arkansas Teacher Retirement
21 System shall have the authority to promulgate such rules and regulations as
22 are necessary to provide for the participation of employers that are
23 habilitative services corporations authorized under the provisions of an act
24 of the 1999 regular session of the General Assembly. Provided, however, the
25 board shall not admit or retain any employer whose participation in the
26 Arkansas Teacher Retirement System would jeopardize the tax-qualified status
27 of the Plan under the Internal Revenue Code, or that would subject the Plan to
28 additional federal requirements, or to any other consequence that the Board of
29 Trustees would determine to be detrimental to the system.

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31 SECTION 5. Arkansas Code 24-10-102 (5), concerning definitions under
32 the Arkansas Local Police and Fire Retirement System, is amended to read as
33 follows:

34 "(5) 'Political subdivision' means incorporated towns, cities of the
35 first class, cities of the second class, counties, ~~nonprofit corporations~~
36 ~~formed for fire protection purposes,~~ and fire protection districts which

1 maintain standards established by the board, and rural fire protection
2 corporations; "

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4 SECTION 6. The Board of Trustees of the Arkansas Local Police and Fire
5 Retirement System shall have the authority to promulgate such rules and
6 regulations as are necessary to provide for the participation of employers
7 that are rural fire protection corporations authorized under the provisions of
8 an act of the 1999 regular session of the General Assembly. Provided,
9 however, the board shall not admit or retain any employer whose participation
10 in the Arkansas Local Police and Fire Retirement System would jeopardize the
11 tax-qualified status of the Plan under the Internal Revenue Code, or that
12 would subject the Plan to additional federal requirements, or to any other
13 consequence that the Board of Trustees would determine to be detrimental to
14 the system.

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16 SECTION 7. No benefit enhancement provided for by this act shall be
17 implemented if it would cause the publicly supported retirement system's
18 unfunded actuarial accrued liabilities to exceed a thirty (30) year
19 amortization. No benefit enhancement provided for by this act shall be
20 implemented by any publicly supported system which has unfunded actuarial
21 accrued liabilities being amortized over a period exceeding thirty (30) years
22 until the unfunded actuarial accrued liability is reduced to a level less than
23 the standards prescribed by Arkansas Code, Title 24.

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25 SECTION 8. All provisions of this act of a general and permanent nature
26 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
27 Revision Commission shall incorporate the same in the Code.

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29 SECTION 9. If any provision of this act or the application thereof to
30 any person or circumstance is held invalid, such invalidity shall not affect
31 other provisions or applications of the act which can be given effect without
32 the invalid provision or application, and to this end the provisions of this
33 act are declared to be severable.

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35 SECTION 10. All laws and parts of laws in conflict with this act are
36 hereby repealed.

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/s/ Hopkins

APPROVED: 3/25/1999