

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H2/28/03

A Bill

HOUSE BILL 1124

5 By: Representative R. Smith
6 By: Senator J. Jeffress
7

For An Act To Be Entitled

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9
10 AN ACT TO AMEND THE ARKANSAS LOCAL POLICE AND
11 FIRE RETIREMENT SYSTEM TO INCLUDE WORKERS'
12 COMPENSATION BENEFITS IN FINAL AVERAGE PAY FOR
13 THE PURPOSE OF CALCULATING THE AMOUNT OF AN
14 ANNUITY FOR DISABILITY RETIREMENT; AND FOR OTHER
15 PURPOSES.
16

Subtitle

17
18 AN ACT TO AMEND THE ARKANSAS LOCAL
19 POLICE AND FIRE RETIREMENT SYSTEM TO
20 INCLUDE WORKERS' COMPENSATION BENEFITS
21 IN FINAL AVERAGE PAY FOR THE PURPOSE OF
22 CALCULATING THE AMOUNT OF AN ANNUITY FOR
23 DISABILITY RETIREMENT.
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25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 24-10-102(15), concerning the definitions
29 used in the Arkansas Local Police and Fire Retirement System, is amended to
30 read as follows:

31 (15)(A) "Final average pay" means the monthly average of the pays to
32 an employee during the period of thirty-six (36) consecutive months of
33 credited service producing the highest monthly average, but the period must
34 be contained within the period of one hundred twenty (120) consecutive months
35 of credited service immediately preceding his or her separation from covered
36 employment.



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1 (B) Should a member have fewer than thirty-six (36) months
2 of credited service, "final average pay" means the monthly average of pays to
3 him or her during his or her total months of credited service.

4 (C) In any event, pays usable in determining final average
5 pay shall be limited by the following test, considering the final average pay
6 period in four (4) contiguous segments: Pays during any one (1) annual
7 segment shall be usable only to the extent that the pays do not exceed
8 thirty-one percent (31%) of the total pays in the final average pay period,
9 but if the final average pay period is less than four (4) full years, the
10 maximum usable thirty-one percent (31%) shall be increased proportionately.

11 (D)(i) For the limited purposes of calculating final
12 average pay for disability retirement benefits under § 24-10-607, pay shall
13 include workers' compensation benefits received by the member.

14 (ii) However, the total disability benefit payments,
15 including the workers' compensation benefits, shall not exceed one hundred
16 percent (100%) of the member's current pay at the time of the disabling
17 event;

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19 SECTION 2. Arkansas Code § 24-10-607(b)(1), concerning disability
20 retirement benefits for members of the Arkansas Local Police and Fire
21 Retirement System, is amended to read as follows:

22 (b)(1)(A) Upon disability retirement as provided in subsection (a) of
23 this section, a member shall receive an annuity provided for in § 24-10-602.

24 (B)(i) For purposes of calculating the amount of an
25 annuity for disability retirement, a member's final average pay shall include
26 workers' compensation benefits received by the member as set forth under
27 § 24-10-102(15)(D).

28 (ii) Disability benefits awarded to members, prior
29 to the effective date of this subdivision (b)(1)(B), shall be adjusted to
30 include workers' compensation benefits in calculating final average pay upon
31 application to the system by the affected member.

32 (iii) No adjustment shall be made in monthly
33 benefits paid before January 1, 2003.

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35 /s/ R. Smith
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