

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: H2/5/03
A Bill

HOUSE BILL 1233

5 By: Representative King
6
7

8 **For An Act To Be Entitled**

9 AN ACT TO ALLOW MEMBERS OF THE GENERAL ASSEMBLY
10 TO VEST IN THE ARKANSAS PUBLIC EMPLOYEE'S
11 RETIREMENT SYSTEM WITH FIVE (5) YEARS ACTUAL
12 SERVICE; AND FOR OTHER PURPOSES.
13

14 **Subtitle**

15 AN ACT TO ALLOW MEMBERS OF THE GENERAL
16 ASSEMBLY *TO VEST* IN THE ARKANSAS PUBLIC
17 EMPLOYEE'S RETIREMENT SYSTEM WITH FIVE
18 (5) YEARS ACTUAL SERVICE.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 24-4-101(28), concerning the definition to
24 be used in the chapters of the Arkansas Code creating the Arkansas Public
25 Employees' Retirement System, is amended to read as follows:

26 (28) "Normal retirement age" means, for a member, the youngest of the
27 following ages:

28 (A) Age sixty (60) and with twenty (20) or more years of actual
29 service for a contributory member; or

30 (B) Age sixty-five (65) with five (5) or more years of actual
31 service, ~~except for a member of the General Assembly who must have ten (10)~~
32 ~~or more years of actual service if he or she only has service as a member of~~
33 ~~the General Assembly;~~

34 (C) If the provisions of § 24-4-521 are used to determine any
35 portion of total credited service, then the age upon completion of thirty-
36 five (35) years of credited service, but in no event to an age younger than



1 fifty-five (55);

2 (D) For a noncontributory member with credited service for
3 employment as a public safety employee or as a sheriff, age sixty-five (65)
4 reduced by one (1) month for each two (2) months of such credited service,
5 but in no event to an age younger than fifty-five (55), except in the case of
6 a sheriff who has a minimum of ten (10) years of actual service as a sheriff
7 or who has eight (8) years of actual service as a sheriff and a minimum of
8 two (2) years of service in another state-supported retirement system, for
9 whom the minimum retirement age shall be fifty-two (52);

10 (E) The age upon completion of twenty-eight (28) years of
11 credited service, if the provisions of § 24-4-521 are not used to determine
12 any portion of such credited service;

13 (F) For a member of the General Assembly with twelve (12) years
14 of actual service, ten (10) of which must be as a member of the General
15 Assembly, at age fifty-five (55). A member of the General Assembly who was
16 either serving in the General Assembly on July 1, 1979, or held an elected
17 office on July 1, 1979, shall be eligible to retire with seventeen and one-
18 half (17 1/2) years of actual service regardless of age;

19 (G) An elected state constitutional officer shall be eligible to
20 retire with twenty-eight (28) years of credited service at age fifty-five
21 (55); and

22 (H) Notwithstanding subdivision (28)(C) of this section, in the
23 case of a deputy sheriff who has a minimum of twenty-five (25) years of
24 actual service as a deputy sheriff, the minimum retirement age shall be
25 fifty-two (52);

26

27 SECTION 2. Arkansas Code § 24-4-301(a)(2)(C)(i) and (ii), concerning
28 membership in the Arkansas Public Employees Retirement as condition to
29 employment, is amended to add an additional subsection to read as follows:

30 (C)(i) A person who is first elected as a member of the General
31 Assembly on or after July 1, 1999, shall have his or her employment covered
32 as a regular state employee member in lieu of coverage under special
33 provisions relating to General Assembly members or to elected officials.
34 However, if the member's only service under an Arkansas retirement plan is
35 service as a member of the General Assembly, then the member must have ~~ten~~
36 ~~(10)~~ five (5) or more years of actual service to be eligible for benefits.

1 (ii) A person who was first elected as a member of the General
 2 Assembly before July 1, 1999, may elect to have his or her employment covered
 3 as a regular state employee member in lieu of coverage under special
 4 provisions relating to General Assembly members or to elected officials.
 5 However, if the member's only service under an Arkansas retirement plan is
 6 service as a member of the General Assembly, then the member must have ~~ten~~
 7 ~~(10)~~ five (5) or more years of actual service to be eligible for benefits.
 8 *The member may make the election at any time.*

9
 10 SECTION 3. Arkansas Code § 24-4-508(a), concerning eligibility for
 11 benefits in the Arkansas Public Employees' Retirement System, is amended to
 12 read as follows:

13 (a) Any member may voluntarily retire upon his or her written
 14 application filed with the Board of Trustees of the Arkansas Public
 15 Employees' Retirement System setting forth at what time, not less than thirty
 16 (30) days nor more than ninety (90) days subsequent to the execution and
 17 filing of the application, that he or she desires to be retired if that
 18 member has:

19 (1) Twenty-eight (28) or more years of credited service
 20 regardless of age;

21 (2) Attained or attains age sixty (60) and has twenty (20) or
 22 more years of actual contributory service; or

23 (3) Attained or attains age sixty-five (65) and has five (5) or
 24 more years of actual service, ~~except for a member of the General Assembly who~~
 25 ~~must have ten (10) or more years of actual service if he or she only has~~
 26 ~~service as a member of the General Assembly.~~

27
 28 SECTION 4. Arkansas Code § 24-4-510(a)(1), concerning eligibility for
 29 early or deferred annuity benefits with the Arkansas Public Employees'
 30 Retirement System, is amended to read as follows:

31 (a)(1)(A) Any member or former member with sufficient years of actual
 32 service to qualify for a vested termination annuity who has not attained his
 33 or her normal retirement age may retire with an early annuity provided for in
 34 subsection (b) of this section upon his or her written application to the
 35 plan setting forth at what time, not less than thirty (30) days nor more than
 36 ninety (90) days subsequent to the execution and filing of his or her

1 application, he or she desires to be retired.

2 (B) The member or former member eligible for a vested
3 termination annuity must have at least five (5) years of actual service and
4 be within ten (10) years of normal retirement age, ~~except for members of the~~
5 ~~General Assembly who must have at least ten (10) years of actual service and~~
6 ~~be within ten (10) years of normal retirement age.~~

7

8 SECTION 5. Arkansas Code § 24-4-510(b)(1), concerning of the Arkansas
9 Public Employees' Retirement System, is amended to read as follows:

10 (b)(1) A member who terminates covered employment before attaining his
11 or her normal retirement age for a reason other than death or early
12 retirement or disability retirement shall be entitled to an annuity computed
13 in accordance with the provisions of subdivision (b)(2) of this section as it
14 provides at time of last termination of employment, subject to the member's
15 satisfying all of the following conditions:

16 (A) ~~Except for members of the General Assembly, who must~~
17 ~~have at least ten (10) years of actual service, the~~ The member has five (5)
18 or more years of total actual service with the Arkansas Public Employees'
19 Retirement System or in combination with reciprocal systems under the
20 provisions of §§ 24-2-401 - 24-2-405, and 24-2-407. In establishing the
21 minimum total credited service, periods of credited service covering the same
22 calendar time shall be counted only once. However, both service in the
23 Arkansas Public Employees' Retirement System as a member of the General
24 Assembly and service in another reciprocal system during the same period of
25 time may be counted to meet the service requirements for benefits from the
26 reciprocal systems, subject to the following:

27 (i) The provisions of § 24-4-521 may not be used to
28 meet the service requirements; and

29 (ii) The benefit payable by a reciprocal system will
30 be based on the credited service in that system and on the final average
31 compensation under that system;

32 (B) If a member has fewer years of service than the final
33 average compensation requirement in a reciprocal system, then "final average
34 compensation" means the monthly average of pay to the member during his or
35 her total years of service in that system;

36 (C) The member lives to his or her annuity starting date;

1 and

2 (D) The member makes written application for retirement in
3 accordance with this section.

4

5 SECTION 6. Arkansas Code § 24-4-511(a)(1)(A), concerning eligibility
6 for disability retirement benefits under the Arkansas Public Employees
7 Retirement System, is amended to read as follows:

8 (a)(1)(A) ~~Except for members of the General Assembly who need at least~~
9 ~~ten (10) years of actual service, any~~ Any active member with five (5) or more
10 years of actual service, including actual service for at least eighteen (18)
11 of the twenty-four (24) calendar months immediately preceding his or her
12 disability, who becomes totally and permanently physically or mentally
13 incapacitated for any suitable job or position as an employee as a result of
14 a personal injury or disease may be retired by the Board of Trustees of the
15 Arkansas Public Employees' Retirement System upon written application filed
16 with the board by or on behalf of the member.

17

18 SECTION 7. Arkansas Code § 24-4-521(b)(4)(A), concerning credited
19 service under the Arkansas Public Employees' Retirement System, is amended to
20 read as follows:

21 (4)(A) Noncontributory employment as a member of the General Assembly
22 shall be credited at the regular rate for crediting service, except that at
23 least ~~ten (10)~~ five (5) years of actual service shall be required to meet the
24 retirement eligibility requirements of §§ 24-4-510, 24-4-511, and 24-4-609,
25 and at least five (5) years of actual service shall be required to meet the
26 eligibility requirements of § 24-4-608.

27

28 SECTION 8. Arkansas Code § 24-4-710(b), concerning surviving spouse
29 benefits for General Assembly members and state constitutional officers under
30 the Arkansas Public Employees' Retirement System, is amended to read as
31 follows:

32 (b) The surviving spouse of a member or former member of the General
33 Assembly or of a state constitutional officer or former state constitutional
34 officer who, by virtue of the provisions of this section or any other law,
35 has five (5) years or more of credited service in any capacity in the system,
36 ~~except for a member of the General Assembly who must have had ten (10) or~~

1 ~~more years of credited service if he or she only has service as a member of~~
2 ~~the General Assembly,~~ shall be entitled upon reaching the required age to a
3 surviving spouse benefit in the amount prescribed by law under the division
4 of the system in which the deceased member was receiving benefits or would
5 have been entitled under this section to receive benefits if the member had
6 lived to retirement age.

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/s/ King