

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

A Bill

HOUSE BILL 1251

5 By: Representative Lendall
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For An Act To Be Entitled

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

Subtitle

16 AN ACT TO AMEND THE ARKANSAS LOCAL
17 POLICE AND FIRE RETIREMENT SYSTEM TO
18 INCLUDE WORKERS' COMPENSATION BENEFITS
19 IN FINAL AVERAGE PAY FOR THE PURPOSE OF
20 CALCULATING THE AMOUNT OF AN ANNUITY FOR
21 DISABILITY RETIREMENT.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 24-10-102(15), concerning the definitions
28 used in the Arkansas Local Police and Fire Retirement System, is amended to
29 read as follows:

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

36 (B) Should a member have fewer than thirty-six (36) months



1 of credited service, "final average pay" means the monthly average of pays to
2 him or her during his or her total months of credited service.

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

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

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

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

19 (B)(i) For purposes of calculating the amount of an
20 annuity for disability retirement, a member's final average pay shall include
21 workers' compensation benefits received by the member as set forth under
22 § 24-10-102(15)(D).

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

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

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