

"AN ACT TO AMEND SUBSECTION 6.02 OF SECTION 6 OF ACT 793 OF 1977, AS AMENDED, [ARK. STAT. 12-3306(6.02)] TO LOWER THE STATE DIVISION'S EMPLOYER CONTRIBUTIONS TO THE ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

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

SECTION 1. Subsection 6.02 of Section 6 of Act 793 of 1977, as amended, the same being Arkansas Statute 12-3306(6.02) is hereby amended to read as follows:

"6.02. The employer contribution rates to the named plans shall be the following percents of active member payroll:

<u>NAMED PLAN</u>	<u>CONTRIBUTIONS PERCENTS OF ACTIVE MEMBER PAYROLL</u>
Arkansas Public Employees Retirement System State Division (For Period beginning 7-1-87 and ending 6-30-89)	
Agencies whose employees' salaries are funded out of State General Revenues	3
Agencies whose employees' salaries are funded out of federal funds	3
Agencies whose employees' salaries are funded out of State Special Revenues	3
Agencies whose employees' salaries are funded out of cash funds	10
(For Period beginning 7-1-89 and thereafter)	10
County	9
Municipal	8
School	8
Arkansas State Police Retirement System	22"

SECTION 2. Section 1 of this Act shall not be construed as affecting in any way the existing methods of determining the years of credited service for computing benefits or determining retirement eligibility.

SECTION 3. For the purpose of this Act, the provisions found in Paragraph (b) of Subsection (A) of Section 9 of Act 177 of 1957, as amended, (Ark. Stat. 12-2509 A(b)) are suspended until July 1, 1989.

SECTION 4. The Public Employees Retirement Board shall establish reporting procedures to be followed by various State agencies in making contributions provided for in subsection 6.02 of Section 6 of Act 793 of 1977 as amended by Section 1 hereof, for the period ending June 30, 1989.

SECTION 5. This Act shall supersede Senate Bill 313 of 1987, effective July 1, 1987.

SECTION 6. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 7. Emergency Clause. It is hereby found and determined by the General Assembly that the Public Employees Retirement System is actuarially

sound and the cessation of the State Division's employer contributions would not impair the financial stability of the System; and that an emergency now exists that threatens the continued effectiveness of state funded programs; and the redirection of the State Division's contribution could be used to offset this current fiscal situation. Therefore, an emergency is hereby declared to exist and this Act being necessary for the preservation of the public peace, health, and safety shall be in full force and effect from and after July 1, 1987.

APPROVED: April 7, 1987
