

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Representative M. Wilson**

A Bill

ACT 887 OF 1995
HOUSE BILL 1072

For An Act To Be Entitled

8 "AN ACT TO PROVIDE FOR A COST OF LIVING INCREASE IN
9 RETIREMENT BENEFITS FOR MEMBERS OF THE ARKANSAS JUDICIAL
10 RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

Subtitle

13 "TO PROVIDE COST OF LIVING INCREASE FOR
14 THE ARKANSAS JUDICIAL RETIREMENT SYSTEM"

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

18 SECTION 1. As used in this act:

19 (a) "System" means the Arkansas Judicial Retirement System.

20 (b) "The amount of the benefit otherwise payable" means the full amount
21 of the monthly benefit that would be payable disregarding the provisions of
22 this section redetermining the benefit amount after retirement.

23 (c) "Consumer price index" means the Consumer Price Index for All Urban
24 Consumers, as determined by the United States Department of Labor, in effect
25 January 1, 1987. Should the consumer price index be reconstructed subsequent
26 to 1995 in a manner materially changing its character, the board of trustees,
27 after receiving the advice of the actuary, shall change the application of the
28 consumer price index so that, as far as practicable, the intent of the use of
29 the consumer price index shall be continued.

31 SECTION 2. (a) Each July 1 the system shall redetermine the amount of
32 each monthly benefit that has been payable by the system for at least twelve
33 (12) full calendar months. The redetermined amount shall be payable for the
34 following twelve (12) months.

35 (b) Subject to the maximum stated in subsection (c) of this section,
36 such redetermined amount shall be the amount of the benefit otherwise payable

1 on July 1, plus an increase of three percent (3%).

2 (c) In no event shall the redetermined amount be less than the amount
3 of the benefit otherwise payable. The redetermined amount shall not be more
4 than the amount of the benefit otherwise payable multiplied by the following
5 fraction:

6 (1) The numerator shall be the average of the consumer price
7 index for the twelve (12) calendar months in the calendar year immediately
8 preceding July 1, but in no event an amount less than the denominator; and

9 (2) The denominator shall be the average of the consumer price
10 index for the twelve (12) calendar months in the calendar year immediately
11 preceding the effective date of the benefit.

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13 SECTION 3. This method of redetermination of the amount of retirement
14 benefits shall be applicable to any judge first elected after July 1, 1983.

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16 SECTION 4. All provisions of this act of a general and permanent nature
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
18 Revision Commission shall incorporate the same in the Code.

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20 SECTION 5. If any provision of this act or the application thereof to
21 any person or circumstance is held invalid, such invalidity shall not affect
22 other provisions or applications of the act which can be given effect without
23 the invalid provision or application, and to this end the provisions of this
24 act are declared to be severable.

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26 SECTION 6. All laws and parts of laws in conflict with this act are
27 hereby repealed.

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APPROVED: 4-4-95

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