

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

A Bill

ACT 386 OF 1997
HOUSE BILL 1497

4
5 By: Representatives Dawson and Broadway
6
7

For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE § 24-5-115 TO PROVIDE
10 MEMBERS OF THE ARKANSAS STATE HIGHWAY EMPLOYEES RETIREMENT
11 SYSTEM AN INCREASE IN THE MULTIPLIER AMOUNT FOR
12 CALCULATING RETIREMENT ANNUITIES; TO PROVIDE A BENEFIT
13 INCREASE FOR CERTAIN RETIRANTS AND BENEFICIARIES OF
14 RETIRANTS; TO DECLARE AN EMERGENCY; AND FOR OTHER
15 PURPOSES."

Subtitle

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18 "INCREASING BENEFITS FOR THE RETIREES OF
19 THE ARKANSAS STATE HIGHWAY EMPLOYEES
20 RETIREMENT SYSTEM."
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code Section § 24-5-115 is hereby amended to read
25 as follows:

26 "24-5-115. Benefits generally.

27 (a) (1) Members retired for the reasons set forth in §§24-5-112 - 24-5-
28 114 shall be eligible for annual retirement benefits based on ~~two and six one~~
29 ~~hundredths percent (2.06%)~~ two and one tenth percent (2.1%) of their average
30 compensation, as defined in §24-5-101, limited to the amount upon which
31 contributions, including supplemental contributions under the provisions of
32 §24-5-108 (b) have been made, times the number of years of creditable service
33 in the Arkansas State Highway Employees Retirement System.

34 (2) Payments shall be made in equal monthly installments.

35 (b)(1) In the event a member has not completed payment of his service
36 contributions as provided for in §24-5-108 (b) and is current in his or her

1 service contributions at the time of retirement, the ~~Board of Trustees of the~~
 2 ~~Arkansas State Highway Employees Retirement System~~ board is authorized to
 3 deduct from each monthly annuity payment an amount equal to one-twelfth (1/12)
 4 of the unpaid balance of such service contributions.

5 (2) The deductions shall continue until all service contributions
 6 have been paid in full."

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8 SECTION 2. (a) Effective July 1, 1997, the monthly retirement benefit
 9 payable to the retirees and beneficiaries of the Arkansas State Highway
 10 Employees Retirement System who are entitled to receive an annuity for July
 11 1997, shall be increased by two percent (2 %) above the annuity such retiree
 12 or beneficiary received for June 1997.

13 (b) The increase in benefits as provided in this section shall be added
 14 to the annuity for the purpose of computing the annual post-retirement
 15 increase as provided in § 24-5-119 (a) for the benefit re-determination July
 16 1, 1997.

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18 SECTION 3. All provisions of this act of a general and permanent nature
 19 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 20 Revision Commission shall incorporate the same in the Code.

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22 SECTION 4. If any provision of this act or the application thereof to
 23 any person or circumstance is held invalid, such invalidity shall not affect
 24 other provisions or applications of the act which can be given effect without
 25 the invalid provision or application, and to this end the provisions of this
 26 act are declared to be severable.

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28 SECTION 5. All laws or parts of laws in conflict with this act are
 29 hereby repealed, provided, none of the amendments contained in this Act are
 30 intended to nor shall they be construed to amend or affect any of the state-
 31 supported retirement system laws of this State, with the exception of the laws
 32 pertaining to the Arkansas State Highway Employees Retirement System.

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34 SECTION 6. EMERGENCY CLAUSE. It is hereby found and determined by the
 35 Eighty-First General Assembly of the State of Arkansas that benefits provided
 36 under the Arkansas State Highway Employees Retirement System are inadequate

1 and that an increase should be provided as soon as practicable in order to
2 avoid an undue hardship; in order for the Arkansas State Highway and
3 Transportation Department to continue to retain and recruit efficient and
4 skilled employees and by immediately increasing the multiplier amount for
5 retirement benefit purposes will greatly assist such retention and recruitment
6 efforts; and that benefits provided to retirants and beneficiaries under the
7 Arkansas State Highway Employees' Retirement System are inadequate and that
8 an increase should be provided as soon as practicable in order to avoid an
9 undue hardship to many such retirants and beneficiaries. Therefore, an
10 emergency is hereby declared to exist and this act being necessary for the
11 immediate preservation of the public peace, health and safety shall be in full
12 force and effect on and after July 1, 1997.

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APPROVED:3-06-97