

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

As Engrossed: S2/10/97

A Bill

ACT 236 OF 1997
SENATE BILL 170

4
5 By: Senator Hopkins
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED § 24-8-209 TO
10 PROVIDE FOR THE PICK-UP OF MEMBER CONTRIBUTIONS TO THE
11 ARKANSAS JUDICIAL RETIREMENT SYSTEM *RETROACTIVELY TO*
12 *JANUARY 1, 1997; TO DECLARE AN EMERGENCY; AND FOR OTHER*
13 *PURPOSES.*"
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Subtitle

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16 "TO AMEND A. C. A. § 24-8-209 TO PROVIDE
17 FOR THE PICK-UP OF MEMBER CONTRIBUTIONS
18 TO THE ARKANSAS JUDICIAL RETIREMENT
19 SYSTEM"
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Annotated § 24-8-209 is amended to read as
24 follows:

25 "24-8-209. Contributions - Members - Refund.

26 (a) The contribution of each member of the Arkansas Judicial Retirement
27 System shall be six percent (6%) of each member's annual salary.

28 (b) In the event a judge ceases to be a member prior to qualifying for
29 retirement benefits, he shall be entitled to a refund of all contributions
30 paid by him into the system.

31 (c) For purposes of deferring federal and state income tax and pursuant
32 to the provisions of §414(h)(2) of the United States Internal Revenue Code [26
33 U.S.C.(h)(2)] as adopted by Arkansas Code Annotated Section 26-51-414, the
34 state shall pick up the members' contributions to the judicial retirement fund
35 as required by this section and payable on or after January 1, 1997. Member
36 contributions picked up by the state shall be paid from the same source of

1 funds used for the payment of salary to a member. A deduction shall be made
2 from each member's salary, equal to the amount of the member's contribution
3 picked up by the employer. For all other purposes, member contributions
4 picked up by the state shall be considered member contributions. The
5 provisions of this subsection providing for the state to pay the member's
6 contributions for tax deferral under IRC § 414(h) shall be effective from and
7 retroactive to January 1, 1997."

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9 SECTION 2. All provisions of this act of a general and permanent nature
10 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
11 Revision Commission shall incorporate the same in the Code.

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13 SECTION 3. If any provision of this act or the application thereof to
14 any person or circumstance is held invalid, such invalidity shall not affect
15 other provisions or applications of the act which can be given effect without
16 the invalid provision or application, and to this end the provisions of this
17 act are declared to be severable.

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19 SECTION 4. All laws and parts of laws in conflict with this act are
20 hereby repealed.

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22 SECTION 5. Emergency. It is hereby found and deteremined by the
23 Eighty-First General Assembly of the State of Arkansas that the current
24 language in the Federal Internal Revenue Code makes it imperative that changes
25 be made in laws of the Arkansas Judicial Retirement System regarding employee
26 contributions for income tax treatment purposes to save the member-judges'
27 money; that administrative efficiency dictates those changes be made at the
28 beginning of the calendar year on January 1st; and that these changes are
29 essential to protect the financial interest of the membership of the Arkansas
30 Judicial Retirement System. Therefore, in order to protect the financial
31 interest of the members of the System, an emergency is hereby declared to
32 exist, and this act being necessary for the immediate preservation of the
33 public peace, health, and safety, shall become effective on the date of its
34 approval by the Governor. If the bill is neither vetoed by the Governor, it
35 shall become effective on the expiration of the period of time during which the
36 Governor may veto the bill. If the bill is vetoed by the Governor and the

1 veto is overridden, it shall become effective on the date the last house
2 overrides the veto.

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/s/Hopkins

APPROVED: 2-21-97