

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas As Engrossed: S2/16/99 S2/17/99 S2/24/99 S3/2/99 S3/2/99 3/16/99 S3/17/99 H3/26/99

2 82nd General Assembly

# A Bill

Act 1066 of 1999

3 Regular Session, 1999

SENATE BILL 45

4  
5 By: Senator Hopkins

## For An Act To Be Entitled

9 "AN ACT TO AMEND VARIOUS SECTIONS OF ARKANSAS CODE  
10 TITLE 24 CONCERNING BENEFITS UNDER MISCELLANEOUS  
11 RETIREMENT PROVISIONS APPLICABLE TO MUNICIPAL JUDGES  
12 AND COURT CLERKS AND TO LOCAL OFFICERS AND EMPLOYEES;  
13 AND FOR OTHER PURPOSES."

## Subtitle

16 "AN ACT CONCERNING BENEFITS UNDER  
17 MISCELLANEOUS RETIREMENT PROVISIONS  
18 APPLICABLE TO MUNICIPAL JUDGES AND COURT  
19 CLERKS AND TO LOCAL OFFICERS AND  
20 EMPLOYEES."

21  
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23  
24 SECTION 1. Arkansas Code Title 24, Chapter 8, Subchapter 3 is amended  
25 to add an additional section to read as follows:

26 "24-8-319. Benefits.

27 Any person participating in a retirement plan authorized under this  
28 subchapter on or after July 1, 1999 shall be entitled to a retirement benefit  
29 if that person has ten (10) or more years of actual service in a plan covered  
30 by this subchapter and is at least sixty (60) years of age. If the person  
31 does not have sufficient service to draw the full benefit provided, then a  
32 partial benefit, not to exceed the full benefit, shall be payable when the  
33 person has reached the age requirement specified in this subchapter and shall  
34 be determined by multiplying the full benefit by the following fraction:

35 (i) The numerator shall be the number of months of actual service  
36 under the provisions of this subchapter; and

1           (ii) The denominator shall be two hundred forty (240) months."

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3           SECTION 2. Arkansas Code Title 24, Chapter 8, Subchapter 4 is amended  
4 to add an additional section to read as follows:

5           "24-8-410. Benefits.

6           Any person participating in a retirement plan authorized under this  
7 subchapter on or after July 1, 1999 shall be entitled to a retirement benefit  
8 if that person has ten (10) or more years of actual service in a plan covered  
9 by this subchapter and is at least sixty (60) years of age. If the person  
10 does not have sufficient service to draw the full benefit provided, then a  
11 partial benefit, not to exceed the full benefit, shall be payable when the  
12 person has reached the age requirement specified in this subchapter and shall  
13 be determined by multiplying the full benefit by the following fraction:

14           (i) The numerator shall be the number of months of actual service  
15 under the provisions of this subchapter; and

16           (ii) The denominator shall be two hundred forty (240) months."

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18           SECTION 3. Arkansas Code Title 24, Chapter 8, Subchapter 5 is amended  
19 to add an additional section to read as follows:

20           "24-8-505. Benefits.

21           Any person participating in a retirement plan authorized under this  
22 subchapter on or after July 1, 1999 shall be entitled to a retirement benefit  
23 if that person has ten (10) or more years of actual service in a plan covered  
24 by this subchapter and is at least sixty (60) years of age. If the person  
25 does not have sufficient service to draw the full benefit provided, then a  
26 partial benefit, not to exceed the full benefit, shall be payable when the  
27 person has reached the age requirement specified in this subchapter and shall  
28 be determined by multiplying the full benefit by the following fraction:

29           (i) The numerator shall be the number of months of actual service  
30 under the provisions of this subchapter; and

31           (ii) The denominator shall be two hundred forty (240) months."

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33           SECTION 4. Arkansas Code 24-8-315(f) is amended to read as follows:

34           "(f)(1) Any county employer or municipal employer participating in the  
35 Arkansas Public Employees' Retirement System that is required by law to  
36 establish a local retirement plan for any employee shall have the option at

1 the time of employment or ~~within ninety (90) days of July 15, 1991~~ at anytime  
 2 thereafter, to provide retirement benefits for the employee under the local  
 3 retirement plan or to include the employee in the Arkansas Public Employees'  
 4 Retirement System. However, a municipality participating in Arkansas Public  
 5 Employees' Retirement System, or a municipality electing at some future date  
 6 to participate in the Arkansas Public Employees' Retirement System, may not  
 7 transfer a municipal court judge or municipal court clerk from a local plan to  
 8 the Arkansas Public Employees' Retirement System without the express  
 9 permission of the affected municipal court judge or municipal court clerk.

10 (2) The decision to enroll the employee in the Arkansas Public  
 11 Employees' Retirement System, in lieu of a local retirement plan, shall be  
 12 made by the employer's governing body and the results certified to the Board  
 13 of Trustees of the Arkansas Public Employees' Retirement System. The employer  
 14 shall also certify that the employee has not received and will not be eligible  
 15 to receive, a benefit from a local retirement plan. Upon enrollment in the  
 16 Arkansas Public Employees Retirement System, the member may receive, at his or  
 17 her option, credit for the service rendered in the position prior to  
 18 enrollment, subject to the following conditions:

19 (A) The member is a participating employee covered under  
 20 the system at the time of the purchase;

21 (B) The member furnishes proof, in a form required by the  
 22 system, of the service and compensation received;

23 (C) The member pays, or causes to be paid, all employee  
 24 contributions at the rate and on the compensation that would have been paid  
 25 had he been a member during that time, all employer contributions based on the  
 26 employer normal cost from the most recently completed regular annual actuarial  
 27 valuation and the compensation that would have been paid had he been a member  
 28 during that time, and regular interest on the employee and employer  
 29 contributions computed from the date the service was rendered to the date the  
 30 payment is received by the system. The member may purchase all of the service  
 31 or any portion thereof in multiples of one (1) year; and

32 (D) The payment shall be made in one (1) lump sum."

33  
 34 SECTION 5. Arkansas Code 24-12-120 is amended to read as follows:

35 "24-12-120. ~~Municipal~~ City attorneys in cities of first and second  
 36 class.

1 (a) Upon approval by the governing body, a city of the first or second  
2 class may provide for retirement benefits established by this section for a  
3 ~~municipal city~~ attorney elected or appointed to office.

4 ~~(b) Any municipal attorney to whom this section applies who shall have~~  
5 ~~served in office as municipal attorney for a period of not less than twenty~~  
6 ~~(20) years shall be entitled to retire at an annual retirement benefit during~~  
7 ~~the remainder of his natural life, payable at the rate of one-half (1/2) of~~  
8 ~~the salary payable to the municipal attorney at the time of his retirement.~~  
9 In all cities of the first and second class in this state, any person who  
10 shall serve as city attorney of the city for a period of not less than ten  
11 (10) years, upon reaching age sixty (60) years, or any person who shall serve  
12 as a city attorney for a period of not less than twenty (20) years, without  
13 regard to age, shall be entitled to retire at an annual retirement benefit  
14 during the remainder of his natural life, payable at the rate of one half  
15 (1/2) of the salary payable to the city attorney at the time of his  
16 retirement.

17 (c) All payments of retirement benefits under this section shall be  
18 payable monthly and shall be paid from the general funds of the city.”  
19

20 SECTION 6. Any former mayor of a municipality having a population of  
21 not less than twenty-one thousand eight hundred (21,800) persons, nor more  
22 than twenty-two thousand eight hundred (22,800) persons, according to the 1990  
23 Federal Decennial Census, who is receiving a monthly retirement annuity from a  
24 municipality of two hundred fifty dollars (\$250) per month, shall receive an  
25 increase to three hundred dollars (\$300) per month effective July 1, 1999.  
26 Thereafter, the municipality shall redetermine the amount of the monthly  
27 benefit each January 1. The redetermined amount shall be payable for the  
28 following twelve (12) calendar months. Such redetermined amount shall be the  
29 amount of the benefit payable as of the immediately preceding December 1,  
30 increased by three percent (3%).

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32 SECTION 7. Nothing contained in Section 1 of Act 400 of 1999 or Section  
33 1 of Act 311 of 1999 shall require the Arkansas Public Employees Retirement  
34 System to pay any portion of the benefits provided for in these acts.  
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36 SECTION 8. If another act of the 1999 Regular Session of the General

1 Assembly adds a new section of the Arkansas Code having the same number as a  
2 section added by this act, the Arkansas Code Revision Commission shall  
3 renumber the section added by this act.

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5 SECTION 9. All provisions of this Act of a general and permanent nature  
6 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
7 Revision Commission shall incorporate the same in the Code.

8  
9 SECTION 10. If any provision of this Act or the application thereof to  
10 any person or circumstance is held invalid, such invalidity shall not affect  
11 other provisions or applications of the Act which can be given effect without  
12 the invalid provision or application, and to this end the provisions of this  
13 Act are declared to be severable.

14  
15 SECTION 11. All laws and parts of laws in conflict with this Act are  
16 hereby repealed.

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18 SECTION 12. EMERGENCY CLAUSE. It is hereby found and determined by the  
19 Eighty-second General Assembly, that benefit provisions applicable to local  
20 officers and employees need revision, and that the effective administration of  
21 this act makes it necessary for these changes to begin at the start of the  
22 state's fiscal year. Therefore, an emergency is declared to exist and this  
23 act being immediately necessary for the preservation of the public peace,  
24 health and safety shall become effective on July 1, 1999.

25  
26 /s/ Hopkins

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29 APPROVED: 4/5/1999