

1 State of Arkansas As Engrossed: H3/3/11 H3/11/11 H3/15/11

2 88th General Assembly

A Bill

3 Regular Session, 2011

HOUSE BILL 1146

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5 By: Representative Kerr

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For An Act To Be Entitled

8 AN ACT TO RESTRICT THE AMOUNT OF CREDITED SERVICE
9 EARNED BY A LOCAL ELECTED PUBLIC OFFICIAL TO ONE (1)
10 YEAR OF RETIREMENT CREDIT FOR EVERY YEAR WORKED
11 UNLESS ADDITIONAL CONTRIBUTIONS ARE PROVIDED; TO
12 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

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Subtitle

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

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24 *SECTION 1. Arkansas Code § 24-4-521(b)(5), concerning credited*
25 *service, is amended to read as follows:*

26 *(5)(A) Noncontributory employment as an elected public official ~~other~~*
27 *~~than Governor or an elected state constitutional officer or a member of the~~*
28 *~~General Assembly or an elected public official under the state division of~~*
29 *~~the system covered by the system and:~~*

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(i) Who has served in an elected position covered by the
system before July 1, 2011, shall be credited as service at two (2) times the
regular rate for crediting service; or

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(ii) Who has never served in an elected position covered
by the system before July 1, 2011, shall be credited as service at two (2)
times the regular rate for crediting service and the employee shall
contribute an additional two and one-half percent (2.5%) of the gross payroll



1 and the employer shall contribute an additional two and one-half percent
2 (2.5%) of the gross payroll for the additional service that exceeds the
3 regular rate of service.

4 (B) However, ~~except that~~ at least five (5) years of actual
5 service shall be required to meet:

6 (i) ~~the~~ The retirement eligibility requirements of §§ 24-
7 4-601 and 24-4-510 – 24-4-512; and

8 (ii) ~~at least five (5) years of actual service shall be~~
9 required to meet the The eligibility requirements of § 24-4-608.

10 (C) This subdivision (b)(5) does not apply to:

11 (i) The Governor;

12 (ii) An elected state constitutional officer;

13 (iii) A member of the General Assembly; or

14 (iv) An elected public official under the State Division
15 of the Arkansas Public Employees' Retirement System.

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17 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
18 General Assembly of the State of Arkansas that the nation is in an economic
19 downturn; that the Arkansas Public Employees' Retirement System has suffered
20 significant losses in its portfolio; that allowing elected public officials
21 to accrue two (2) years of service for every year worked costs the system
22 additional funds; and that all other employees in the Arkansas Public
23 Employees' Retirement System receive one (1) year of service for every year
24 worked. Therefore, an emergency is declared to exist and this act being
25 necessary for the preservation of the public peace, health, and safety shall
26 become effective on July 1, 2011.

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28 /s/Kerr

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31 **APPROVED: 03/22/2011**