

1 State of Arkansas *As Engrossed: H2/8/13 H2/19/13*

2 89th General Assembly

A Bill

3 Regular Session, 2013

HOUSE BILL 1123

4

5 By: Representative Kerr

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7

For An Act To Be Entitled

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

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Subtitle

17

18 TO RESTRICT THE AMOUNT OF CREDITED
19 SERVICE EARNED BY A CONTRIBUTORY LOCAL
20 ELECTED PUBLIC OFFICIAL TO ONE (1) YEAR
21 OF RETIREMENT CREDIT FOR EVERY YEAR
22 WORKED UNLESS ADDITIONAL CONTRIBUTIONS
23 ARE PROVIDED.

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

26

27 SECTION 1. Arkansas Code § 24-4-521 is amended to read as follows:

28 24-4-521. Credited service generally.

29 (a) The Board of Trustees of the Arkansas Public Employees' Retirement
30 System shall establish the amounts of service to be credited its members
31 subject to the provisions of subsection (b) of this section.

32 (b)(1)(A)(i) *Noncontributory employment service by a person who was:*

33 (a) employed ~~Employed~~ prior to July 1, 1997,
34 as a public safety member shall be credited at one and one-half (1½) times
35 the regular rate for crediting service; and

36 (b) employment service by persons employed



1 Employed on and after July 1, 1997, shall be credited at the regular rate for
2 crediting service.

3 ~~(ii) except that at least~~ A person receiving credit
4 for service under subdivision (b)(1)(A)(i)(a) or (b)(1)(A)(i)(b) of this
5 section shall be required to have five (5) years of actual service ~~shall be~~
6 ~~required to meet the:~~

7 ~~(a) retirement~~ Retirement eligibility
8 requirements of under §§ 24-4-601 and 24-4-510 – 24-4-512; and

9 ~~(b) at least five (5) years of actual service~~
10 ~~shall be required to meet the eligibility~~ Eligibility requirements for
11 payment upon death benefits of under § 24-4-608.

12 (B)(i) Noncontributory or contributory employment service
13 by a person who qualifies as a public safety member under § 24-4-1004 shall
14 be credited at one and one-half (1½) times the regular rate for crediting
15 service.

16 ~~(ii) However, that at least~~ A person receiving
17 credit for service under subdivision (b)(1)(B)(i) of this section shall be
18 required to have five (5) years of actual service ~~shall be required~~ to meet
19 the:

20 ~~(a) retirement~~ Retirement eligibility
21 requirements of under §§ 24-4-601 and 24-4-510 – 24-4-512; and

22 ~~(b) at least five (5) years of actual service~~
23 ~~shall be required to meet the eligibility~~ Eligibility requirements of § 24-4-
24 608.

25 (2)(A)(i) Noncontributory employment as the Governor by a person
26 first elected to a public office covered by the Arkansas Public Employees'
27 Retirement System prior to July 1, 1999, shall be credited as service at
28 three (3) times the regular rate for credited service.

29 (ii) Noncontributory or contributory employment as
30 the Governor by a person first elected to a public office covered by the
31 system on or after July 1, 1999, shall be credited at the regular rate for
32 crediting service.

33 (B) ~~However,~~ A person receiving credit for service under
34 subdivisions (2)(A)(i) or (2)(A)(ii) of this section shall be required to
35 have:

36 ~~(i) at least four~~ Four (4) years of actual service

1 ~~shall be required~~ to meet the retirement eligibility requirements ~~of~~ under §§
2 24-4-601 and 24-4-510 – 24-4-512~~;~~ and

3 (ii) ~~at least five~~ Five (5) years of actual service
4 ~~shall be required~~ to meet the eligibility requirements for payment upon death
5 benefits of under § 24-4-608.

6 (3)(A)(i) *Noncontributory employment as an* elected state
7 constitutional officer by a person first elected to a public office covered
8 by the system prior to July 1, 1999, shall be credited at two and one-half
9 (2½) times the regular rate for crediting service.

10 (ii) Noncontributory or contributory employment as
11 an elected state constitutional officer by a person first elected to a public
12 office covered by the system on or after July 1, 1999, shall be credited at
13 the regular rate for crediting service.

14 (B) ~~However, A person receiving credit for service under~~
15 subdivision (3)(A)(i) or (3)(A)(ii) of this section shall be required to have
16 ~~at least five (5) years of actual service shall be required~~ to meet the:

17 (i) ~~retirement~~ Retirement eligibility requirements
18 ~~of under~~ §§ 24-4-601 and 24-4-510 – 24-4-512~~;~~ and

19 (ii) ~~at least five (5) years of actual service shall~~
20 ~~be required to meet the eligibility~~ Eligibility requirements for payment of
21 death benefits of under § 24-4-608.

22 (4)(A)(i) Noncontributory or contributory employment as a member
23 of the General Assembly shall be credited at the regular rate for crediting
24 service~~;~~

25 (ii) ~~except that at least~~ A person receiving credit
26 for service under subdivision (4)(A)(i) of this section shall be required to
27 have:

28 (a) ~~ten~~ Ten (10) years of actual service ~~shall~~
29 ~~be required~~ to meet the retirement eligibility requirements of §§ 24-4-510,
30 24-4-511, and 24-4-609~~;~~ and

31 (b) ~~at least five~~ Five (5) years of actual
32 service ~~shall be required~~ to meet the eligibility requirements for the
33 payment upon death benefits of under § 24-4-608.

34 (B) A member of the General Assembly who at any time has
35 *served at least six (6) months* ~~during a two-year term~~ *in the General Assembly*
36 shall be credited with no more than one (1) year's actual service.

1 (5)(A) ~~Noncontributory employment~~ A person who is employed as an
 2 elected public official covered by the system and:

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

6 (ii) Who has never served in ~~an~~ a noncontributory
 7 elected position covered by the system before July 1, 2011, shall be credited
 8 as service at two (2) times the regular rate for crediting service, and the
 9 employee shall contribute an additional two and one-half percent (2.5%) of
 10 the gross payroll, and the employer shall contribute an additional two and
 11 one-half percent (2.5%) of the gross payroll for the additional service that
 12 exceeds the regular rate of service; or

13 (iii) Who has never served in a contributory elected
 14 position covered by the system before January 1, 2014, shall be credited as
 15 service at two (2) times the regular rate for crediting service, and the
 16 employee shall contribute an additional two and one-half percent (2.5%) of
 17 the gross payroll, and the employer shall contribute an additional two and
 18 one-half percent (2.5%) of the gross payroll for the additional service that
 19 exceeds the regular rate of service.

20 (B) However, at least five (5) years of actual service
 21 shall be required to meet:

22 (i) The retirement eligibility requirements of §§
 23 24-4-601 and 24-4-510 – 24-4-512; and

24 (ii) The eligibility requirements of § 24-4-608.

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

26 (i) The Governor;

27 (ii) An elected state constitutional officer;

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

29 (iv) An elected public official under the State

30 Division of the Arkansas Public Employees' Retirement System.

31 (6)(A)(i) *Noncontributory employment as an* elected public
 32 official under the state division of the system other than the Governor ~~or~~,
 33 an elected state constitutional officer, or a member of the General Assembly
 34 by a person first elected to a public office covered by the Arkansas Public
 35 Employees' Retirement System prior to July 1, 1999, shall be credited as
 36 service at two (2) times the regular rate for crediting service.

1 (ii) ~~except that at least~~ A person receiving credit
2 for service under subdivisions (6)(A)(i) of this section shall have five (5)
3 years of actual service shall be required to meet the:

4 (a) ~~retirement~~ Retirement eligibility
5 requirements ~~of~~ under §§ 24-4-601 and 24-4-510 – 24-4-512~~;~~ and

6 (b) ~~at least five (5) years of actual service~~
7 ~~shall be required to meet the eligibility~~ Eligibility requirements for
8 payment upon death benefits of under § 24-4-608.

9 (B) Noncontributory or contributory employment as an
10 elected public official under the state division of the system other than the
11 Governor ~~or~~, an elected state constitutional officer, or a member of the
12 General Assembly by a person first elected to a public office covered by the
13 system on or after July 1, 1999, shall be credited at the regular rate for
14 crediting service.

15 (c) As used in this section, “elected state constitutional officer”
16 means the Lieutenant Governor, Attorney General, Secretary of State, Auditor
17 of State, Treasurer of State, and Commissioner of State Lands.

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19 Section 2. EFFECTIVE DATE. This act is effective on and after January
20 1, 2014.

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22 /s/Kerr

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25 **APPROVED: 03/06/2013**