

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

HOUSE BILL 1347

5 By: Representative Warren
6

For An Act To Be Entitled

8 AN ACT CONCERNING THE REDETERMINATION OF BENEFITS
9 UNDER THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT
10 SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER
11 PURPOSES.
12
13

Subtitle

14 CONCERNING THE REDETERMINATION OF
15 BENEFITS UNDER THE ARKANSAS PUBLIC
16 EMPLOYEES' RETIREMENT SYSTEM; AND TO
17 DECLARE AN EMERGENCY.
18
19
20

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

23 SECTION 1. Arkansas Code § 24-4-607, concerning redetermination of
24 benefits under the Arkansas Public Employees' Retirement System, is amended
25 to add an additional subsection to read as follows:

26 (c)(1) If a person is first hired by a system-covered employer on or
27 after July 1, 2022, and retires under the eligibility requirements of the
28 system, the monthly benefit for the person shall be redetermined in
29 accordance with subdivision (c)(2) of this section.

30 (2)(A) The redetermined amount for a person described in
31 subdivision (c)(1) of this section shall be the amount of the monthly benefit
32 otherwise payable as of the immediately preceding July 1 increased by the
33 lesser of three percent (3%) or the percentage change in the Consumer Price
34 Index for Urban Wage Earners and Clerical Workers as determined by the United
35 States Department of Labor over the one-year period ending in the December
36 immediately preceding the date for which the redetermined amount is being



1 calculated.

2 (B) The redetermined amount of the monthly benefit to be
 3 paid to the person shall not be less than the redetermined amount of the
 4 monthly benefit paid to the person in the preceding year.

5
 6 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
 7 General Assembly of the State of Arkansas that provisions of the law
 8 concerning the Arkansas Public Employees' Retirement System, a state agency
 9 created by the General Assembly for the purpose of providing retirement
 10 benefits to public employees of this state, are in need of revision and
 11 updating to maintain the retirement laws in conformance with sound public
 12 pension policy; that the system operates on a fiscal year of July 1 to June
 13 30; that having a July 1, 2021, effective date is necessary to allow the
 14 provisions of this act to begin on the first day of the fiscal year to
 15 provide for the proper administration of the procedures mandated by this act;
 16 that the revisions and updates to the law are of great importance for
 17 actuarial purposes and to protect member benefits provided by the system; and
 18 that this act is immediately necessary in order to maintain an orderly system
 19 of benefits for the members of the system. Therefore, an emergency is
 20 declared to exist, and this act being necessary for the preservation of the
 21 public peace, health, and safety shall become effective on July 1, 2021.