

ARKANSAS SENATE
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of Senate Bill No. 72

"AN ACT TO INCREASE THE SERVICE MULTIPLIER AND BENEFITS TO CURRENT
RETIRANTS AND BENEFICIARIES."

Amendment No. 1 to Senate Bill No. 72.

Amend Senate Bill No. 72 as originally introduced:

Delete Sections 1 and 2 in their entirety and substitute the following:

"SECTION 1. Arkansas Code 24-4-601, as amended by Act 151 of 2001, is amended to read as follows:

24-4-601. Straight life annuity generally.

(a)(1) Beginning July 1, 1999 July 1, 2001, any member who retires, as provided in § 24-4-508, or § 24-4-510 - 24-4-512, shall receive a straight life annuity for each year of contributory service credit equal to two and seven hundredths percent (2.07%) of his final average compensation multiplied by the number of years and fraction of a year of credited service rendered on or after July 1, 2001 with the Arkansas Public Employees' Retirement System.

(2) Beginning July 1, 2001, any member who retires, as provided in §§ 24-4-508, 24-4-510 - 24-4-512, shall receive a straight life annuity for each year of contributory service credit equal to two and eleven hundredths percent (2.11%) of his average compensation multiplied by the number of years and fraction of a year of credited service rendered before July 1, 2001 with the Arkansas Public Employees' Retirement System.

(b)(1) For each year of noncontributory service in the Arkansas Public Employees' Retirement System rendered prior to July 1, 2001 resulting from employment in a position covered at any time by social security or another federal retirement plan supported wholly or in part by employer contributions, ~~one and seventy-two hundredths percent (1.72%)~~ one and seventy-five hundredths percent (1.75%) of his final average compensation plus, for each year of noncontributory credited service in the Arkansas Public Employees' Retirement System rendered prior to July 1, 2001 resulting from employment in a position never so covered, ~~two and seven hundredths percent (2.07%)~~ two and eleven hundredths percent (2.11%) of his final average compensation;

(2) For each year of credited service in the Arkansas Public Employees' Retirement System rendered after June 30, 2001 resulting from employment in a position covered at any time by social security or another federal retirement plan supported or in part by employer contributions, one and seventy-two hundredths percent (1.72%) of his final average compensation plus, for each year of credited service in the Arkansas Public Employees' Retirement System rendered after June 30, 2001 resulting from employment in a

position never so covered, two and seven hundredths percent (2.07%) of his final average compensation.

(c)(1) For a member of the General Assembly first elected before July 1, 1999, a monthly annuity equal to thirty-five dollars (\$35.00) times the number of years of actual service as a member of the General Assembly; and

(2) For a member of the General Assembly first elected before July 1, 1999 who served as Speaker of the House of Representatives or President Pro Tempore of the Senate, a monthly annuity equal to forty dollars (\$40.00) times the total number of years of actual service as a member of the General Assembly.

(d)(1) In addition, if a member has credited service resulting from employment in a position covered at any time by social security or another federal retirement plan supported wholly or in part by employer contributions, and if that member is retiring as provided in subsections (b) of this section or § 24-4-510, and if that member's age at retirement is younger than:

(A) Social security's minimum age for an immediate retirement benefit; and

(B) Age sixty-two (62), then that member of the Arkansas Public Employees' Retirement System shall receive a temporary annuity equal to thirty-three hundredths percent (0.33%) of his final average compensation for each year of such noncontributory credited service.

(2) The temporary annuity shall terminate at the end of the calendar month in which the earliest of the following events occurs:

(A) The member's death;

(B) His attainment of the social security minimum age; or

(C) His attainment of age sixty-two (62).

(3) It is considered sound public policy that retirement pay not exceed working pay except for increases after retirement caused by inflation. Accordingly, at the time of retirement, the total of the system's noncontributory annuities resulting from employment in a position also covered by social security shall not exceed his final average compensation.

(4) If no temporary annuity is payable as provided in this subsection or after the temporary annuity has terminated, and if the member has at retirement any credited service for any period of time prior to July 1, 1991, then the future payments of the annuity for life shall not be less than they would have been under the provisions that were in effect on July 1, 1990 for this subsection, plus a corresponding increase for any benefit enhancements that have been enacted since July 1, 1991."

AND

Appropriately renumber the subsequent SECTIONS of the bill

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Faris

DF/CDS

CDS224

Secretary