

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 1219

"AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF THE ARKANSAS PUBLIC
EMPLOYEES' RETIREMENT SYSTEM TO CHANGE THE BENEFIT STRUCTURE OF THE
SYSTEM UNDER CERTAIN CIRCUMSTANCES."

Amendment No. 1 to House Bill No. 1219.

Amend House Bill No. 1219 as originally introduced:

Page 1, delete lines 9 through 12, and substitute the following:
"AN ACT TO PROVIDE FOR PROCEDURES FOR REEMPLOYMENT OF RETIRED MEMBERS OF THE
ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 15 through 19, and substitute the following:
"TO PROVIDE FOR PROCEDURES FOR REEMPLOYMENT OF RETIRED MEMBERS OF THE
ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM."

AND

Delete Section 1. of the bill and add new sections to the bill to read as follows:

"SECTION 1. Arkansas Code § 24-4-520 is amended to read as follows:
24-4-520. Termination required for retirement - Subsequent
reemployment.

(a) A member of the Arkansas Public Employees' Retirement System must terminate covered employment to be eligible for retirement.

(b) A member shall not be terminated from employment for retirement purposes if the person:

(1) Returns to employment in a position covered under the system within thirty (30) days of the person's effective date of retirement; or

(2) Is a member with service credit under § ~~24-3-301~~ 24-4-521 at a rate of two (2) or more years of credited service for each year of actual service and the person returns to employment in a position covered under the system within ninety (90) days of the person's effective date of retirement.

(c) Persons failing to meet termination requirements shall forfeit their benefits until requirements are met.

(d) Effective July 1, 2003, a retirant who returns to covered



employment, as permitted in subsection (b) of this section, shall again become a member of the Arkansas Public Employees Retirement System and the following shall apply:

(1) The member's annuity shall be frozen and suspended during the period of reemployment;

(2) Upon the member's subsequent retirement, the frozen annuity shall be resumed, including any benefit increases under § 24-4-607;

(3) Service during the period of reemployment shall be credited under § 24-4-507;

(4) An additional annuity shall be payable when the member again retires based upon the additional service, provided the period of reemployment is at least twelve (12) months;

(5) If the member's credited service during the period of reemployment is less than thirty-six (36) months, the member's final average salary shall be the same as their final average salary at the time of initial retirement;

(6) No member is permitted to accrue additional benefits under this subsection (d) more than once; and

(7) The member shall not be eligible for participation in the Deferred Retirement Option Plan as provided under §§ 24-4-801 through 24-4-805 during the period of reemployment.

(e) A retirant who returned to employment before July 1, 2003, that would otherwise be in covered employment shall be eligible to accrue an additional annuity under subsection (d) of this section if:

(1) The member's annuity is frozen and suspended;

(2) The member shall return to the system the benefit payments that were received for each month before July 1, 2003 that they want to be considered for additional service credit under subsection (d) of this section;

(3) The member pays or causes to be paid all member contributions, if any, on the compensation that would have been paid had the retirant been a member during that period of time plus regular interest from the date the service was rendered to the date of payment; and

(4) The member pays or causes to be paid all employer contributions based on the employer normal cost from the most recently completed regular annual actuarial valuation and the compensation that would have been paid had the retirant been a member during that period of time plus regular interest from the date the service was rendered to the date of payment.

(f) The elections made in subdivision (d) and (e) of this section shall be made in writing and shall be presented to the Arkansas Public Employees' Retirement System in a form and manner determined acceptable by the system.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that members of the Public Employees' Retirement System who retired before the member deemed necessary are losing the accrual of additional benefits; that the accrual of benefits is important to those members; and that this act is immediately necessary because restore their benefit accrual. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on:

- (1) The date of its approval by the Governor;
(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill;
or
(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

The Amendment was read _____

By: Representative R. Smith

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Chief Clerk