

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

Subtitle of House Bill No. 1220

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

Amendment No. 1 to House Bill No. 1220.

Amend House Bill No. 1220 as originally introduced:

Page 1, line 12, delete "SYSTEM UNDER CERTAIN CIRCUMSTANCES" and substitute "SYSTEM'S DEFERRED RETIREMENT OPTION PLAN"

AND

Page 1, lines 19 and 20, delete "SYSTEM UNDER CERTAIN CIRCUMSTANCES" and substitute "SYSTEM'S DEFERRED RETIREMENT OPTION PLAN"

AND

Page 1, delete Section 1. of the bill and substitute the new sections to read as follow:

"SECTION 1. Arkansas Code § 24-5-202 is amended to read as follows:
24-5-202. Requirements.

(a) In the event a plan is established, the Arkansas State Highway Employees' Deferred Retirement Option Plan shall have, as a minimum, provisions which require:

(1) The Board of Trustees of the Arkansas State Highway Employees' Retirement System to approve of the person's participation in the plan;

(2) The member's deferred retirement benefits to be deposited into an account in which shall be accumulated the member's deferred option contributions, plus interest;

(3) The rate of interest to be credited to each member's deferred option account shall be an amount to be determined by the board and to be paid on the mean balance in the account for the fiscal year;

(4) That when a member begins participation in the deferred retirement option, the member's contributions and the state's contributions, as employer, to the Arkansas State Highway Employees' Retirement System shall cease;

(5) That a member's selection of the deferred retirement option,



the time of the retirement deferral, and the selection of the retirement annuity are irrevocable; and

(6) That the duration of participation in the deferred retirement shall not exceed five (5) years, except under subsection (b) of this section.

(b)(1) The member may participate in the deferred retirement option plan until the later of age sixty-five (65) or the fifth (5th) anniversary of the member's entry into the deferred retirement option plan.

(2) The member who enters the deferred retirement option plan before age sixty (60) may continue to participate in the plan until they retire or reach age sixty-five (65).

(3) In order to participate in the deferred retirement option plan for a period of longer than five (5) years, the member shall contribute six percent (6%) of the their gross salary and the Arkansas State Highway and Transportation Department shall contribute six and nine tenths percent (6.9%) of the member's gross salary.

(4) In order to participate in the deferred retirement option plan longer than five (5) years, the amount deposited into the member's deferred retirement option plan account shall be cost neutral to the system, and the system's actuary shall determine this amount.

~~(b)~~(c) The board may determine any other provisions of the plan, such as the amount of credited service to participate, the method of collections for participants of the plan, and the payment methods in the event of the death of a participant.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the benefits for members of the Arkansas State Highway Employees' Retirement System are inadequate; that the benefits should be increased to continue to motivate the highway department employees of our state government; that the most beneficial time to increase the benefits is during the beginning of the state fiscal year; and this act is necessary to take effect at that time. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2003."

The Amendment was read _____
By: Representative R. Smith
EAN/VJF - 030820031014
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Chief Clerk