

# Hall of the House of Representatives

86th General Assembly - Regular Session, 2007

## Amendment Form

\*\*\*\*\*

### Subtitle of House Bill No. 1236

"AMENDING THE ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM  
CONCERNING BENEFITS, CREDITED SERVICE, ELIGIBILITY REQUIREMENTS,  
EMPLOYEE AND EMPLOYER CONTRIBUTIONS, AND THE ADMINISTRATION OF THE  
SYSTEM."

\*\*\*\*\*

### Amendment No. 1 to House Bill No. 1236.

Amend House Bill No. 1236 as originally introduced:

Add Senator Faris as a cosponsor of the bill

AND

Page 1, delete lines 9 through 13 and substitute the following:

"AN ACT TO AMEND ARKANSAS LAW CONCERNING THE DEFINITION OF COMPENSATION UNDER  
THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

AND

Delete the subtitle in its entirety and substitute:

"AN ACT TO AMEND ARKANSAS LAW CONCERNING  
THE DEFINITION OF COMPENSATION UNDER THE  
ARKANSAS PUBLIC EMPLOYEES' RETIREMENT  
SYSTEM."

AND

Delete everything following the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 21-5-106(d), concerning career service  
recognition payments, is amended to read as follows:

(d) Career service recognition payments authorized by this section  
shall be:

(1) ~~subject~~ Subject to withholding of all applicable state and  
federal taxes; ~~but~~ and

(2) ~~shall not be included~~ Included by retirement systems in  
determining benefits.

SECTION 2. Arkansas Code § 21-5-1101(d)(2), concerning competency-



based promotions and salary adjustments, is amended to read as follows:

(2) The lump-sum payments in this section shall ~~not~~ be considered as salary for the purposes of retirement eligibility.

SECTION 3. Arkansas Code § 24-4-101(11), concerning the definition of "compensation", is amended to read as follows:

"(11)(A) "Compensation" means the recurring remuneration paid a member by public employers for personal services rendered by a member in a position covered by an employer participating in the Arkansas Public Employees' Retirement System.

(B) The following shall be considered recurring remuneration for personal services for the purposes of determining retirement benefits:

(i) Career service recognition payments paid to a member under § 21-5-106;

(ii) Payments made to a member under § 21-5-1101, including without limitation, a lump sum payment; and

(iii) Lump sum payments made to a member under §§ 21-5-211 and 21-5-219.

~~(B)~~(C) In case a member's compensation includes either lodging or meals, or both, exclusive of travel expense, the cash value of the lodging and meals shall be fixed by the board, not to exceed the amount the employee is required to report for federal income tax purposes;

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that this act affects the consideration of retirement benefits in the Arkansas Public Employees' Retirement System and that the ideal and most efficient time to make revisions to the consideration of retirement benefits is at the beginning of the state's fiscal year. 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, 2007."

**The Amendment was read** \_\_\_\_\_  
**By: Representative Harris**  
**MBM/SIK - 03-26-2007 09:23** \_\_\_\_\_  
**MBM755** **Chief Clerk**