

INTERIM STUDY PROPOSAL 2009-193

1
2 State of Arkansas
3 87th General Assembly
4 Fiscal Session, 2010

A Bill

MMC/MMC
HOUSE BILL

5
6 By: Representative Kerr

7
8 Filed with: Arkansas Legislative Council
9 pursuant to A.C.A. §10-3-217.

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11 **For An Act To Be Entitled**

12 AN ACT TO RESTRICT EMPLOYEES THAT HAVE BEEN
13 REHIRED FOLLOWING RETIREMENT TO A MAXIMUM OF ONE
14 HUNDRED EIGHTY DAYS OF EMPLOYMENT; TO RESTRICT
15 EMPLOYEES THAT HAVE BEEN REHIRED FOLLOWING
16 RETIREMENT TO ONE TERM OF REEMPLOYMENT; AND FOR
17 OTHER PURPOSES.

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19 **Subtitle**

20 TO RESTRICT EMPLOYEES THAT HAVE BEEN
21 REHIRED FOLLOWING RETIREMENT TO ONE
22 HUNDRED EIGHTY DAYS OF EMPLOYMENT AND TO
23 RESTRICT EMPLOYEES THAT HAVE BEEN
24 REHIRED FOLLOWING RETIREMENT TO ONE TERM
25 OF REEMPLOYMENT.

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28 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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30 SECTION 1. Arkansas Code § 24-4-520(b), concerning restrictions of
31 employment for retirement purposes, is amended to read as follows:

32 (b)(1) A member shall not be terminated from employment for retirement
33 purposes if the person:

34 (A) Returns to employment in a position covered under the
35 system within one hundred eighty (180) days of the person's effective date of
36 retirement; ~~or~~

1 (B) Is a member with service credit under § 24-4-521 at a
2 rate of two (2) or more years of credited service for each year of actual
3 service and the person returns to employment in a position covered under the
4 system within one hundred eighty (180) days of the person's effective date of
5 retirement;

6 (C)(i) Resumes employment under subdivision (b)(1)(A) or
7 subdivision (B)(1)(B) of this section for longer than a maximum of one
8 hundred eighty (180) days; or

9 (D) Resumes employment more than one (1) time following
10 the member's retirement.

11 (2) A member participating in the Arkansas Public Employees'
12 Retirement System Deferred Retirement Option Plan on January 1, 2009, shall
13 have the one-hundred-eighty-day separation requirement waived and may return
14 to employment otherwise covered by the Arkansas Public Employees Retirement
15 System no sooner than thirty (30) calendar days from the commencement of his
16 or her retirement.

17 (3) A member who has retired and commenced receiving benefits in
18 any month between January 2009 and June 2009, inclusive, shall have the one-
19 hundred-eighty-day separation requirement waived and may return to employment
20 otherwise covered by the Arkansas Public Employees' Retirement System no
21 sooner than thirty (30) calendar days from the commencement of his or her
22 retirement.

23 (4) The restrictions on reemployment under subdivisions
24 (b)(1)(C) and (D) of this section shall be waived for a member who has
25 already been rehired following the member's retirement before July 1, 2010.

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27 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
28 General Assembly of the State of Arkansas that retired employees of the
29 Arkansas Public Employees' Retirement System have been rehired for an
30 indefinite period of time; that these employees are drawing their retirement
31 pay and current salary during the period of reemployment; that the rehire of
32 a retired employee only should be used as a stopgap measure and not as a
33 permanent solution to hiring a qualified individual for the position; that
34 limiting the reemployment of a retired individual to one hundred eighty (180)
35 days and to only one rehire following retirement will allow government
36 offices and agencies to rehire a former employee and train new or existing

1 personnel for the job in those instances in which they could not obtain a
2 qualified individual; that since retiring employees generally do not work in
3 entry level positions, the imposition of restrictions on rehires will open up
4 higher level positions and provide incentives to existing staff and
5 prospective employees; and that imposing restrictions will benefit the
6 Arkansas Public Employees' Retirement System and the State of Arkansas.
7 Therefore, an emergency is declared to exist and this act being necessary for
8 the preservation of the public peace, health, and safety shall become
9 effective on July 1, 2010.

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Filed Date: 10/14/2009 By: MMC\JLL