

State of Arkansas
76th General Assembly
Regular Session, 1987
By: Senator Bell

SENATE BILL 23

"AN ACT TO AMEND SECTION 4 OF ACT 599 OF 1975, AS AMENDED,
[ARK. STAT. 76-1912.4] TO CHANGE THE COST OF LIVING BASE FOR
THE RETIREES OF THE ARKANSAS STATE HIGHWAY EMPLOYEES
RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 4 of Act 599 of 1975, as amended, the same being Arkansas Statute 76-1912.4, is hereby amended to read as follows:

"Section 4. (A) Beginning with the July first which is at least twelve (12) full months after the effective date of each benefit, the amount of each benefit shall be redetermined. On July 1, 1987, and each July 1 thereafter, such redetermined amount shall be the amount of the benefit payable on June 30 next preceding the redetermination date increased by the lesser of three per cent (3%) or the increase in the Consumer Price Index during the preceding calendar year over the Consumer Price Index of the second preceding calendar year.

In the event the Consumer Price Index of the preceding calendar year decreases below that of the CPI of the second preceding year, then the benefit payable for the ensuing fiscal year shall be decreased by said percentage but not below the amount of the retirant's monthly benefit that would be payable disregarding the provisions of this section redetermining the benefit amount after retirement.

(B) As used herein 'Consumer Price Index' means the Consumer Price Index for Urban Wage Earners and Clerical Workers, as determined by the United States Department of Labor in effect January 1, 1969, and revised January 1978, referred to as CPI-W; provided, should such Consumer Price Index be restructured subsequent to 1978, in a manner materially changing its character, the Board of Trustees after receiving the advice of the actuary

shall change the application of the Consumer Price Index so that as far as practicable the 1968 and 1978 intent of the use of the Consumer Price Index shall be continued."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 3. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly that the benefits payable to the retirees of the Arkansas State Highway Employees Retirement System when redetermined should be effective July 1, 1987, and in the event that the General Assembly extends its session beyond its regular sixty day period this Act may not be effective on July 1, 1987, and thus cause benefits as redetermined to be unduly delayed. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 1987.

