

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

SENATE BILL

317

By: Senator Moore

For An Act To Be Entitled

"AN ACT TO AMEND TITLE 24, CHAPTER 5, OF THE ARKANSAS CODE OF 1987, TO CLASSIFY CERTAIN EMPLOYEES AS PUBLIC SAFETY MEMBERS; TO CALCULATE BENEFITS FOR SUCH MEMBERS; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 24-5-101 is hereby amended by adding new subsections to read as follows:

"(14) 'Public safety member' is a member employed in the Arkansas Highway Police Division and whose primary duty is law enforcement, including probationary policemen; provided the term shall not include any civilian employee or any person temporarily employed as a policeman during an emergency.

(15) 'Public safety service covered by the system' means service as a public safety member as defined herein."

SECTION 2. Arkansas Code 24-5-109 is hereby amended to read as follows:

"24-5-109. Employer's contribution.

(a) The employer shall match all member contributions with a twelve and nine-tenths percent (12.9%) contribution from the fund from which the employees are paid their gross earnings, computed on the basis of the payroll earnings, including overtime and lump-sum payments, of the members of the system.

(b) In matching contributions paid under the provisions of §24-5-108(b), the employer shall match all member contributions for authenticated prior and current service as follows:

(1) Four percent (4%) contribution for service through August 15, 1969;

(2) Six percent (6%) contribution for service from August 15, 1969, to July 1, 1975;

(3) Nine and nine-tenths percent (9.9%) contribution for service from June 30, 1975, to March 20, 1977;

(4) Eleven percent (11%) contribution for service from March 19, 1977, to July 1, 1979;

(5) Twelve and sixty-five hundredths percent (12.65%) contribution for service from June 30, 1979, to June 25, 1981; and

(6) Twelve and nine-tenths percent (12.9%) contribution for service from June 24, 1981.

(c) In the event that sufficient money is provided to the retirement system to pay the increase in annuities as authorized by §24-7-714 from other than the fund from which the employees are paid their gross earnings, then the employer's contribution rate for the then current year shall be twenty-five hundredths percent (.25%) less than the rate stated in subsection (a) of this section; and in matching contributions under the provisions of §24-5-108(b) the rate shall be the employer's contribution rate for the then current year.

(d) The additional cost to the system of public safety service covered by the system shall be the responsibility of the employer, and the employer shall pay to the system any additional percent of covered payroll, as computed by actuarial determination, at the same time as employer contributions are paid by law for other employees. These contributions determined by actuarial valuation shall be in addition to those required by (a) through (c)."

SECTION 3. Arkansas Code 24-5-110 is hereby amended to read as follows:

"24-5-110. Credit for prior and current service in department.

(a) Any employee of the Arkansas State Highway and Transportation Department may make application, within one (1) year from the date of becoming a member of the Arkansas State Highway Employees' Retirement System, and receive credit for any authenticated prior service rendered as an employee of the Arkansas State Highway and Transportation Department prior to July 1, 1949. In addition thereto, the employee may receive current service credit for any service rendered as an employee of the Arkansas State Highway and Transportation Department since July 1, 1949, and prior to the date of becoming a member of the system, upon paying into the system to the credit of

his account an amount equal to four percent (4%) of his earnings, not to exceed seven thousand five hundred dollars (\$7,500) per annum, for each year of the authenticated prior service, or current service rendered prior to becoming a member of the system, in the event the employee has not previously obtained credit for such service.

(b) The employee shall pay into the system such necessary contributions and interest as may be prescribed by the board of trustees within a period of ten (10) years, and not less than one-tenth (1/10) of the total prior service and current service contributions shall be paid during each year of the ten-year period.

(c) Employment as a public safety member shall be credited at one and one-half (1½) times the regular rate for crediting service, except that at least ten (10) years of actual service shall be required to meet the retirement eligibility requirements of §§24-5-112, 24-5-113, and 24-5-114 and at least five (5) years of actual service shall be required to meet the eligibility requirements of §24-5-116."

SECTION 4. Arkansas Code 24-5-112(a) is hereby amended to read as follows:

"(a) A member may retire voluntarily as follows:

(1) At the age of sixty-five (65) years, or during any year thereafter until the age of compulsory retirement has been attained, with a minimum of ten (10) years of creditable service in the Arkansas State Highway Employees' Retirement System;

(2) At the age of sixty-two (62) years, with a minimum of fifteen (15) years of creditable service in the Arkansas State Highway Employees' Retirement System;

(3) At the age of sixty (60) years, with a minimum of twenty (20) years of creditable service in the Arkansas State Highway Employees' Retirement System; or

(4) Regardless of age, with thirty (30) years of creditable service in the Arkansas State Highway Employees' Retirement System.

(5) For a member with credited service for employment as a public safety employee, age sixty-five (65) years reduced by one (1) month for each two (2) months of such credited service, but in no event to an age younger than fifty-five (55) years."

SECTION 5. For purposes of determining benefits under this Act, all credited service, whenever earned, of persons employed as Arkansas State Highway Police of the Arkansas State Highway and Transportation Department on July 1, 1989, and persons thereafter employed in such positions shall be treated as public safety member service.

SECTION 6. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision commission shall incorporate the same in the Code.

SECTION 7. All laws and parts of laws in conflict with this act are hereby repealed.