

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Representative Jones

A Bill

HOUSE BILL 1545

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 24-8-403 AND 24-8-406 TO
9 CHANGE THE REQUIREMENTS FOR RETIREMENT FUND DEFICIENCIES
10 AND RETIREMENT BENEFITS AND ELIGIBILITY FOR JUDGES WHO
11 RETIRE AFTER 1994 FROM COUNTY MUNICIPAL COURTS LOCATED
12 WITHIN COUNTIES HAVING A POPULATION OF AT LEAST ONE
13 HUNDRED AND FIFTY THOUSAND PERSONS; AND FOR OTHER
14 PURPOSES."

Subtitle

17 "TO CHANGE THE REQUIREMENTS FOR
18 RETIREMENT BENEFITS AND FUNDING FOR
19 JUDGES OF COUNTY MUNICIPAL COURTS IN
20 COUNTIES WITH A POPULATION OF AT LEAST
21 150,000 PERSONS"

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

25 SECTION 1. Arkansas Code § 24-8-403 is amended to read as follows:

26 "24-8-403. Benefits - Frequency of payment - Deficiencies for any judge
27 of a municipal court - Proration upon insufficiency of fund for any county
28 municipal judge.

29 (a) All payments of retirement benefits under this subchapter shall be
30 payable semimonthly.

31 (b)(1) In case the fund established by this subchapter should ever
32 become deficient to pay retirement benefits due any person under this
33 subchapter, the city treasurer shall verify the deficiency. This deficiency
34 shall be met by payment from the general funds of the city and
35 proportionately from the general funds of the county, if the salary of the

1 judge of the municipal courts in the county is paid partially by the county,
2 in such amount as may be necessary to continue the timely payment of
3 retirement benefits to the persons entitled thereto. Provided, however, that
4 in the case of a county municipal court judge, the deficiency shall not be
5 met by payment from the general funds of the county.

6 (2) If funds thereafter accruing under this subchapter
7 accumulate to become sufficient for the payment of benefits, then no further
8 payment shall be made from the general funds of the city unless and until the
9 fund provided by this subchapter should again become deficient and the
10 deficiency is verified by the city treasurer.

11 (c)(1) In the case of a county municipal court judge, should the fund
12 established under this subchapter be insufficient to pay retirement benefits
13 due any such judge, then the fund shall be prorated among those entitled by
14 the board as may be deemed just and equitable.

15 (2) For the purpose of determining how to prorate benefits, the
16 proration shall be considered just and equitable if:

17 (A) The board pays the full benefit each month to all
18 eligible retired judges until assets in the fund are depleted for the fiscal
19 year; or

20 (B) The board decreases all payments to all eligible
21 retired judges by an equal proportion for the fiscal year."

22

23 SECTION 2. Arkansas Code § 24-8-406 is amended to read as follows:

24 "24-8-406. Eligibility for benefits for any judge of a municipal court
25 or county municipal court prior to 1995 - Attainment of age 50 and 16 years
26 of service - Eligibility for benefits for county municipal judge after 1995.

27 (a) Any judge of a municipal court or county municipal court prior to
28 January 1, 1995 to which this subchapter applies who shall attain the age of
29 fifty (50) years and who shall have served at least sixteen (16) years in
30 office as municipal judge, or at least sixteen (16) years combined service as
31 municipal judge and deputy prosecuting attorney, shall be eligible to receive
32 retirement benefits provided by this subchapter. If the judge resigns,
33 retires from office, or is succeeded in office by another judge, then he
34 shall receive retirement pay for and during the remainder of his natural life
35 in an amount equal to one-half (1/2) of the salary payable to him at the time

1 of his resignation, retirement, or succession in office. Any county
2 municipal judge who retires under this law effective before January 1, 1995
3 shall be entitled to continue to participate in and be covered by the county
4 health insurance program.

5 (b) On and after January 1, 1995, any judge of a county municipal
6 court to which this subchapter applies who shall attain the age of sixty-five
7 (65) years and who shall have served at least ten (10) years in office as
8 municipal judge, or who shall have served at least twenty (20) years in
9 office service as municipal judge whatever his or her age, shall be eligible
10 to receive retirement benefits provided by this subchapter. If the judge
11 resigns, retires from office, or is succeeded in office by another judge,
12 then he shall receive retirement pay for and during the remainder of his
13 natural life in an amount equal to one-half (1/2) of the salary payable to
14 him at the time of his resignation, retirement, or succession in office."

15

16 SECTION 3. All provisions of this act of general and permanent nature
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
18 Revision Commission shall incorporate the same in the Code.

19

20 SECTION 4. If any provisions of this act or the application thereof to
21 any person or circumstance is held invalid, the invalidity shall not affect
22 other provisions or applications of the act which can be given effect without
23 the invalid provisions or application, and to this end the provisions of this
24 act are declared to be severable.

25

26 SECTION 5. All laws and parts of laws in conflict with this act are
27 hereby repealed.

28

29 SECTION 6. Emergency. It is hereby found and determined by the
30 Eightieth General Assembly of the State of Arkansas that Acts 585 and 586 of
31 1993 vastly increased the cost of retirement benefits for judges of county
32 municipal courts in counties with populations of more than one-hundred and
33 fifty thousand people; that the retirement benefits paid to retiring
34 municipal judges under those laws are excessively costly to the retirement
35 funds for those counties; and that the fiscal responsibility dictates that

1 only those retirement funds should be used to pay benefits for retiring
2 municipal judges in case there are any deficiencies in the funds. Therefore,
3 in order to guarantee the fiscal soundness of those retirement funds, an
4 emergency is hereby declared to exist, and this act being necessary for the
5 immediate preservation of the public peace, health, and safety, shall be in
6 full force and effect from and after its passage and approval.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

1
2
3