

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

# A Bill

SENATE BILL 290

## For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE § 24-3-201(e) TO INCREASE  
THE RETIREMENT BENEFIT MULTIPLIER FOR EACH YEAR OF  
CREDITED SERVICE IN THE ARKANSAS PUBLIC EMPLOYEES  
RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER  
PURPOSES."

## Subtitle

"TO INCREASE THE RETIREMENT BENEFIT  
MULTIPLIER FOR EACH YEAR OF CREDITED  
SERVICE OF THE ARKANSAS PUBLIC EMPLOYEES  
RETIREMENT SYSTEM."

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

SECTION 1. Arkansas Code § 24-3-201(e) is amended to read as follows:

"(e)(1) Upon a member's retirement, he shall receive an annuity for  
life equal to the total of the following amounts:

(A) For each year of credited service in the Arkansas  
Public Employees Retirement System resulting from employment in a position  
covered at any time by Social Security or another federal retirement plan  
supported wholly or in part by employer contributions, one and sixty-five  
hundredths percent (1.65%) of his final average pay plus, for each year of  
credited service in the Arkansas Public Employees Retirement System resulting  
from employment in a position never so covered, one and nine hundred ninety-  
two thousandths percent (1.992%) of his final average pay.

(B) For each year of credited service in the Arkansas  
State Police Retirement System, one and fifty-five hundredths percent (1.55%)  
of his final average pay.

1 (C) For a member of the General Assembly, a monthly  
 2 annuity equal to thirty-five dollars (\$35.00) times the number of years of  
 3 actual service as a member of the General Assembly.

4 (D) For a member of the General Assembly who served as  
 5 Speaker of the House of Representatives or President Pro Tempore of the  
 6 Senate, a monthly annuity equal to forty dollars (\$40.00) times the total  
 7 number of years of actual service as a member of the General Assembly.

8 (2) In addition, if a member has credited service resulting from  
 9 employment in a position covered at any time by Social Security or another  
 10 federal retirement plan supported wholly or in part by employer  
 11 contributions, and if that member is retiring as provided in subsections  
 12 (a)-(d) of this section or § 24-3-207(a), and if that member's age at  
 13 retirement is younger than:

14 (A) Social Security's minimum age for an immediate  
 15 retirement benefit; and

16 (B) Age sixty-two (62), then that member of the Arkansas  
 17 Public Employees Retirement System shall receive a temporary annuity equal to  
 18 three hundred forty-two thousandths percent (0.342%) of his final average pay  
 19 for each year of such credited service. A similar member of the Arkansas  
 20 State Police Retirement System shall receive a temporary annuity equal to  
 21 three hundred twenty-two thousandths percent (0.322%) of his final average  
 22 pay for each year of credited service.

23 (3) The temporary annuity shall terminate at the end of the  
 24 calendar month in which the earliest of the following events occurs:

25 (A) The member's death; or

26 (B) His attainment of the Social Security minimum age; or

27 (C) His attainment of age sixty-two (62).

28 (4) It is considered sound public policy that retirement pay not  
 29 exceed working pay, except for increases after retirement caused by  
 30 inflation; accordingly, at time of retirement, the total of named plan  
 31 annuities resulting from employment in a position also covered by Social  
 32 Security shall not exceed his final average pay."

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34 SECTION 2. All provisions of this act of general and permanent nature  
 35 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

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3 SECTION 3. If any provisions of this act or the application thereof to  
4 any person or circumstance is held invalid, the invalidity shall not affect  
5 other provisions or applications of the act which can be given effect without  
6 the invalid provisions or application, and to this end the provisions of this  
7 act are declared to be severable.

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9 SECTION 4. All laws and parts of laws in conflict with this act are  
10 hereby repealed.

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12 SECTION 5. Emergency. It is hereby found and determined by the  
13 Eightieth General Assembly of the State of Arkansas that retirement benefits  
14 provided to current members and future retirees of the Arkansas Public  
15 Employees Retirement System are inadequate and inequitable; that the benefits  
16 amounts should be increased in order to provide adequate benefits and relieve  
17 this inequity, and that effective fiscal administration of the System will be  
18 aided by implementing those increases at the beginning of the state's fiscal  
19 year. Therefore, in order to promote sound fiscal administration in State  
20 government, an emergency is hereby declared to exist, and this act being  
21 necessary for the immediate preservation of the public peace, health, and  
22 safety, shall be in full force and effect from and after July 1, 1995.

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