

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995

A Bill

SENATE BILL 465

4 By: Senators Snyder and Hopkins
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For An Act To Be Entitled

8 "AN ACT TO AMEND VARIOUS SECTIONS OF TITLE 24, CHAPTER 3,
9 OF THE ARKANSAS CODE OF 1987, ANNOTATED, TO REDUCE THE
10 MINIMUM SERVICE TIME TO FIVE (5) YEARS FOR MEMBERS, *EXCEPT*
11 *MEMBERS OF THE GENERAL ASSEMBLY*, TO VEST UNDER THE PUBLIC
12 EMPLOYEES RETIREMENT SYSTEM BEGINNING JANUARY 1, 1996; AND
13 FOR OTHER PURPOSES."
14

Subtitle

15 "AN ACT TO REDUCE THE MINIMUM SERVICE TO
16 FIVE (5) YEARS FOR MEMBERS, *EXCEPT*
17 *MEMBERS OF THE GENERAL ASSEMBLY*, TO VEST
18 IN THE PUBLIC EMPLOYEES RETIREMENT
19 SYSTEM."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 24-3-201(a) is amended to read as follows:

25 "(a)(1) Any member in named plan employment may retire with an annuity
26 provided for in subsection (e) of this section upon his written application
27 to the governing body of his named plan setting forth at what time, not less
28 than thirty (30) days nor more than ninety (90) days subsequent to the
29 execution and filing of his application, he desires to be retired.

30 (2) At the time of his separation from employment and at the
31 time so specified for his retirement, the member must have attained normal
32 retirement age and must have five (5) or more years of credited service,
33 *except for members of the General Assembly who must have ten (10) or more*
34 *years of credited service.*

35 (3) The member's annuity starting date shall be that date

1 established by the provisions in each named plan, and he shall have a right
2 to elect an option provided for in § 24-3-203."

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4 SECTION 2. Arkansas Code § 24-3-206(a)(1) is amended to read as
5 follows:

6 "(1) *Except for members of the General Assembly who must have at least*
7 *ten (10) years of credited service, the member has five (5) or more years of*
8 *total credited service with named plans or with reciprocal systems under the*
9 *provisions of §§ 24-2-401 - 24-2-405 if, in establishing the minimum total*
10 *credited service, periods of credited service covering the same calendar time*
11 *shall be counted only once. However, both service in the Arkansas Public*
12 *Employees' Retirement System as a member of the General Assembly and service*
13 *in another reciprocal system during the same period of time may be counted to*
14 *meet the service requirements for benefits from the reciprocal systems,*
15 *subject to the following:*

16 (A) The provisions of § 24-3-301 may not be used to meet the
17 service requirements;

18 (B) The benefit payable by a reciprocal system will be based on
19 the credited service in that system and on the final average pay under that
20 system; and

21 (C) If a member has fewer than five (5) actual years of service
22 credited in a reciprocal system, then final average pay means the monthly
23 average of pay to him during his total years of service in that system;"

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25 SECTION 3. Arkansas Code § 24-3-207 is amended to read as follows:

26 "24-3-207. Benefit provisions - Early retirement.

27 (a)(1) Any member or former member with sufficient years of credited
28 service to qualify for a vested termination annuity who has not attained his
29 normal retirement age may retire with an early annuity provided for in
30 subsection (b) of this section upon his written application to the plan
31 setting forth at what time, not less than thirty (30) days nor more than
32 ninety (90) days subsequent to the execution and filing of his application,
33 he desires to be retired.

34 (2) The member or former member eligible for a vested
35 termination annuity must have at least five (5) years of credited service and

1 be within ten (10) years of normal retirement age, *except for members of the*
2 *General Assembly who must have at least ten (10) years of credited service*
3 *and be within ten (10) years of normal retirement age.*

4 (b) Upon early retirement, a member shall receive a certain percent of
5 an annuity for life provided for in § 24-3-201(e), which percent shall be one
6 hundred percent (100%) reduced by one-half of one percent (0.5%) multiplied
7 by the number of months by which his age at early retirement is younger than
8 his normal retirement age, using what his normal retirement age would have
9 been if he had continued named plan-covered employment from the time of early
10 retirement."

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12 SECTION 4. Arkansas Code § 24-3-208(a) is amended to read as follows:

13 "(a)(1) *Except for members of the General Assembly who need at least*
14 *ten (10) years of credited service, any active member with five (5) or more*
15 *years of credited service, including credited service for at least eighteen*
16 *(18) of the twenty-four (24) calendar months immediately preceding his*
17 *disability, who becomes totally and permanently physically or mentally*
18 *incapacitated for any suitable job or position as an employee, as a result of*
19 *a personal injury or disease may be retired by the board of trustees upon*
20 *written application filed with the board by or on behalf of the member. This*
21 *may take place only if, after a medical examination of the member made by or*
22 *under the direction of a physician or physicians designated by the board, the*
23 *physician reports to the board in writing that the member is physically or*
24 *mentally totally incapacitated for any suitable job or position, that the*
25 *incapacity will probably be permanent, and that the member should be retired.*

26 (2) The disability annuity shall be effective the first day of
27 the calendar month next following the later of either his termination of
28 active membership or thirty (30) days after the date the written application
29 is filed with the board."

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31 SECTION 5. Arkansas Code § 24-3-301 is hereby amended to read as
32 follows:

33 "24-3-301. Credited service generally.

34 (a) The governing body of each named plan shall establish the amounts
35 of service to be credited its members subject to the provisions of subsection

1 (b) of this section.

2 (b)(1) Employment as a public safety member shall be credited at one
3 and one-half (1 1/2) times the regular rate for crediting service, except
4 that at least five (5) years of actual service shall be required to meet the
5 retirement eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a),
6 24-3-207(a), and 24-3-208, and at least five (5) years of actual service
7 shall be required to meet the eligibility requirements of § 24-3-209.

8 (2) Employment as Governor shall be credited as service at three
9 (3) times the regular rate for credited service, except that at least four
10 (4) years of actual service shall be required to meet the retirement
11 eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a),
12 and 24-3-208, and at least five (5) years of actual service shall be required
13 to meet the eligibility requirements of § 24-3-209.

14 (3)(A)(i) Employment as an elected state constitutional officer
15 shall be credited at two and one-half (2 1/2) times the regular rate for
16 crediting service, except that at least five (5) years of actual service
17 shall be required to meet the retirement eligibility requirements of §§
18 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a), and 24-3-208, and at least
19 five (5) years of actual service shall be required to meet eligibility
20 requirements of § 24-3-209.

21 (ii) *Employment as a member of the General Assembly shall be*
22 *credited at the regular rate for crediting service, except that at least ten*
23 *(10) years of actual service shall be required to meet the retirement*
24 *eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a),*
25 *and 24-3-208, and at least five (5) years of actual service shall be required*
26 *to meet eligibility requirements of §24-3-209.*

27 (B) A member of the General Assembly who at any time has
28 served at least six (6) months during a two-year term to the General Assembly
29 shall be credited with no more than one (1) year actual service.

30 (4) Employment as an elected public official other than Governor
31 or an elected state constitutional officer *or a member of the General*
32 *Assembly* shall be credited as service at two (2) times the regular rate for
33 crediting service, except that at least five (5) years of actual service
34 shall be required to meet the retirement eligibility requirements of §§
35 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a), and 24-3-208, and at least

1 five (5) years of actual service shall be required to meet the eligibility
2 requirements of § 24-3-209.

3 (5) As used in this section, *_elected state constitutional*
4 *officer_* means the Lieutenant Governor, Attorney General, Secretary of State,
5 State Auditor, State Treasurer, and Commissioner of State Lands."
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7 SECTION 6. The provisions of this act shall be effective *July 1, 1997*.
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9 SECTION 7. All provisions of this act of general and permanent nature
10 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
11 Revision Commission shall incorporate the same in the Code.
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13 SECTION 8. If any provisions of this act or the application thereof to
14 any person or circumstance is held invalid, the invalidity shall not affect
15 other provisions or applications of the act which can be given effect without
16 the invalid provisions or application, and to this end the provisions of this
17 act are declared to be severable.
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19 SECTION 9. All laws and parts of laws in conflict with this act are
20 hereby repealed.

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