

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001

A Bill

HOUSE BILL 1154

4
5 By: Representative Minton
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For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE 24-3-301 TO CHANGE THE
10 RATE OF EARNING SERVICE CREDIT FOR LOCAL ELECTED
11 OFFICIALS UNDER THE PUBLIC EMPLOYEES' RETIREMENT
12 SYSTEM (PERS) TO THE SAME RATE AS FOR REGULAR PUBLIC
13 EMPLOYEES; TO DECLARE AN EMERGENCY; AND FOR OTHER
14 PURPOSES.

Subtitle

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16 TO CHANGE THE RATE OF EARNING SERVICE
17 CREDIT FOR LOCAL ELECTED OFFICIALS UNDER
18 PERS TO THE SAME RATE AS FOR REGULAR
19 PUBLIC EMPLOYEES.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 SECTION 1. Arkansas Code 24-3-301(b)(5), concerning the rate of earning
26 service credit for elected officials in the Local Government Division of PERS,
27 is amended to read as follows:

28 (5)(A) Employment as an elected public official other than
29 Governor or an elected state constitutional officer or a member of the General
30 Assembly or an elected public official under the state division of the system
31 by a person first elected prior to July 1, 2001, shall be credited as service
32 at two (2) times the regular rate for crediting service, except that at least
33 five (5) years of actual service shall be required to meet the retirement
34 eligibility requirements of §§ 24-3-201(a) and (b), 24-3-206(a), 24-3-207(a),
35 and 24-3-208, and at least five (5) years of actual service shall be required
36 to meet the eligibility requirements of § 24-3-209.

1 (B) Employment as an elected public official other than
2 Governor or an elected state constitutional officer or a member of the General
3 Assembly or an elected public official under the state division of the system
4 by a person first elected to a public office covered by the Arkansas Public
5 Employees' Retirement System on or after July 1, 2001, shall be credited at
6 the regular rate for crediting service.

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8 SECTION 2. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO
9 CODIFY THIS SECTION.] No benefit enhancement provided for by this act shall
10 be implemented if it would cause the publicly supported retirement system's
11 unfunded actuarial accrued liabilities to exceed a thirty (30) year
12 amortization. No benefit enhancement provided for by this act shall be
13 implemented by any publicly supported system which has unfunded actuarial
14 accrued liabilities being amortized over a period exceeding thirty (30) years
15 until the unfunded actuarial accrued liability is reduced to a level less than
16 the standards prescribed by Arkansas Code, Title 24.

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18 SECTION 3. Emergency Clause. It is found and determined by the Eighty-
19 third General Assembly of the State of Arkansas that Amendments 55 and 56 to
20 the Arkansas Constitution removed the constitutional restrictions on local
21 government salaries and allowed local government to set the salaries for local
22 elected officials based on competitive labor rates and thereby eliminated the
23 need for enhanced retirement service credit as a compensation device; that
24 other elected officials in Arkansas have lost the benefit of enhanced
25 retirement service credits; and that changes in retirement benefits can most
26 effectively and efficiently be implemented with the beginning of the state's
27 fiscal year. Therefore an emergency is declared to exist and this act being
28 immediately necessary for the preservation of the public peace, health and
29 safety shall become effective on July 1, 2001.

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