

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

SENATE BILL 198

4
5 By: Senators Hunter, Faris
6 By: Representative R. Smith

For An Act To Be Entitled

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10 AN ACT TO AMEND ARKANSAS CODE 24-5-115 TO PROVIDE
11 MEMBERS OF THE ARKANSAS STATE HIGHWAY EMPLOYEES'
12 RETIREMENT SYSTEM AN INCREASE IN THE MULTIPLIER AMOUNT
13 FOR CALCULATING RETIREMENT ANNUITIES; TO PROVIDE A
14 BENEFIT INCREASE FOR CERTAIN RETIRANTS AND
15 BENEFICIARIES OF RETIRANTS; TO DECLARE AN EMERGENCY;
16 AND FOR OTHER PURPOSES.

Subtitle

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19 TO PROVIDE MEMBERS OF THE HIGHWAY
20 EMPLOYEES' RETIREMENT SYSTEM AN INCREASE
21 IN THE MULTIPLIER AND TO GIVE RETIRANTS
22 AND BENEFICIARIES AN INCREASE IN
23 BENEFITS.

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

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28 SECTION 1. Arkansas Code 24-5-115 is amended to read as follows:
29 24-5-115. Benefits generally.

30 (a)(1) Members retired for the reasons set forth in §§ 24-5-112 - 24-5-
31 114 shall be eligible for annual retirement benefits based on ~~two and one-~~
32 ~~tenth percent (2.1%)~~ two and two-tenths percent (2.2%) of their average
33 compensation, as defined in § 24-5-101, limited to the amount upon which
34 contributions, including supplemental contributions under the provisions of §
35 24-5-108(b) have been made, times the number of years of creditable service in
36 the Arkansas State Highway Employees' Retirement System.

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1 (2) Payments shall be made in equal monthly installments.

2 (b)(1) In the event a member has not completed payment of his service
3 contributions as provided for in § 24-5-108(b) and is current in his or her
4 service contributions at the time of retirement, the Board of Trustees of the
5 Arkansas State Highway Employees' Retirement System is authorized to deduct
6 from each monthly annuity payment an amount equal to one-twelfth (1/12) of the
7 unpaid balance of such service contributions.

8 (2) The deductions shall continue until all service contributions
9 have been paid in full.

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11 SECTION 2. (a) Beginning July 1, 2001, the monthly retirement benefit
12 payable to the retirees and beneficiaries of the Arkansas State Highway
13 Employees' Retirement System who are entitled to receive an annuity for July
14 2001, shall be increased by four and eight-tenths percent (4.8%) above the
15 annuity the retiree or beneficiary received for June 2001.

16 (b) The increase in benefits as provided in this section shall be added
17 to the annuity for the purpose of computing the annual post-retirement
18 increase as provided in Arkansas Code 24-5-119(a) for the benefit re-
19 determination July 1, 2001.

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21 SECTION 3. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO
22 CODIFY THIS SECTION.] No benefit enhancement provided for by this act shall
23 be implemented if it would cause the publicly supported retirement system's
24 unfunded actuarial accrued liabilities to exceed a thirty (30) year
25 amortization. No benefit enhancement provided for by this act shall be
26 implemented by any publicly supported system which has unfunded actuarial
27 accrued liabilities being amortized over a period exceeding thirty (30) years
28 until the unfunded actuarial accrued liability is reduced to a level less than
29 the standards prescribed by Arkansas Code, Title 24.

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31 SECTION 4. Emergency Clause. It is found and determined by the Eighty-
32 third General Assembly of the State of Arkansas that benefits provided under
33 the Arkansas State Highway Employees' Retirement System are inadequate and an
34 increase should be provided as soon as practicable in order to avoid an undue
35 hardship that, in order for the Arkansas State Highway and Transportation
36 Department to continue to retain and recruit efficient and skilled employees,

1 the system must immediately increase the multiplier amount for retirement
2 benefit purposes, and that benefits provided to retirants and beneficiaries
3 under the Arkansas State Highway Employees' Retirement System are inadequate
4 and that an increase should be provided as soon as practicable in order to
5 avoid an undue hardship to the retirants and beneficiaries. Therefore an
6 emergency is declared to exist and this act being immediately necessary for
7 the preservation of the public peace, health and safety shall become effective
8 on July 1, 2001.

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