

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 86th General Assembly  
3 Regular Session, 2007

# A Bill

SENATE BILL 118

4  
5 By: Senator Faris  
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## For An Act To Be Entitled

8  
9 AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE  
10 PROVISIONS OF THE ARKANSAS DISTRICT JUDGE  
11 RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.  
12

## Subtitle

13  
14 AN ACT TO MAKE TECHNICAL CORRECTIONS TO  
15 THE PROVISIONS OF THE ARKANSAS DISTRICT  
16 JUDGE RETIREMENT SYSTEM.  
17  
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 24-8-803(b), concerning the Board of  
22 Trustees of the Arkansas District Judge Retirement System, is amended to read  
23 as follows:

24 (b)(1) The board shall consist of ~~five (5)~~ six (6) members, as  
25 follows:

26 (A) Two (2) members shall be appointed by the Arkansas  
27 District Judges Council; and

28 (B) ~~Three (3)~~ Four (4) members shall be appointed by the  
29 Governor:

30 (i) One (1) member shall be from a list supplied by  
31 municipal employers and compiled by the Arkansas Municipal League;

32 (ii) One (1) member shall be from a list supplied by  
33 county employers and compiled by the Arkansas Association of Counties; ~~and~~

34 (iii) One (1) member shall be a citizen of the State  
35 of Arkansas who shall not have previous service in the judicial system; ~~and~~

36 (iv) One (1) member shall be from a list supplied by



1 the district court clerk employers and compiled by the Arkansas District and  
 2 City Court Clerk's Association.

3 (2) One (1) of the board members shall be elected by the board  
 4 to serve as chair.

5 (3)(A) The members of the board shall serve staggered terms.

6 (B) At the board's first regular meeting following March  
 7 18, 2005, the members who are on the board on March 18, 2005, shall draw lots  
 8 to determine the length of terms.

9 (C) The terms shall be staggered in the following manner:

10 (i) One (1) member's term shall expire December 31,  
 11 2005;

12 (ii) One (1) member's term shall expire December 31,  
 13 2006;

14 (iii) ~~One (1)~~ Two (2) member's term shall expire  
 15 December 31, 2007; and

16 (iv) Two (2) members' terms shall expire December  
 17 31, 2008.

18 (D) Subsequent appointments shall be for a term of four  
 19 (4) years, and the members shall serve until their successors are appointed  
 20 and qualified.

21 (E) If a vacancy occurs on the board, the vacancy shall be  
 22 filled in the same manner as provided for the initial appointment.

23  
 24 SECTION 2. Arkansas Code § 24-8-809(c), concerning contributions by  
 25 the government entity to the Arkansas District Judge Retirement System, is  
 26 amended to read as follows:

27 (c)(1)(A) If any participating public employer fails to remit to the  
 28 system moneys that are required by law to be remitted by the date and at the  
 29 frequency established by the board, the system shall impose a penalty equal  
 30 to the actuarially assumed rate of return on investments of the fund in the  
 31 form of interest on an annual basis on the moneys due.

32 (B) The interest penalty is:

33 (i) Computed on the actual days of delinquency; and

34 (ii) Determined by the system on the date the  
 35 delinquent funds are received.

36 (C)(i) A statement of the interest due shall be sent to

1 the participating public employer.

2 (ii) No statement shall be issued if the interest  
 3 due is less than five dollars (\$5.00).

4 (2) If the interest penalty or delinquent moneys are not  
 5 received by the system on or before the last business day of the month in  
 6 which the moneys were originally due, the system shall cause the sums of  
 7 moneys, including interest, to be transferred from any moneys due the  
 8 participating public employer from the office of the Treasurer of State as  
 9 provided in § 19-5-106(a)(5).

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 11 SECTION 3. Arkansas Code § 24-8-810(c), concerning additional funding  
 12 for retirement benefits in the Arkansas District Judge Retirement System, is  
 13 amended to read as follows:

14 (c)(1) If the local municipal judge retirement fund does not have  
 15 sufficient money available to pay the amount determined in subsection (a) of  
 16 this section to the system on January 1, 2005, then the remaining amount of  
 17 actuarially determined accrued liability shall be paid on or before December  
 18 31 each year after for up to the next thirty (30) years based on a thirty-  
 19 year amortization period.

20 (2)(A) The thirty-year amortization period shall be a closed  
 21 period.

22 (B) The assets used to determine the remaining liability  
 23 shall be calculated annually or as deemed necessary by the Board of Trustees  
 24 of the Arkansas District Judge Retirement System based on the initial amount  
 25 contributed plus additional contributions.

26 (C) The liability used to determine the remaining  
 27 liability shall be the present value of the accrued benefits as of the date  
 28 of calculation.

29 (3) If the government entity wishes to pay an additional amount  
 30 or all of the their remaining unfunded liability, interest shall be added to  
 31 the payoff in the amount of one-twelfth (1/12) of the annual interest rate  
 32 used to determine the liability multiplied by the number of months elapsed  
 33 from the date of the most recent calculation to the date of the payment.

34  
 35 SECTION 4. Arkansas Code § 24-8-902(c), concerning additional funding  
 36 for district court clerks in the Arkansas District Judge Retirement System,

1 is amended to read as follows:

2 (c)(1)(A) If the municipal judge’s retirement fund does not have  
 3 sufficient funds available to pay the benefit obligations for the court  
 4 clerks under subsection (a) of this section to the system, then the remaining  
 5 amount of actuarially determined accrued liability shall be paid on or before  
 6 December 31 each year for up to the next thirty (30) years based on a thirty-  
 7 year amortization period.

8 (B)(i) The thirty-year amortization shall be a closed  
 9 period.

10 (ii) The assets used to determine the remaining  
 11 liability shall be calculated annually or as deemed necessary by the Board of  
 12 Trustees of the Arkansas District Judge Retirement System based on the  
 13 initial amount contributed plus additional contributions.

14 (iii) The liability used to determine the remaining  
 15 liability shall be the present value of the accrued benefits as of the date  
 16 of calculation.

17 (C) If the government entity wishes to pay an additional  
 18 amount or all of the their remaining unfunded liability, interest shall be  
 19 added to the payoff in the amount of one-twelfth (1/12) of the annual  
 20 interest rate used to determine the liability multiplied by the number of  
 21 months elapsed from the date of the most recent calculation to the date of  
 22 the payment.

23 (2) If the amount in the municipal judge’s retirement fund is  
 24 greater than the actuarially determined amount of the liabilities to be  
 25 transferred to the system, that excess may be retained by the local  
 26 government for the sole purpose of paying for the retirement benefits of  
 27 district court clerks.

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