

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
4

As Engrossed: S1/30/07

A Bill

SENATE BILL 118

5 By: Senator Faris
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For An Act To Be Entitled

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

14 AN ACT TO MAKE TECHNICAL CORRECTIONS TO
15 THE PROVISIONS OF THE ARKANSAS DISTRICT
16 JUDGE RETIREMENT SYSTEM.
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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 Arkansas District and City Court Clerk's Association.

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

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

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

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

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

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

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

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

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

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

22
23 SECTION 2. Arkansas Code § 24-8-809(c), concerning contributions by
24 the government entity to the Arkansas District Judge Retirement System, is
25 amended to read as follows:

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

31 (B) The interest penalty is:

32 (i) Computed on the actual days of delinquency; and
33 (ii) Determined by the system on the date the
34 delinquent funds are received.

35 (C)(i) A statement of the interest due shall be sent to
36 the participating public employer.

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

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

9
10 SECTION 3. Arkansas Code § 24-8-810(c), concerning additional funding
11 for retirement benefits in the Arkansas District Judge Retirement System, is
12 amended to read as follows:

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

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

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

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

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

33
34 SECTION 4. Arkansas Code § 24-8-902(c), concerning additional funding
35 for district court clerks in the Arkansas District Judge Retirement System,
36 is amended to read as follows:

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

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

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

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

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

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

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