

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: S2/6/07*

# A Bill

SENATE BILL 136

5 By: Senator J. Jeffress  
6  
7

## For An Act To Be Entitled

9 AN ACT TO PROVIDE PUBLIC SAFETY MEMBERS OF THE  
10 ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM WITH  
11 AN ENHANCED CREDIT; AND FOR OTHER PURPOSES.  
12

### Subtitle

13 AN ACT TO PROVIDE PUBLIC SAFETY MEMBERS  
14 OF THE ARKANSAS PUBLIC EMPLOYEES'  
15 RETIREMENT SYSTEM WITH AN ENHANCED  
16 CREDIT.  
17  
18  
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 *SECTION 1. Arkansas Code § 24-4-101 is amended to read as follows:*  
23 *24-4-101. Definitions.*

24 *As used in this act:*

25 *(1) "Accumulated contributions" means the sum of all amounts*  
26 *deducted from the compensations of a member and credited to his or her*  
27 *individual account in the member's deposit account, together with regular*  
28 *interest as may have been credited thereon;*

29 *(2) "Actual service" means service credited at the rate of one*  
30 *(1) month for each month of service;*

31 *(3) "Actuarial equivalent" means a benefit of equal reserve*  
32 *value when "reserve" means the present value of all payments to be made on*  
33 *account of any benefit based upon such reasonable rates of interest and*  
34 *tables of experience as a plan shall adopt from time to time;*

35 *(4) "Actuary" means a qualified actuary with experience in*  
36 *retirement plan financing. Membership in the American Academy of Actuaries*



1 shall be sufficient for a person to be deemed a qualified actuary;

2 (5) "Age" means age on last birthday;

3 (6)(A) "Annuity" means a monthly amount payable from funds of  
4 the Arkansas Public Employees' Retirement System throughout the life of a  
5 person.

6 (B) All annuities shall be paid in equal monthly  
7 installments;

8 (7) "Annuity reserve" means the present value of an annuity  
9 computed upon the basis of mortality and other such tables of experience and  
10 regular interest, as the Board of Trustees of the Arkansas Public Employees'  
11 Retirement System shall adopt;

12 (8) "Beneficiary" means any person except a retirant who is  
13 receiving or is designated by a member to receive a plan benefit;

14 (9) "Benefit program" means a schedule of benefits or benefit  
15 formulas from which the amounts of benefits can be determined;

16 (10) "Board" means the Board of Trustees of the Arkansas Public  
17 Employees' Retirement System, as created in this act;

18 (11)(A) "Compensation" means the recurring remuneration paid a  
19 member by public employers for personal services rendered by a member in a  
20 position covered by an employer participating in the Arkansas Public  
21 Employees' Retirement System.

22 (B) In case a member's compensation includes either  
23 lodging or meals, or both, exclusive of travel expense, the cash value of the  
24 lodging and meals shall be fixed by the board, not to exceed the amount the  
25 employee is required to report for federal income tax purposes;

26 (12) "Contributory member" means:

27 (A) A person who was a member of the Arkansas Public  
28 Employees' Retirement System prior to January 1, 1978, and who continues to  
29 contribute six percent (6%) of his or her compensation to the system.

30 However, the rate will be five percent (5%) on and after July 1, 2005; or

31 (B) A member first hired on or after July 1, 2005, or a  
32 noncontributory member who elects to become a contributory member under § 24-  
33 4-1101 et seq. within six (6) months from July 1, 2005;

34 (13) "County" means any county in the state and includes all  
35 agencies, offices, departments, boards, commissions, and county-supported  
36 institutions that are duly constituted agencies of the county;

1           (14)(A) "County employees" means all employees whose  
2       compensations are payable, either directly or indirectly, by county  
3       participating public employers and includes employees of the Association of  
4       Arkansas Counties.

5           (B) In any case of doubt as to who is a county employee  
6       within the meaning of this act, the board shall have the final power to  
7       decide the question;

8           (15)(A) "Credited service" means the sum of the prior service  
9       and current service to the extent credited a member by the board, in  
10      accordance with the provisions of § 24-4-521.

11          (B) Any member first hired on or after July 1, 2005, to a  
12      covered position whose service is credited at a rate other than that defined  
13      in § 24-4-101(2) shall accrue that credit on no more than ten (10) actual  
14      years of service;

15          (16)(A) "Current service" means service rendered to a public  
16      employer by a member from and after the date he or she became a member.

17          (B) In the case of a nonstate employee, service rendered  
18      by the employee to a public employer in the period from June 30, 1957, to the  
19      date his or her employer became a participating public employer, which period  
20      is called interim current service, shall be included as current service, but  
21      only if the employee satisfies the conditions set forth in Acts 1965, No.  
22      153, § 10 [repealed];

23          (17)(A)(i)(a) "Employees" means all officers and employees of  
24      any office, agency, board, commission, including the Department of Higher  
25      Education, or department of a public employer whose compensations were or are  
26      payable from funds appropriated by the public employer and all otherwise  
27      eligible employees whose compensations were or are payable in whole or part  
28      from federal funds, as well as the official court reporters and stenographers  
29      of the circuit and chancery courts of the state and all of the prosecuting  
30      attorneys of the judicial districts of Arkansas.

31                  (b) In addition, effective July 1, 1983, the  
32      term "employees" shall include those persons who are eligible for benefits  
33      from the Teachers Insurance and Annuity Association but who are otherwise  
34      eligible for participation in the Arkansas Public Employees' Retirement  
35      System due to employment with a public employer.

36                  (ii) Any person who has previously been denied

1 coverage under the Arkansas Public Employees' Retirement System because the  
2 person was or is paid from a grant instead of funds appropriated by the  
3 public employer shall from July 1, 1991, become a member of the system if in  
4 an otherwise eligible position due to being an employee of a public employer,  
5 and a member may at his or her option receive credit for service rendered  
6 before that date as an employee paid from a grant, subject to the following  
7 conditions:

8 (a) The member is a participating employee  
9 covered under the Arkansas Public Employees' Retirement System at the time of  
10 the purchase;

11 (b) The member furnishes proof in a form  
12 required by the Arkansas Public Employees' Retirement System of the service  
13 and compensation received;

14 (c) The member pays or causes to be paid all  
15 employee contributions at the rate and on the compensation that would have  
16 been paid had he or she been a member during that time, all employer  
17 contributions based on the employer normal cost from the most recently  
18 completed regular annual actuarial valuation and the compensation that would  
19 have been paid had he or she been a member during that time, and regular  
20 interest on the employee and employer contributions. The interest shall be  
21 computed from the date the service was rendered to the date the payment is  
22 received by the Arkansas Public Employees' Retirement System. The member may  
23 purchase all of the service or any portion thereof in multiples of one (1)  
24 year;

25 (d) The payment of funds shall be made in one  
26 (1) lump sum; and

27 (e) Any person who, prior to the effectiveness  
28 of this provision, has been removed from membership in the Arkansas Public  
29 Employees' Retirement System because of eligibility for membership in a local  
30 firemen's pension fund as a volunteer firefighter may restore the refunded  
31 service and establish subsequent service by paying or causing to be paid to  
32 the Arkansas Public Employees' Retirement System the refunded contributions  
33 and the legally required contributions for subsequent service.

34 (B) Excepting members of the General Assembly and those  
35 persons participating in a local firemen's pension fund because of their  
36 status as volunteer firefighters and those persons who have dual full-time

1 employment in separate positions covered by the Arkansas Public Employees'  
2 Retirement System and the Arkansas Local Police and Fire Retirement System  
3 respectively, the term "employees" shall not include persons who are members  
4 of any other retirement system, excepting federal Social Security, which  
5 retirement system is supported by state funds or is authorized by the laws of  
6 the state. In addition, the term "employees" specifically shall not include  
7 the following:

8 (i) Persons in the employ of the Department of  
9 Arkansas State Police who are members of the State Police Retirement System;

10 (ii) Persons in the employ of the Department of  
11 Education or the Arkansas Teacher Retirement System, except as otherwise  
12 provided by law;

13 (iii) Persons in the employ of the University of  
14 Arkansas or any other state-supported institution of higher learning, except  
15 as otherwise provided by law;

16 (iv) Justices of the Supreme Court, judges of  
17 circuit courts, or judges of chancery courts;

18 (v) Persons in the employ of the General Assembly  
19 who are employed on a less than full-time regular annual salary basis, except  
20 that any person who has served or who shall serve during at least six (6)  
21 legislative sessions as Chief Clerk of the House of Representatives and who  
22 has served in the employ of the General Assembly during at least twelve (12)  
23 previous legislative sessions shall be eligible to receive credited service  
24 in the Arkansas Public Employees' Retirement System for any period of  
25 employment with the General Assembly since July 1, 1957, but only if the  
26 employee is, or was, an active member of the system with at least ten (10)  
27 years of credited service and only if the employee pays or causes to be paid  
28 all employee contributions at the rate and on the compensation that would  
29 have been paid had he or she been a member of the system during those periods  
30 of time, all employer contributions based on the employer normal cost from  
31 the most recently completed regular annual actuarial valuation and the  
32 compensation that would have been paid had he or she been a member during  
33 those periods of time, and regular interest on the employee and employer  
34 contributions computed from the date of service to the date the payment is  
35 received by the system;

36 (vi) Persons who are in the employ of the Arkansas

1 State Highway and Transportation Department;

2 (vii) Persons employed with the intent of working  
3 less than ninety (90) calendar days;

4 (viii) Persons who are employed for a period of more  
5 than ninety (90) consecutive calendar days but who do not qualify as full-  
6 time employees shall be excluded from membership. A person shall be  
7 considered a full-time employee if that person works at least eighty (80)  
8 hours per month during a period of ninety (90) consecutive calendar days;

9 (ix) Persons whose rate of pay does not constitute  
10 employment that is substantially gainful shall be excluded from membership. A  
11 rate of pay less than the federal minimum wage for the year shall not be  
12 considered employment that is substantially gainful;

13 (x) Persons who are first employed or those who are  
14 reemployed as participants on or after July 1, 1979, under the Comprehensive  
15 Employment and Training Act. However, those persons participating in the  
16 program prior to July 1, 1979, shall continue to be members of the Arkansas  
17 Public Employees' Retirement System while employed by a participating public  
18 employer;

19 (xi) Any person previously denied coverage by the  
20 Arkansas Public Employees' Retirement System because that person was eligible  
21 for membership in but did not participate in another retirement system that  
22 is supported by state funds or that is authorized by the laws of the state,  
23 shall become a member of the Arkansas Public Employees' Retirement System  
24 from the date of July 1, 1999, if in an otherwise eligible position due to  
25 employment with a participating employer. Any person previously denied  
26 coverage by the Arkansas Public Employees' Retirement System because that  
27 person was eligible for or receiving benefits from another retirement system  
28 supported by state funds or that is authorized by the laws of the state shall  
29 become a member of the Arkansas Public Employees' Retirement System from the  
30 date of July 1, 1999, if in an otherwise eligible position due to employment  
31 with a participating employer. That person may receive, at the employee's  
32 option, credit for service rendered to a participating public employer before  
33 that date, subject to the following conditions:

34 (a) The member is a participating employee  
35 covered under the Arkansas Public Employees' Retirement System at the time of  
36 the purchase;

1                                   (b) *The member furnishes proof in a form*  
2 *required by the Arkansas Public Employees' Retirement System of the service*  
3 *and compensation received;*

4                                   (c) *The member pays or causes to be paid all*  
5 *employee contributions at the rate and on the compensation that would have*  
6 *been paid had he or she been a member during that time, all employer*  
7 *contributions based on the employer normal cost from the most recently*  
8 *completed regular annual actuarial valuation and the compensation that would*  
9 *have been paid had he or she been a member during that time, and regular*  
10 *interest on the employee and employer contributions. The interest shall be*  
11 *computed from the date the service was rendered to the date the payment is*  
12 *received by the Arkansas Public Employees' Retirement System. The member may*  
13 *purchase all of the service or any portion thereof in multiples of one (1)*  
14 *year; and*

15                                   (d) *The payment of funds shall be made in one*  
16 *(1) lump sum;*

17                                   (xii) *The surviving spouse of any person deemed*  
18 *erroneously enrolled due to receipt of a benefit from another retirement*  
19 *system supported by state funds or that is authorized by the laws of the*  
20 *state but whose service had not been refunded at or before the date of death*  
21 *shall be eligible to receive a benefit under the provisions of § 24-4-608,*  
22 *provided that the person was an employee of the participating employer on the*  
23 *date of death. The monthly annuity shall be payable on the first day of the*  
24 *month following the month of application and shall be retroactive to the date*  
25 *the benefit would have been otherwise payable as provided for in § 24-4-608;*  
26 *and*

27                                   (xiii) *Any person previously denied coverage by the*  
28 *Arkansas Public Employees' Retirement System because that person was employed*  
29 *in dual full-time positions covered by the Arkansas Public Employees'*  
30 *Retirement System and the Arkansas Local Police and Fire Retirement System,*  
31 *respectively, shall become a member of both systems from and after the date*  
32 *of July 1, 2001, if in otherwise eligible positions with participating*  
33 *employers. The person may receive at the employee's option credit for service*  
34 *rendered to a participating public employer before that date, subject to the*  
35 *following conditions:*

36                                   (a) *The member is a participating employee*

1 covered under the Arkansas Public Employees' Retirement System at the time of  
2 the purchase;

3 (b) The member furnishes proof in a form  
4 required by the Arkansas Public Employees' Retirement System of the service  
5 and compensation received;

6 (c) The member pays or causes to be paid all  
7 employee contributions at the rate and on the compensation that would have  
8 been paid had the person been a member during that time, all employer  
9 contributions based on the employer normal cost from the most recently  
10 completed regular annual actuarial valuation and the compensation that would  
11 have been paid had the person been a member during that time, and regular  
12 interest on the employee and employer contributions. The interest shall be  
13 computed from the date the service was rendered to the date the payment is  
14 received by the Arkansas Public Employees' Retirement System. The member may  
15 purchase all of the service or any portion thereof in multiples of one (1)  
16 year; and

17 (d) The payment of funds shall be made in one  
18 (1) lump sum.

19 (C) In any case of doubt as to who is an employee within  
20 the meaning of this act, the board shall have the final power to decide the  
21 question;

22 (18)(A)(i) "Final average compensation" means the average of the  
23 highest annual compensations paid a member during any period of three (3)  
24 years of credited service with a public employer.

25 (ii) The three-year average shall be the greatest of  
26 the following:

27 (a) One-third (1/3) of the following: The  
28 total of the highest compensations paid during the two (2) completed fiscal  
29 years when added to the total third highest compensation paid during the  
30 completed fiscal year; or

31 (b) One-third (1/3) of the following: The  
32 total of the highest compensations paid during the two (2) completed fiscal  
33 years added to the total of the compensation paid for the months of credited  
34 service within the incomplete fiscal year in which the member retires,  
35 provided there are some, and the total third highest compensation paid during  
36 the completed fiscal year which has been multiplied by the number of months



1 remaining in the fiscal year in which retirement occurs and divided by twelve  
2 (12).

3 (iii) Should the member have less than the minimum  
4 three (3) years of credited service, "average compensation" means the annual  
5 average compensations to the member during his or her total years of actual  
6 service.

7 (B) Any other provision to the contrary notwithstanding:

8 (i) If a member's rate of pay is set by Arkansas  
9 Constitution, Amendment 70, § 1, then the member's "average compensation"  
10 shall not be less than the member's rate of pay at the time of separation  
11 from covered employment;

12 (ii) If a member's rate of pay is set by Arkansas  
13 Constitution, Amendment 70, § 1, then the member's "average compensation"  
14 shall not be less than the member's highest rate of such pay; or

15 (iii) If a member served at any time in an office  
16 whose rate of pay is set by Arkansas Constitution, Amendment 70, § 1, and  
17 that member was a member of the General Assembly on December 31, 1978, then  
18 the member's "average compensation" shall not be less than the rate of pay  
19 currently set for the highest legislative office the member held;

20 (19) "General Assembly" means the General Assembly of the state;

21 (20) "Intergovernmental Juvenile Detention Council" means the  
22 Intergovernmental Juvenile Detention Council of the Tenth Judicial District  
23 created by uncodified Act 899 of 1995, which has chosen by a majority vote of  
24 the council to participate in the Arkansas Public Employees' Retirement  
25 System;

26 (21) "Joint county and municipal sanitation authority" means any  
27 sanitation authority created under the Joint County and Municipal Solid Waste  
28 Disposal Act, § 14-233-101 et seq., which has chosen by a majority vote of  
29 its full-time employees to participate in the Arkansas Public Employees'  
30 Retirement System;

31 (22) "Local units of government" means those entities  
32 participating in the Arkansas Public Employees' Retirement System under the  
33 provisions of § 24-4-746;

34 (23) "Member" means any person who is included in the membership  
35 of the Arkansas Public Employees' Retirement System;

36 (24)(A) "Municipal employees" means all employees whose

1 compensations are payable, either directly or indirectly, by participating  
2 municipal public employers and includes employees of the Arkansas Municipal  
3 League, employees of the water and sewer system of any city divided by a  
4 state line, and employees of the Arkansas Local Police and Fire Retirement  
5 System.

6 (B) "Municipal employees" shall not include members of a  
7 municipal firemen's or policemen's pension fund while the member is accruing  
8 credited service in that system, excepting those members of a municipal  
9 firemen's pension fund who are members solely because of their status as  
10 volunteer firefighters.

11 (C) In any case of doubt as to who is a municipal employee  
12 within the meaning of this act, the board shall have the final power to  
13 decide the question;

14 (25) "Municipality" means any incorporated city or town in the  
15 state and includes all agencies, offices, departments, and commissions of the  
16 city or town;

17 (26) "Noncontributory member" means a person who does not  
18 contribute a portion of his or her compensation to the Arkansas Public  
19 Employees' Retirement System;

20 (27) "Nonstate employees" means county employees, municipal  
21 employees, rural waterworks facilities board employees, regional airport  
22 authority employees, public facilities board employees, regional solid waste  
23 management board employees, joint county and municipal sanitation authority  
24 employees, regional water distribution board employees, school employees, and  
25 the employees of the Intergovernmental Juvenile Detention Council;

26 (28) "Normal retirement age" means, for a member, the youngest  
27 of the following ages:

28 (A) Age sixty (60) and with twenty (20) or more years of  
29 actual service for a contributory member; or

30 (B) Age sixty-five (65) with five (5) or more years of  
31 actual service, except for a member of the General Assembly who must have ten  
32 (10) or more years of actual service if he or she only has service as a  
33 member of the General Assembly;

34 (C) If the provisions of § 24-4-521 are used to determine  
35 any portion of total credited service, then the age upon completion of  
36 thirty-five (35) years of credited service, but in no event to an age younger

1 than fifty-five (55);

2 (D) For a noncontributory member with credited service for  
3 employment as a public safety employee or as a sheriff, age sixty-five (65)  
4 reduced by one (1) month for each two (2) months of such credited service,  
5 but in no event to an age younger than fifty-five (55), except in the case of  
6 a sheriff who has a minimum of ten (10) years of actual service as a sheriff  
7 or who has eight (8) years of actual service as a sheriff and a minimum of  
8 two (2) years of service in another state-supported retirement system, for  
9 whom the minimum retirement age shall be fifty-two (52);

10 (E) The age upon completion of twenty-eight (28) years of  
11 credited service, if the provisions of § 24-4-521 are not used to determine  
12 any portion of the credited service;

13 (F) For a member of the General Assembly with twelve (12)  
14 years of actual service, ten (10) of which must be as a member of the General  
15 Assembly, at age fifty-five (55). A member of the General Assembly who was  
16 either serving in the General Assembly on July 1, 1979, or held an elected  
17 office on July 1, 1979, shall be eligible to retire with seventeen and one-  
18 half (17 1/2) years of actual service regardless of age;

19 (G) An elected state constitutional officer shall be  
20 eligible to retire with twenty-eight (28) years of credited service at age  
21 fifty-five (55); and

22 (H) Notwithstanding subdivision (28)(C) of this section,  
23 in the case of a deputy sheriff who has a minimum of twenty-five (25) years  
24 of actual service as a deputy sheriff, the minimum retirement age shall be  
25 fifty-two (52);

26 (29) "Participating public employer" means:

27 (A) Any county, municipality, rural waterworks facilities  
28 board, regional airport authority, public facilities board, regional solid  
29 waste management board, joint county and municipal sanitation authority, or  
30 regional water distribution board in the state whose employees are included  
31 in the membership of the Arkansas Public Employees' Retirement System;

32 (B) The employees of the Intergovernmental Juvenile  
33 Detention Council of the Tenth Judicial District who are included in the  
34 membership of the Arkansas Public Employees' Retirement System; or

35 (C) A public rehabilitative services corporation or local  
36 unit of government as provided for in § 24-4-746;

1           (30)(A) *"Prior service", in the case of a state or municipal*  
2 *employee, means personal service rendered by the employee to a public*  
3 *employer prior to July 1, 1957.*

4           (B) *The term "prior service", in the case of a county*  
5 *employee, means personal service rendered by the employee to a public*  
6 *employer prior to July 1, 1959;*

7           (31) *"Public employer" means the State of Arkansas or any*  
8 *participating public employer;*

9           (32) *"Public facilities board" means any public facilities board*  
10 *created under the Public Facilities Boards Act, § 14-137-101 et seq., which*  
11 *has chosen by a majority vote of the full-time employees to participate in*  
12 *the Arkansas Public Employees' Retirement System;*

13           (33) *"Public Rehabilitation Services Corporations" means those*  
14 *entities participating in the Arkansas Public Employees' Retirement System*  
15 *under the provisions of § 24-4-746;*

16           (34)(A) *"Public safety member" means a noncontributory member*  
17 *whose covered employment is for personal services as a police officer or*  
18 *firefighter and his or her employment commenced prior to July 1, 1997.*

19           (B)(i) *"Police officer" means any regular or permanent*  
20 *employee whose primary duty is law enforcement of a municipal police*  
21 *department, a county sheriff's office, or the Department of Arkansas State*  
22 *Police, including probationary police officers, and shall also include*  
23 *wildlife officers of the Arkansas State Game and Fish Commission and all*  
24 *officers and the Director of the State Capitol Police within the office of*  
25 *the Secretary of State.*

26           (ii) *An officer who, although assigned to*  
27 *administrative duties, is still subject to call for service at patrol duty or*  
28 *duty in the field or is subject to call for duties in emergency situations*  
29 *requiring the officer to be armed with a firearm shall be considered to have*  
30 *the primary duty of law enforcement for the purpose of this subdivision*  
31 *(34)(B).*

32           (iii) *The term "police officer" shall not include*  
33 *any civilian employee of a police department or any person temporarily*  
34 *employed as a police officer during an emergency.*

35           (C)(i) *"Firefighter" means any regular employee of a fire*  
36 *department whose primary duty is fire fighting, including probationary*

1 firefighters.

2 (ii) "Firefighter" shall not include any civilian  
3 employee of a fire department or any person temporarily employed as a  
4 firefighter during an emergency.

5 (D) "Public safety member" shall not include a member  
6 whose employment as a police officer or firefighter commenced on or after  
7 July 1, 1997.

8 (E) A public safety member who receives or has received  
9 credited service at one and one-half (1 1/2) times the regular rate for  
10 crediting service may change employers and continue to receive credited  
11 service at one and one-half (1 1/2) times the regular rate for crediting  
12 service, provided:

13 (i) The person is employed as a public safety  
14 officer within six (6) months of termination from employment as a public  
15 safety member; and

16 (ii) The employer provides public safety officers  
17 credited service at one and one-half (1 1/2) times the regular rate for  
18 crediting service;

19 (35) "Public safety officer" means:

20 (A) A person classified as a public safety member under  
21 subdivision (34) of this section; or

22 (B) A warden or correctional officer of the Department of  
23 Correction as designated by the Director of the Department of Correction.

24 ~~(35)~~(36) "Regional airport authority" means any regional airport  
25 authority created under the Regional Airport Act, § 14-362-101 et seq., which  
26 was formed after January 1, 1990, and which has chosen to participate in the  
27 Arkansas Public Employees' Retirement System;

28 ~~(36)~~(37) "Regional solid waste management board" means any  
29 regional solid waste management board defined under § 8-6-701 et seq. which  
30 has chosen by a majority vote of the full-time employees to participate in  
31 the Arkansas Public Employees' Retirement System;

32 ~~(37)~~(38) "Regional water distribution board" means any regional  
33 water distribution board created under the Regional Water Distribution  
34 District Act, § 14-116-101 et seq., which has chosen by a majority vote of  
35 the full-time employees to participate in the Arkansas Public Employees'  
36 Retirement System;

1           ~~(38)~~(39) (A) "Regular interest" means such rates of interest per  
2 annum, compounded annually, as the board shall prescribe from time to time.

3           (B) However, for circumstances entered into July 1, 1985,  
4 or later, when payments are payable to the Arkansas Public Employees'  
5 Retirement System by a member together with regular interest thereon, the  
6 rate of interest shall be the same for all circumstances and shall be six  
7 percent (6%) per annum unless changed by the board;

8           ~~(39)~~(40) "Retirant" means a person receiving a plan annuity by  
9 reason of having been a member of the Arkansas Public Employees' Retirement  
10 System;

11           ~~(40)~~(41) "Retirement" means a member's withdrawal from the  
12 service of a public employer, with an annuity payable from funds of the  
13 Arkansas Public Employees' Retirement System;

14           ~~(41)~~(42) "Rural waterworks facilities board" means a rural  
15 waterworks facilities board created under the Rural Waterworks Facilities  
16 Boards Act, § 14-238-101 et seq.;

17           ~~(42)~~(43) "Social Security" means the federal Social Security old  
18 age, survivors', and disability insurance program;

19           ~~(43)~~(44) "State" means the State of Arkansas and includes all  
20 agencies, offices, departments, boards, commissions, and state-supported  
21 institutions that are duly constituted agencies of the state;

22           ~~(44)~~(45) (A) "State employees" means all otherwise eligible  
23 employees whose compensations were, or are, payable from funds appropriated  
24 by the state and includes all employees whose compensations were, or are,  
25 payable in whole or in part from federal funds.

26           (B) In any case of doubt as to who is a state employee  
27 within the meaning of this act, the board shall have the final power to  
28 decide the question; and

29           ~~(45)~~(46) "System" means the Arkansas Public Employees'  
30 Retirement System.

31  
32           SECTION 2. Arkansas Code Title 24, Chapter 4, Subchapter 7 is amended  
33 to add an additional section to read as follows:

34           24-4-750. Multiplier for public safety officers who became system  
35 members beginning July 1, 1997.

36           The multiplier used to calculate an annuity for a public safety officer

1 who became a member of the Arkansas Public Employees' Retirement System  
2 beginning July 1, 1997, shall be as follows:

3 (1) For a noncontributory member of the system, two and twenty-  
4 one hundredths percent (2.21%); and

5 (2) For a contributory member of the system, two and one half  
6 percent (2.5%).

7  
8 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
9 General Assembly of the State of Arkansas that this act affects the  
10 retirement benefits of members of the Arkansas Public Employees' Retirement  
11 System classified as public safety officers and the ideal time to revise  
12 benefit provisions of the system is at the beginning of the state's fiscal  
13 year. Therefore, an emergency is declared to exist and this act being  
14 necessary for the preservation of the public peace, health, and safety shall  
15 become effective on July 1, 2007.

16  
17 /s/ J. Jeffress  
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