

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 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 1177

5 By: Representative Overbey
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For An Act To Be Entitled

9 AN ACT TO AMEND THE ELIGIBILITY REQUIREMENTS FOR
10 BENEFITS RELATING TO THE HEALTH CARE OFFSET FOR
11 MEMBERS OF THE ARKANSAS STATE HIGHWAY EMPLOYEES'
12 RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.
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Subtitle

14 TO AMEND THE ELIGIBILITY REQUIREMENTS
15 FOR BENEFITS RELATING TO THE HEALTH CARE
16 OFFSET FOR MEMBERS OF THE ARKANSAS STATE
17 HIGHWAY EMPLOYEES' RETIREMENT SYSTEM.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 24-5-125 is amended to read as follows:

24 24-5-125. Eligibility to receive increase in benefits.

25 (a)(1) In order to help offset the cost of health insurance and health
26 care, ~~any individual~~ a member who is receiving benefits from the Arkansas
27 State Highway Employees' Retirement System ~~prior to~~ before, on, or subsequent
28 to July 1, 1999, shall have added to his or her annuity as determined
29 ~~pursuant to~~ under § 24-5-115 no less than the sum of one hundred twenty-five
30 dollars (\$125) per month, ~~provide~~ provided that:

31 (A) The Board of Trustees of the Arkansas State Highway
32 Employees' Retirement System may elect and is granted the authority to
33 increase that additional monthly sum to all such eligible individuals in an
34 amount determined by the board as necessary to help offset the ever-
35 escalating costs of health insurance and health care;

36 (B) The additional monthly sum shall not exceed two



1 hundred fifty dollars (\$250) per month; and

2 (C) ~~The individual~~ A member who initiates receiving
 3 benefits ~~on or after:~~

4 (i) July 1, 2005, through June 30, 2009, has at
 5 least five (5) years service in the system; or

6 (ii) July 1, 2009, has at least ten (10) years of
 7 service in the system.

8 (2) No benefits enhancement provided by this section shall be
 9 implemented if it would cause the publicly supported retirement system's
 10 unfunded actuarial accrued liabilities to exceed a thirty-year amortization.

11 (b) In its discretion, the board may prorate the benefits provided
 12 under this section for any individual retiring after June 30, 1999, but
 13 before July 1, 2009, if the individual is also eligible for an additional
 14 monthly benefit as a result of credited service under one (1) or more of the
 15 other reciprocal systems, as such systems are enumerated in § 24-2-401.

16 (c) A member who initiates receiving benefits on or after July 1,
 17 2009, shall be eligible for a minimum increase in benefits as determined
 18 under § 24-5-115 under the following schedule:

19 (1) A member who has accrued ten (10) years but less than
 20 fifteen (15) years of service in the system is eligible to receive seventy-
 21 five dollars (\$75.00) divided by one hundred and twenty-five dollars
 22 (\$125.00) per month, that is, an increase of sixty percent (60%) per month;

23 (2) A member who has accrued fifteen (15) years but less than
 24 twenty (20) years of service in the system is eligible to receive one hundred
 25 dollars (\$100) divided by one hundred and twenty-five dollars (\$125.00)per
 26 month, that is, an increase of eighty percent (80%) per month;

27 (3) A member who has accrued twenty (20) years or more of
 28 service in the system is eligible to receive one hundred and twenty-five
 29 dollars (\$125.00) divided by one hundred and twenty-five dollars (\$125.00)
 30 per month, that is, an increase of one hundred percent (100%) per month;

31 (4) If the member is eligible for an additional monthly benefit
 32 as a result of credited service under one (1) or more of the reciprocal
 33 systems, as such systems are enumerated in § 24-2-401, the board in its
 34 discretion may prorate the benefits provided under this section for all
 35 members retiring after June 30, 2009.

36 (c)(d) Nothing contained in this section shall require the system to

1 pay any portion of the benefits provided for in this section.

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3 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General
4 Assembly of the State of Arkansas that this language more equably allocates
5 the health care offset benefits provided under the Arkansas State Highway
6 Employees' Retirement System. Therefore, an emergency is declared to exist
7 and this act being necessary for the preservation of the public peace,
8 health, and safety shall be in full force and effect on and after July 1,
9 2009.

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