

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

A Bill

SENATE BILL 72

4
5 By: Senator Madison

For An Act To Be Entitled

6
7
8
9 AN ACT TO MAKE VARIOUS CORRECTIONS TO TITLE 24 OF
10 THE ARKANSAS CODE OF 1987 ANNOTATED; AND FOR
11 OTHER PURPOSES.

Subtitle

12
13
14 AN ACT TO MAKE VARIOUS CORRECTIONS TO
15 TITLE 24 OF THE ARKANSAS CODE OF 1987
16 ANNOTATED.

17
18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. Arkansas Code § 24-6-209(b)(6) is amended to read as
22 follows to clarify that only one retirement system is being referred to in
23 the section and to correct word usage and punctuation:

24 (6) ~~In the event~~ If the transfers under this section exceed
25 eight hundred thousand dollars (\$800,000) per fiscal year, the executive
26 secretary shall notify the Joint Interim Committee on Public Retirement and
27 Social Security Programs ~~that, which~~ shall then review the use of the funds
28 and the benefit provisions of the ~~systems~~ system and the actuarial reports on
29 the ~~retirement systems~~ system to ensure compliance with the intended purpose
30 of the funds.

31
32 SECTION 2. Arkansas Code Title 24, Chapter 8 Subchapter 8, is repealed
33 because the Arkansas District Judge Retirement System was abolished by Acts
34 2007, No. 177.

35 ~~24-8-801. Public policy.~~

36 ~~(a) It is declared to be the state's public policy that district~~



1 ~~judges and former municipal judges may retire or be retired when that course~~
 2 ~~appears to be in the best interest of the official concerned and for the~~
 3 ~~public welfare.~~

4 ~~(b) Factors to be considered for retirement are:~~

5 ~~(1) Physical disability;~~

6 ~~(2) Advanced age; or~~

7 ~~(3) Other infirmities calculated to materially impair the~~
 8 ~~conduct of judicial duties.~~

9 ~~(c) The Arkansas District Judge Retirement System is established under~~
 10 ~~this subchapter to:~~

11 ~~(1) Provide sufficient retirement and survivors' benefits for~~
 12 ~~the district judges of the state; and~~

13 ~~(2) Attract and retain highly capable members of the legal~~
 14 ~~profession for service in the state judiciary.~~

15
 16 ~~24-8-802. Definitions.~~

17 ~~As used in this subchapter:~~

18 ~~(1) "Actual service" means service credit beginning January 1, 2005,~~
 19 ~~in the Arkansas District Judge Retirement System;~~

20 ~~(2) "Average annual salary" means the average of the last three (3)~~
 21 ~~years' salary ending with the most recent year;~~

22 ~~(3) "Board" means the Board of Trustees of the Arkansas District Judge~~
 23 ~~Retirement System;~~

24 ~~(4) "District judge" means:~~

25 ~~(A) A district judge in office on December 31, 2004, who is~~
 26 ~~covered under § 24-8-801 et seq.; or~~

27 ~~(B) A district judge in office on or after January 1, 2005;~~

28 ~~(5) "Municipal judge retirement fund" means a local municipal judge~~
 29 ~~and clerk retirement fund established by a local government under § 24-8-301~~
 30 ~~et seq., § 24-8-401 et seq., or § 24-8-501 et seq.;~~

31 ~~(6) "Purchased service" means service credited for retirement purposes~~
 32 ~~on or before December 31, 2004, in a municipal judge retirement fund;~~

33 ~~(7) "System" means the Arkansas District Judge Retirement System; and~~

34 ~~(8) "Total service" means the sum of actual service and purchased~~
 35 ~~service.~~

36

1 ~~24-8-803. Board of trustees.~~

2 ~~(a) The administration and control of the Arkansas District Judge~~
 3 ~~Retirement System are vested in the Board of Trustees of the Arkansas~~
 4 ~~District Judge Retirement System.~~

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

6 ~~(A) Two (2) members shall be appointed by the Arkansas~~
 7 ~~District Judges Council; and~~

8 ~~(B) Three (3) members shall be appointed by the Governor:~~

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

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

13 ~~(iii) One (1) member shall be a citizen of the State~~
 14 ~~of Arkansas who shall not have previous service in the judicial system.~~

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

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

18 ~~(B) At the board's first regular meeting following March~~
 19 ~~18, 2005, the members who are on the board on March 18, 2005, shall draw lots~~
 20 ~~to determine the length of terms.~~

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

22 ~~(i) One (1) member's term shall expire December 31,~~
 23 ~~2005;~~

24 ~~(ii) One (1) member's term shall expire December 31,~~
 25 ~~2006;~~

26 ~~(iii) One (1) member's term shall expire December~~
 27 ~~31, 2007; and~~

28 ~~(iv) Two (2) members' terms shall expire December~~
 29 ~~31, 2008.~~

30 ~~(D) Subsequent appointments shall be for a term of four~~
 31 ~~(4) years, and the members shall serve until their successors are appointed~~
 32 ~~and qualified.~~

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

35 ~~(c) The duties of the board are to:~~

36 ~~(1) Make all rules and regulations to implement this subchapter;~~

1 ~~(2) Provide administrative direction and control of the~~
2 ~~executive director and staff as necessary;~~

3 ~~(3) Appoint an actuary or firm of actuaries to be a technical~~
4 ~~advisor to the board on the operation of the system on an actuarial basis;~~

5 ~~(4) Assign duties to the actuary to perform; and~~

6 ~~(5) Appoint professional investment counsel to be the board's~~
7 ~~investment advisor and money manager.~~

8 ~~(d) The board shall meet at least one (1) time during a calendar~~
9 ~~quarter and at other times as necessary.~~

10 ~~(e) The board shall serve without pay but may receive expense~~
11 ~~reimbursement of actual expenses as state employees under § 25-16-902.~~

12
13 ~~24-8-804. Administration.~~

14 ~~(a)(1) The executive director and administrative staff of the Arkansas~~
15 ~~Public Employees' Retirement System shall be the executive director and~~
16 ~~administrative staff of the Arkansas District Judge Retirement System.~~

17 ~~(2) The administrative records of the Arkansas District Judge~~
18 ~~Retirement System shall be maintained within the administrative offices of~~
19 ~~the Arkansas Public Employees' Retirement System.~~

20 ~~(b) All costs of administering the Arkansas District Judge Retirement~~
21 ~~System shall be paid from the Arkansas District Judge Retirement System, but~~
22 ~~no payment for the expenses shall be made unless authorized by the Board of~~
23 ~~Trustees of the Arkansas District Judge Retirement System.~~

24 ~~(c) There will be an initial grant from the State Treasury to~~
25 ~~establish administrative systems, personnel needs, and a trust fund for the~~
26 ~~Arkansas District Judge Retirement System.~~

27
28 ~~24-8-805. Trust fund.~~

29 ~~(a) In addition to the Arkansas District Judge Retirement System in~~
30 ~~the State Treasury, a bank trust fund or funds may be established and~~
31 ~~maintained in a federally insured depository institution designated by the~~
32 ~~Board of Trustees of the Arkansas District Judge Retirement System.~~

33 ~~(b) The board shall be the trustee of the funds and shall adhere to~~
34 ~~the prudent investor rule set forth in §§ 24-2-610—24-2-619, as in effect~~
35 ~~on December 31, 2004.~~

36

1 ~~24-8-806. Annual actuarial valuation and monetary distribution.~~

2 ~~(a) An actuarial valuation shall be made annually to determine if the~~
3 ~~Arkansas District Judge Retirement System is meeting the financial objectives~~
4 ~~of state-supported retirement systems.~~

5 ~~(b) The provisions of this subchapter are contingent upon and shall~~
6 ~~only remain in effect if the disbursement of fine revenues continues under~~
7 ~~the law as it existed on July 16, 2003.~~

8
9 ~~24-8-807. Membership generally.~~

10 ~~(a)(1) If elected or appointed to office, all district judges shall~~
11 ~~participate in the Arkansas District Judge Retirement System beginning~~
12 ~~January 1, 2005.~~

13 ~~(2) Effective July 1, 2007, the Arkansas District Judge~~
14 ~~Retirement System is abolished.~~

15 ~~(b)(1) A district judge who is covered by the Arkansas Public~~
16 ~~Employees' Retirement System on December 31, 2004, will continue to be~~
17 ~~covered by that system on January 1, 2005.~~

18 ~~(2) The successor judge of that district court shall be covered~~
19 ~~by the Arkansas District Judge Retirement System.~~

20 ~~(c)(1) Any former municipal judge who is eligible to receive a~~
21 ~~retirement benefit for service as municipal judge as provided by law before~~
22 ~~January 1, 2005, and any former municipal judge who is receiving a retirement~~
23 ~~benefit as provided by law for service as municipal judge shall participate~~
24 ~~on and after January 1, 2005, in the Arkansas District Judge Retirement~~
25 ~~System and have his or her benefits administered by this system.~~

26 ~~(2) A surviving spouse of a municipal judge who is eligible to~~
27 ~~receive a survivor's benefit as provided by law on December 31, 2004, and any~~
28 ~~surviving spouse of a municipal judge who is receiving a retirement benefit~~
29 ~~as provided by law shall participate on and after January 1, 2005, in the~~
30 ~~Arkansas District Judge Retirement System and have his or her benefits~~
31 ~~administered by this system.~~

32
33 ~~24-8-808. Contributions — Members — Refund.~~

34 ~~(a) The contribution of each member of the Arkansas District Judge~~
35 ~~Retirement System shall be five percent (5%) of each member's annual salary~~
36 ~~for service rendered on or after January 1, 2005.~~

1 ~~(b) If a district judge ceases to be a member prior to qualifying for~~
 2 ~~retirement benefits, the judge may be refunded all contributions paid by the~~
 3 ~~judge into the system.~~

4 ~~(c)(1) For purposes of deferring federal and state income tax and~~
 5 ~~pursuant to the provisions of 26 U.S.C. § 414(h)(2), as adopted by § 26-51-~~
 6 ~~414, the government entity that pays the salary of the judge shall pick up~~
 7 ~~the member's contributions to the system as required by this section and that~~
 8 ~~are payable on or after January 1, 2005.~~

9 ~~(2)(A) Member contributions paid by the applicable government~~
 10 ~~entity shall be paid from the same source of funds used for the payment of~~
 11 ~~salary to a member.~~

12 ~~(B) A deduction equal to the amount of the member's~~
 13 ~~contribution paid by the employer shall be made from each member's salary.~~

14 ~~(3) For all other purposes, member contributions paid by the~~
 15 ~~applicable government entity shall be considered member contributions.~~

16 ~~(d)(1) The Board of Trustees of the Arkansas District Judge Retirement~~
 17 ~~System shall determine the amount of interest to be paid on members'~~
 18 ~~contribution balances.~~

19 ~~(2) The interest rate shall not exceed the assumed rate of~~
 20 ~~investment return.~~

21 ~~(e)(1) A member may repay a refund to reestablish service credit with~~
 22 ~~the system in the manner prescribed by the board.~~

23 ~~(2) The member must repay the amounts that were withdrawn plus~~
 24 ~~interest at the system's assumed rate of investment return from the date of~~
 25 ~~withdrawal to the date of repayment.~~

26
 27 ~~24-8-809. Contributions — Government entity.~~

28 ~~(a)(1) As employer, the government entity that pays the salary of a~~
 29 ~~district judge shall make contributions to the Arkansas District Judge~~
 30 ~~Retirement System as a percent of the salary of the active district judge~~
 31 ~~based on the most recent actuarial cost report.~~

32 ~~(2) These contributions will begin January 1, 2005.~~

33 ~~(b)(1) If any participating public employer fails to file the~~
 34 ~~retirement report with the system by the date established by the Board of~~
 35 ~~Trustees of the Arkansas District Judge Retirement System, the system shall~~
 36 ~~impose a penalty of one hundred fifty dollars (\$150) for each time the report~~

1 ~~is late.~~

2 ~~(2) A statement of the penalty shall be sent to the~~
 3 ~~participating employer.~~

4 ~~(3) If the penalty is not received by the last business day of~~
 5 ~~the month in which the report was due, then the system shall cause the amount~~
 6 ~~to be transferred from any moneys due the participating public employer from~~
 7 ~~the Treasurer of State as provided in § 19-5-106(a)(5).~~

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

13 ~~(B) The interest penalty is:~~

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

15 ~~(ii) Determined by the system on the date the~~
 16 ~~delinquent funds are received.~~

17 ~~(C) A statement of the interest due shall be sent to the~~
 18 ~~participating public employer.~~

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

25
 26 ~~24-8-810. Additional funding for retirement benefits.~~

27 ~~(a) The government entity that has established a local municipal~~
 28 ~~judge's retirement fund shall be required to contribute an amount of money~~
 29 ~~that represents the actuarially determined accrued liability for those judges~~
 30 ~~and former judges who are covered by the local fund on December 31, 2004.~~

31 ~~(b) The assets in the local municipal judge retirement fund, not to~~
 32 ~~exceed the amount in subsection (a) of this section, shall be paid to the~~
 33 ~~Arkansas District Judge Retirement System on January 1, 2005.~~

34 ~~(c) If the local municipal judge retirement fund does not have~~
 35 ~~sufficient money available to pay the amount determined in subsection (a) of~~
 36 ~~this section to the system on January 1, 2005, then the remaining amount of~~

1 actuarially determined accrued liability shall be paid on or before December
 2 31 each year after for up to the next thirty (30) years based on a thirty-
 3 year amortization period.

4 (d)(1) If the amount in the municipal judge retirement fund is greater
 5 than the actuarially determined amount of the liabilities to be transferred
 6 to the system, that excess may be retained by the sponsoring government
 7 entity for the sole purpose of paying the retirement benefits of district
 8 judges.

9 (2) If at any time in the future an obligation to fund the
 10 system no longer exists, then any excess shall be retained by the sponsoring
 11 government entity.

12 (e)(1) The accrued benefit used to determine the accrued liability
 13 under this section shall be determined by:

14 (A) Calculating the benefit that the judge would be
 15 eligible to receive on December 31, 2004, as provided by law before July 16,
 16 2003, if the judge was eligible to begin receiving benefits on January 1,
 17 2005; and

18 (B) Multiplying the amount in subdivision (e)(1)(A) of
 19 this section by the number of years of eligible service and then dividing by
 20 the greater of either the number of years of service needed to be eligible to
 21 retire or the current years of eligible service.

22 (2) The service years shall be determined under the law before
 23 January 1, 2005.

24 (f) The accrued benefit determined under subsection (e) of this
 25 section for any retiree or surviving spouse who is receiving benefits on
 26 December 31, 2004, shall be the amount that he or she is receiving or
 27 entitled to receive on that date.

28
 29 ~~24-8-811. Contributions—Cessation upon maximum benefit eligibility.~~
 30 ~~When a district judge has sufficient service in the Arkansas District~~
 31 ~~Judge Retirement System to qualify for the maximum benefit provided by this~~
 32 ~~subchapter, no further contributions are required.~~

33
 34 ~~24-8-812. Actual service requirement.~~

35 (a) Benefits under this subchapter shall be based on actual service in
 36 the Arkansas District Judge Retirement System beginning January 1, 2005.

1 ~~(b)(1) Eligibility for benefits shall be based on actual service in~~
 2 ~~the Arkansas District Judge Retirement System plus the equivalent service~~
 3 ~~purchased from the Municipal Judge and Clerk Retirement System as of January~~
 4 ~~1, 2005.~~

5 ~~(2) This subchapter is not intended to decrease the benefits~~
 6 ~~earned or increase the eligibility requirements for members who were~~
 7 ~~participants in a local plan, as authorized by law, prior to January 1, 2005.~~

8 ~~(3) The benefits earned and those eligibility requirements shall~~
 9 ~~transfer to the Arkansas District Judge Retirement System.~~

10 ~~(c) Any laws permitting the purchase of nonvested service or providing~~
 11 ~~free credited service shall not apply to this subchapter.~~

12 ~~(d) The provisions of §§ 24-2-501 and 24-2-502, concerning free and~~
 13 ~~purchased credited service, shall not apply to this subchapter.~~

14
 15 ~~24-8-813. Eligibility for benefits — Retirement generally.~~

16 ~~Any district judge shall be eligible for a retirement benefit if the~~
 17 ~~judge has served at least:~~

18 ~~(1) Twenty (20) years of total service upon reaching age fifty~~
 19 ~~(50);~~

20 ~~(2) Sixteen (16) years of total service upon reaching age sixty~~
 21 ~~(60); or~~

22 ~~(3) Eight (8) years of total service upon reaching age sixty-~~
 23 ~~five (65).~~

24
 25 ~~24-8-814. Eligibility for benefits — Early retirement.~~

26 ~~(a) Any member of the Arkansas District Judge Retirement System who~~
 27 ~~has eight (8) years or more of actual service in the system may elect to~~
 28 ~~retire and receive retirement benefits at any time after reaching age sixty-~~
 29 ~~two (62) and before reaching age sixty five (65).~~

30 ~~(b) The retirement benefits of a member electing to retire before age~~
 31 ~~sixty five (65) with less than sixteen (16) years of actual service shall be~~
 32 ~~reduced six percent (6%) for each full year and proportionately for any part~~
 33 ~~of a year that the judge retires before reaching age sixty five (65).~~

34
 35 ~~24-8-815. Eligibility for benefits — Disability retirement.~~

36 ~~(a) Any member of the Arkansas District Judge Retirement System who~~

1 has served a minimum of five (5) consecutive years as a member of the system
 2 shall receive retirement benefits if any incapacitating disability as
 3 determined by the Board of Trustees of the Arkansas District Judge Retirement
 4 System shall occur during any term for which the judge has been elected.

5 (b)(1) A judgment of disability shall not be granted by the board
 6 unless the board is reasonably assured of a judge's permanent physical or
 7 mental incapacity to perform the duties of the judicial office.

8 (2) The board shall act only upon proper certification of
 9 incapacity by two (2) or more physicians.

10
 11 ~~24-8-816. Retirement and survivors' benefits generally.~~

12 (a) The retirement benefits to be paid an eligible and qualified
 13 member or retiree under this subchapter shall be the sum of subdivisions (1)
 14 and (2) of this subsection:

15 (1) Two and five tenths percent (2.5%) of the average annual
 16 salary multiplied by the number of years of actual service; and

17 (2) The accrued benefit from the municipal judge retirement
 18 funds as of December 31, 2004, that was purchased and defined under § 24-8-
 19 810.

20 (b) The benefit in subsection (a) of this section shall not exceed
 21 eighty percent (80%) of the average annual salary.

22 (c)(1) Survivors' benefits shall be fifty percent (50%) of the amount
 23 of the retirement benefits of an active district judge or a judge who has
 24 retired under the provisions of a local plan before January 1, 2005.

25 (2) Upon the death of an active district judge who has served at
 26 least three (3) years, the judge's survivors shall receive a sum equal to
 27 fifty percent (50%) of the retirement benefits provided in subsection (a) of
 28 this section.

29 (3) Survivors' benefits shall be payable as follows:

30 (A) If the deceased judge is survived by a spouse to whom
 31 the judge was married for not less than one (1) year and with whom the judge
 32 was living at the time of death and if the decedent is not survived by any
 33 minor child or children, then the spouse shall draw for life or until
 34 remarriage a sum equal to fifty percent (50%) of the benefits provided in
 35 subsection (a) of this section;

36 (B)(i) If the decedent is survived by both an eligible

1 spouse and minor children, then one half ($\frac{1}{2}$) of the survivors' benefits shall
2 be paid to the spouse for life or until remarriage.

3 (ii) The other one half ($\frac{1}{2}$) of the survivors'
4 benefits shall be paid to the guardian of the minor children during the
5 period of minority.

6 (iii) When all of the children cease to be minors,
7 then the survivors' benefits paid to the minor children shall be paid to the
8 spouse;

9 (C) If the deceased judge is not survived by an eligible
10 spouse but is survived by minor children, then the survivors' benefits under
11 subsection (a) of this section shall be payable to the guardian of the minor
12 children during the period of minority; and

13 (D) If a surviving spouse who is receiving survivors'
14 benefits under this section remarries and the benefits are discontinued and
15 the surviving spouse again becomes unmarried, benefits provided in this
16 section for the spouse shall be resumed.

17 (d) As used in this section, "average annual salary" means the average
18 of the last three (3) years' salary ending with the most current year.

19
20 ~~24-8-817. Eligibility for benefits—Deferred vested retirement.~~

21 (a) Any member of the Arkansas District Judge Retirement System who
22 has served a minimum of eight (8) years of service shall be eligible for a
23 deferred vested retirement benefit.

24 (b) This deferred vested benefit is accrued under § 24-8-816 and is
25 payable beginning on the first of the month after the member has reached age
26 sixty five (65).

27
28 ~~24-8-818. Restrictions on benefits.~~

29 (a)(1) The sections of this subchapter are complementary.

30 (2) However, no person may take benefits under two (2) or more
31 sections of this subchapter at the same time.

32 (b) Retirement and survivors' benefits shall be measured by the
33 average annual salary under § 24-8-816(d).

34
35 ~~24-8-819. Redetermination of benefits.~~

36 (a) The provisions of this section shall apply only to benefits

1 provided for members of the Arkansas District Judge Retirement System for
2 service rendered after January 1, 2005.

3 (b)(1) Each July 1 the system shall redetermine the amount of each
4 monthly benefit that has been payable by the system for at least twelve (12)
5 full calendar months.

6 (2) The redetermined amount shall be payable for the following
7 twelve (12) calendar months.

8 (c) The redetermined amount shall be the amount of benefit payable as
9 of the immediately preceding July 1 increased by three percent (3%).

10
11 ~~24-8-820. Limitation on benefit enhancement.~~

12 (a) No enhancement of benefits under § 24-8-816 shall be implemented
13 if it would cause the Arkansas District Judge Retirement System's unfunded
14 actuarial accrued liabilities to exceed a thirty-year amortization.

15 (b) No enhancement of benefits under § 24-8-816 shall be implemented
16 by the system if it has unfunded actuarial liabilities being amortized over a
17 period exceeding thirty (30) years until the unfunded actuarial liability is
18 reduced to a level less than the standards prescribed by § 24-1-101.

19
20 ~~24-8-821. Reciprocal system.~~

21 (a) The Arkansas District Judge Retirement System is a reciprocal
22 system under §§ 24-2-401—24-2-404.

23 (b) There is no reciprocal service with the local municipal judge
24 retirement systems before January 1, 2005.

25 (c) In establishing eligibility for a benefit from the system, the
26 credited service under all reciprocal systems shall be totaled, and the total
27 credited service shall be used in determining eligibility for a system
28 benefit.

29 (d) In determining the amount of a benefit from the system, only the
30 credited service under the system and the benefit formula of the system shall
31 be used.

32 (e) Whenever the system provides a benefit amount that is not
33 dependent on length of credited service, the benefit amount shall be reduced
34 to the proportion that system-credited service bears to total reciprocal
35 system-credited service.

36

1 ~~24-8-822. Termination required for retirement.~~

2 ~~(a) A member of the Arkansas District Judge Retirement System must~~
3 ~~terminate covered employment to be eligible for retirement.~~

4 ~~(b) A member is not terminated from employment for retirement purposes~~
5 ~~if the person returns to a position that would otherwise be covered within~~
6 ~~thirty (30) days of the person's effective date of retirement.~~

7 ~~(c) Persons failing to meet termination requirements shall forfeit~~
8 ~~their benefits until the requirements are met.~~

9
10 ~~24-8-823. Benefit provisions—Subjection of annuity rights to process~~
11 ~~of law.~~

12 ~~(a)(1) The right of a person to an annuity, to the return of~~
13 ~~accumulated contributions, the annuity itself, any annuity option, any other~~
14 ~~right accrued or accruing under the provisions of this subchapter, and all~~
15 ~~moneys belonging to a plan shall not be subject to execution, garnishment,~~
16 ~~attachment, the operation of bankruptcy or insolvency laws, or any other~~
17 ~~process of law.~~

18 ~~(2) The rights described in subdivision (a)(1) of this section~~
19 ~~shall not be assignable except when a qualified domestic relations order has~~
20 ~~been filed pursuant to § 9-18-101 et seq., or except as specifically provided~~
21 ~~in this subchapter.~~

22 ~~(b) An employer shall have the right of setoff for any claim arising~~
23 ~~from embezzlement by or fraud of a member, retirant, or beneficiary.~~

24
25 ~~24-8-824. Adjustment of erroneous payments.~~

26 ~~(a)(1) If any change or error in the records of the Arkansas District~~
27 ~~Judge Retirement System or any audit of a member's annuity calculations~~
28 ~~results in any person's receiving more or less than the person is entitled to~~
29 ~~receive had the records or the calculations been correct, the Board of~~
30 ~~Trustees of the Arkansas District Judge Retirement System shall correct the~~
31 ~~error and adjust the payment in accordance with this subchapter so that the~~
32 ~~actuarial equivalent of the benefit to which the person was correctly~~
33 ~~entitled is paid.~~

34 ~~(2) However, no monthly adjustment of less than one dollar~~
35 ~~(\$1.00) shall be made.~~

36 ~~(b) If an overpayment is determined, any subsequent payments shall be~~

1 ~~adjusted to the correct amount.~~

2 ~~(c) If an underpayment is determined, regardless of the date of the~~
 3 ~~determination, the system shall pay in a lump sum to the person the total of~~
 4 ~~any underpayments made prior to the date of determination, and any subsequent~~
 5 ~~payments shall be adjusted to the correct amount.~~

6
 7 SECTION 3. Arkansas Code § 24-11-211 is amended to read as follows to
 8 further subdivide the section, to correct references, and to correct word
 9 usage:

10
 11 24-11-211. Arkansas Policemen’s Pension Supplement Program.

12 (a)(1) There is created the Arkansas Policemen’s Pension Supplement
 13 Program, to be administered by the Arkansas Fire and Police Pension Review
 14 Board.

15 (2) As used in this section, ~~the term~~ “retired police officers”
 16 ~~shall include~~ includes:

17 (A) ~~police~~ Police officers who are retired from active
 18 service; and

19 (B) Police officers who remain actively employed while
 20 participating in the Arkansas Police Officers’ Deferred Option Plan under a
 21 policemen’s pension and relief fund.

22 (b)(1) The Policemen’s Pension Supplement Program Fund ~~shall be is~~
 23 ~~created and established for the purpose of providing~~ to provide a state fund
 24 to provide financial assistance to certain retired police officers and their
 25 survivors who are receiving pensions from policemen’s pension and relief
 26 funds.

27 (2) ~~It~~ The fund shall be funded by that portion of those
 28 unallocated premium taxes levied on insurers for the support of police
 29 retirement programs that is transferred to the control of the board ~~pursuant~~
 30 ~~to § 24-11-302(f)(4) [repealed]~~ under § 24-11-215(c).

31 (c)(1) The board shall administer the program and make the payments
 32 called for under the program, including formulating necessary rules,
 33 procedures, and forms.

34 (2) The board shall retain one percent (1%) of the funds
 35 transferred for administrative expenses of the program.

36 (d) Retired police officers and their survivors ~~shall be~~ are eligible

1 for the pension supplement under this program as follows:

2 (1) A retired police officer or a survivor receiving retirement
3 benefits from a local policemen's pension and relief fund of less than four
4 hundred dollars (\$400) per month shall receive a supplement under the program
5 in an amount equivalent to raise his or her total benefits plus the
6 supplement to four hundred dollars (\$400) per month or the amount in
7 subdivision (d)(2) of this section, whichever is greater; and

8 (2) A retired police officer or a survivor currently receiving
9 retirement benefits from a local policemen's pension and relief fund of four
10 hundred dollars (\$400) or more per month shall receive a supplement under the
11 program of fifty dollars (\$50.00) per month.

12 ~~(e)(1)(A) Any retired~~ Retired police officers or their survivors may
13 submit to the board an application for the pension supplement in a form
14 specified by the board.

15 (B) The application form ~~must~~ shall be submitted between
16 July 1 and July 31 of each year.

17 (2)(A) Following July 31 of each year, the board shall:

18 (i) ~~review~~ Review the applications submitted by the
19 due date; and

20 (ii) ~~shall pay~~ Pay to each eligible person an amount
21 each month thereafter computed in accordance with subsection (d) of this
22 section.

23 (B) The payment shall be treated for all purposes as a
24 supplement to the retirement benefits received by the person.

25 ~~(f) Amounts transferred to the board pursuant to § 24-11-302(f)(4)~~
26 ~~{repealed} that exceed the amounts required to be paid by the board under the~~
27 ~~program shall be paid by the board to the State Treasury on or after July 1~~
28 ~~of each fiscal year following the board's payments required by subsection (e)~~
29 ~~of this section~~ On or after July 1 of each fiscal year following the board's
30 payments required by subsection (e) of this section, the board shall pay to
31 the State Treasury the amounts transferred to the board under § 24-11-215(c)
32 that exceed the amounts the board is required to pay under the program.

33 ~~(g)(1) This program shall become~~ The program is effective July 1,
34 1999.

35 (2) The first payments may be made under ~~this~~ the program
36 beginning July 31, 1999, and the first transfer ~~pursuant to § 24-11-302(f)(4)~~

1 ~~{repealed}~~ under § 24-11-215(c) shall occur on July 25, 1999, and on each
2 July 25 thereafter.

3
4 SECTION 4. Arkansas Code § 24-11-214(h)(3)(C) is amended to read as
5 follows to correct a reference in the subdivision:

6 (C) Thereafter, each city, town, or fire protection
7 district shall resubmit the information required in ~~subdivisions (a)(2) and~~
8 ~~(3) of this section~~ § 24-11-213(d)(2) and (3) every ten (10) years beginning
9 on December 15, 2010.

10
11 SECTION 5. Arkansas Code § 24-11-216(b)(1)(E) is amended to read as
12 follows to clarify a reference in the subdivision:

13 (E) The local pension and relief fund has been in
14 compliance with this subchapter under § 24-11-202 in two (2) of the past
15 three (3) years.

16
17 SECTION 6. DO NOT CODIFY. LEGISLATIVE INTENT.

18 Pursuant to Arkansas Code § 24-4-750(c)(2), the repeal of Arkansas Code
19 § 24-8-801 et seq. by Section 2 of this act does not affect persons who were
20 active members of the Arkansas District Judge Retirement System when the
21 Arkansas District Judge Retirement System was abolished and transferred to
22 the Arkansas Public Employees' Retirement System by Acts 2007, No. 177, § 1.

23
24 SECTION 7. The enactment and adoption of this act shall not repeal,
25 expressly or impliedly, the acts passed at the regular session of the 87th
26 General Assembly. All such acts shall have full effect and, so far as those
27 acts intentionally vary from or conflict with any provision contained in this
28 act, those acts shall have the effect of subsequent acts and as amending or
29 repealing the appropriate parts of the Arkansas Code of 1987.