

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4  
5 By: Representative Kerr  
6

As Engrossed: H2/8/13

# A Bill

HOUSE BILL 1123

## For An Act To Be Entitled

8 AN ACT TO RESTRICT THE AMOUNT OF CREDITED SERVICE  
9 EARNED BY A CONTRIBUTORY LOCAL ELECTED PUBLIC  
10 OFFICIAL TO ONE (1) YEAR OF RETIREMENT CREDIT FOR  
11 EVERY YEAR WORKED UNLESS ADDITIONAL CONTRIBUTIONS ARE  
12 PROVIDED; TO MAKE TECHNICAL CORRECTIONS; AND FOR  
13 OTHER PURPOSES.

### Subtitle

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15  
16 TO RESTRICT THE AMOUNT OF CREDITED  
17 SERVICE EARNED BY A CONTRIBUTORY LOCAL  
18 ELECTED PUBLIC OFFICIAL TO ONE (1) YEAR  
19 OF RETIREMENT CREDIT FOR EVERY YEAR  
20 WORKED UNLESS ADDITIONAL CONTRIBUTIONS  
21 ARE PROVIDED.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

26  
27 SECTION 1. Arkansas Code § 24-4-521 is amended to read as follows:  
28 24-4-521. Credited service generally.

29 (a) The Board of Trustees of the Arkansas Public Employees' Retirement  
30 System shall establish the amounts of service to be credited its members  
31 subject to the provisions of subsection (b) of this section.

32 (b)(1)(A)(i) *Noncontributory employment service by a person who was:*  
33 (a) employed ~~Employed~~ prior to July 1, 1997,  
34 as a public safety member shall be credited at one and one-half (1½) times  
35 the regular rate for crediting service; and

36 (b) ~~employment service by persons employed~~



1 Employed on and after July 1, 1997, shall be credited at the regular rate for  
2 crediting service.

3 ~~(ii) except that at least~~ A person receiving credit  
4 for service under subdivisions (b)(1)(A)(i) or (b)(1)(A)(ii) of this section  
5 shall have five (5) years of actual service ~~shall be required~~ to meet the:

6 ~~(a) retirement~~ Retirement eligibility  
7 requirements ~~of~~ under §§ 24-4-601 and 24-4-510 – 24-4-512; and

8 ~~(b) at least five (5) years of actual service~~  
9 ~~shall be required to meet the eligibility~~ Eligibility requirements for  
10 payment upon death benefits ~~of~~ under § 24-4-608.

11 (B)(i) Noncontributory or contributory employment service  
12 by a person who qualifies as a public safety member under § 24-4-1004 shall  
13 be credited at one and one-half (1½) times the regular rate for crediting  
14 service.

15 ~~(ii) However, that at least~~ A person receiving  
16 credit for service under subdivision (b)(1)(B)(i) of this section shall have  
17 five (5) years of actual service ~~shall be required~~ to meet the:

18 ~~(a) retirement~~ Retirement eligibility  
19 requirements ~~of~~ under §§ 24-4-601 and 24-4-510 – 24-4-512; and

20 ~~(b) at least five (5) years of actual service~~  
21 ~~shall be required to meet the eligibility~~ Eligibility requirements of § 24-4-  
22 608.

23 (2)(A)(i) *Noncontributory employment as the Governor* by a person  
24 first elected to a public office covered by the Arkansas Public Employees'  
25 Retirement System prior to July 1, 1999, shall be credited as service at  
26 three (3) times the regular rate for credited service.

27 (ii) Noncontributory or contributory employment as  
28 the Governor by a person first elected to a public office covered by the  
29 system on or after July 1, 1999, shall be credited at the regular rate for  
30 crediting service.

31 (B) ~~However,~~ A person receiving credit for service under  
32 subdivisions (2)(A)(i) or (2)(A)(ii) of this section shall have:

33 ~~(i) at least four~~ Four (4) years of actual service  
34 ~~shall be required~~ to meet the retirement eligibility requirements ~~of~~ under §§  
35 24-4-601 and 24-4-510 – 24-4-512; and

36 ~~(ii) at least five~~ Five (5) years of actual service

1 ~~shall be required~~ to meet the eligibility requirements for payment upon death  
2 benefits of under § 24-4-608.

3 (3)(A)(i) *Noncontributory employment as an* elected state  
4 constitutional officer by a person first elected to a public office covered  
5 by the system prior to July 1, 1999, shall be credited at two and one-half  
6 (2½) times the regular rate for crediting service.

7 (ii) Noncontributory or contributory employment as  
8 an elected state constitutional officer by a person first elected to a public  
9 office covered by the system on or after July 1, 1999, shall be credited at  
10 the regular rate for crediting service.

11 (B) ~~However, A person receiving credit for service under~~  
12 subdivision (3)(A)(i) of this section shall have at least five (5) years of  
13 actual service ~~shall be required~~ to meet the:

14 (i) ~~retirement~~ Retirement eligibility requirements  
15 ~~of under~~ §§ 24-4-601 and 24-4-510 – 24-4-512; and

16 (ii) ~~at least five (5) years of actual service shall~~  
17 ~~be required to meet the eligibility~~ Eligibility requirements for payment of  
18 death benefits of under § 24-4-608.

19 (4)(A)(i) Noncontributory or contributory employment as a member  
20 of the General Assembly shall be credited at the regular rate for crediting  
21 service;

22 (ii) ~~except that at least~~ A person receiving credit  
23 for service under subdivision (4)(A)(i) of this section shall have:

24 (a) ~~ten~~ Ten (10) years of actual service ~~shall~~  
25 ~~be required~~ to meet the retirement eligibility requirements of §§ 24-4-510,  
26 24-4-511, and 24-4-609; and

27 (b) ~~at least five~~ Five (5) years of actual  
28 service ~~shall be required~~ to meet the eligibility requirements for the  
29 payment upon death benefits of under § 24-4-608.

30 (B) A member of the General Assembly who at any time has  
31 *served at least six (6) months* ~~during a two-year term~~ *in the General Assembly*  
32 shall be credited with no more than one (1) year's actual service.

33 (5)(A) ~~Noncontributory employment~~ A person who is employed as an  
34 elected public official covered by the system and:

35 (i) Who has served in ~~an~~ a noncontributory elected  
36 position covered by the system before July 1, 2011, shall be credited as

1 service at two (2) times the regular rate for crediting service; ~~or~~

2 (ii) Who has never served in ~~an~~ a noncontributory  
 3 elected position covered by the system before July 1, 2011, shall be credited  
 4 as service at two (2) times the regular rate for crediting service, and the  
 5 employee shall contribute an additional two and one-half percent (2.5%) of  
 6 the gross payroll, and the employer shall contribute an additional two and  
 7 one-half percent (2.5%) of the gross payroll for the additional service that  
 8 exceeds the regular rate of service; or

9 (iii) Who has never served in a contributory elected  
 10 position covered by the system before January 1, 2014, shall be credited as  
 11 service at two (2) times the regular rate for crediting service, and the  
 12 employee shall contribute an additional two and one-half percent (2.5%) of  
 13 the gross payroll, and the employer shall contribute an additional two and  
 14 one-half percent (2.5%) of the gross payroll for the additional service that  
 15 exceeds the regular rate of service.

16 (B) However, at least five (5) years of actual service  
 17 shall be required to meet:

18 (i) The retirement eligibility requirements of §§  
 19 24-4-601 and 24-4-510 – 24-4-512; and

20 (ii) The eligibility requirements of § 24-4-608.

21 (C) This subdivision (b)(5) does not apply to:

22 (i) The Governor;

23 (ii) An elected state constitutional officer;

24 (iii) A member of the General Assembly; or

25 (iv) An elected public official under the State

26 Division of the Arkansas Public Employees' Retirement System.

27 (6)(A)(i) *Noncontributory employment as an* elected public  
 28 official under the state division of the system other than the Governor ~~or,~~  
 29 an elected state constitutional officer, or a member of the General Assembly  
 30 by a person first elected to a public office covered by the Arkansas Public  
 31 Employees' Retirement System prior to July 1, 1999, shall be credited as  
 32 service at two (2) times the regular rate for crediting service; or

33 (ii) ~~except that at least~~ A person receiving credit  
 34 for service under subdivisions (6)(A)(i) of this section shall have five (5)  
 35 years of actual service ~~shall be required~~ to meet the:

36 (a) ~~retirement~~ Retirement eligibility

1 requirements ~~of~~ under §§ 24-4-601 and 24-4-510 – 24-4-512; and  
2 ~~(b) at least five (5) years of actual service~~  
3 ~~shall be required to meet the eligibility~~ Eligibility requirements for  
4 payment upon death benefits of under § 24-4-608.

5 (B) Noncontributory or contributory employment as an  
6 elected public official under the state division of the system other than the  
7 Governor ~~or~~, an elected state constitutional officer, or a member of the  
8 General Assembly by a person first elected to a public office covered by the  
9 system on or after July 1, 1999, shall be credited at the regular rate for  
10 crediting service.

11 (c) As used in this section, “elected state constitutional officer”  
12 means the Lieutenant Governor, Attorney General, Secretary of State, Auditor  
13 of State, Treasurer of State, and Commissioner of State Lands.

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15 Section 2. EFFECTIVE DATE. This act is effective on and after January  
16 1, 2014.

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18 /s/Kerr  
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