

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

As Engrossed: H1/31/19

A Bill

HOUSE BILL 1256

5 By: Representative House
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE
9 REDETERMINATION OF BENEFITS UNDER THE ARKANSAS PUBLIC
10 EMPLOYEES' RETIREMENT SYSTEM; TO DECLARE AN
11 EMERGENCY; AND FOR OTHER PURPOSES.
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Subtitle

14 TO AMEND THE LAW CONCERNING THE
15 REDETERMINATION OF BENEFITS UNDER THE
16 ARKANSAS PUBLIC EMPLOYEES' RETIREMENT
17 SYSTEM; AND TO DECLARE AN EMERGENCY.
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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 § 24-4-607 is amended to read as follows:
24 24-4-607. Redetermination of benefits.

25 (a)(1) Each July 1 the Arkansas Public Employees' Retirement System
26 shall may redetermine the amount of each monthly benefit which has been
27 payable by the system for at least twelve (12) full calendar months.

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

30 (b)(1) The redetermined amount shall be the amount of the benefit
31 payable as of the immediately preceding July 1 increased by a simple cost-of-
32 living adjustment that is the lesser of three percent (3%) or the percentage
33 change in the Consumer Price Index, South Region as determined by the United
34 States Department of Labor over the one-year period ending in the December
35 immediately preceding the date for which the redetermined amount is being
36 calculated.



1 (2)(A) The redetermined amount shall not be less than the base
2 amount.

3 (B) As used in subdivision (b)(2)(A) of this
4 section, "base amount" means the amount of the benefit payable to a member
5 who retires on and after July 1, 2019, plus any one-time increases granted by
6 legislation that is enacted after the effective date on which a member begins
7 receiving retirement benefits, excluding the simple cost-of-living adjustment
8 under this section.

9 (C) The redetermined amount under this section is
10 not a benefit enhancement.

11 (c) The Board of Trustees of the Arkansas Public Employees' Retirement
12 System may grant a cost-of-living adjustment in accordance with subsection
13 (b) of this section to one (1) or more of the following individuals:

14 (1) An individual who is employed and becomes a member of the
15 system after the effective date of this act;

16 (2) A nonvested member of the system;

17 (3) A vested member of the system; and

18 (4) A retirant or a beneficiary of a retirant of the system.

19 (d) The provisions of this section are severable, and if any provision
20 of this act is declared invalid, then the remaining provisions of this
21 section shall remain valid.

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23 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
24 General Assembly of the State of Arkansas that the operations of the Arkansas
25 Public Employees' Retirement System must be able to meet the needs of its
26 members as anticipated by the General Assembly; that certain provisions of
27 the Arkansas Public Employees' Retirement System are in imminent need of
28 revision before the fiscal year begins on July 1, 2019; and that this act is
29 immediately necessary in order to maintain an orderly system of benefits for
30 the members of the Arkansas Public Employees' Retirement System. Therefore,
31 an emergency is declared to exist, and this act being necessary for the
32 preservation of the public peace, health, and safety shall become effective
33 on July 1, 2019.

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36 /s/House