

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 106

By: Senator B. Sample
By: Representative Warren

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ELIGIBILITY TO RECEIVE INCREASED BENEFITS, THE HEALTHCARE OFFSET, AND DEFERRED OPTION ACCOUNTS UNDER THE ARKANSAS STATE HIGHWAY EMPLOYEES' RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING ELIGIBILITY TO RECEIVE INCREASED BENEFITS, THE HEALTHCARE OFFSET, AND DEFERRED OPTION ACCOUNTS UNDER THE ARKANSAS STATE HIGHWAY EMPLOYEES' RETIREMENT SYSTEM; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 24-5-125(a), concerning eligibility requirements for receiving an increase in benefits, is amended to add an additional subdivision to read as follows:

(3)(A) A member beginning participation in the Arkansas State Highway Employees' Deferred Retirement Option Plan after June 30, 2021, shall be ineligible to receive the amount described in subdivision (a)(1) of this section added to his or her annuity to offset the cost of health insurance and health care.

(B) A member participating in the Arkansas State Highway Employees' Deferred Retirement Option Plan shall be eligible to receive the



amount described in subdivision (a)(1) of this section added to his or her annuity to offset the cost of health insurance and health care if:

(i) The member ceases participation in Arkansas State Highway Employees' Deferred Retirement Option Plan;

(ii) The member terminates his or her employment with the Arkansas Department of Transportation; and

(iii) Annuity benefit payments to the member begin.

SECTION 2. Arkansas Code § 24-5-202(a), concerning required provisions of the Arkansas State Highway Employees' Deferred Retirement Option Plan, is amended to add an additional subdivision to read as follows:

(7)(A) The service retirement benefit for a member beginning participation in the Arkansas State Highway Employees' Deferred Retirement Option Plan after June 30, 2021, shall not include an amount added to the member's annuity to offset the cost of health insurance and health care as provided in § 24-5-125(a)(1).

(B) A member beginning participation in the Arkansas State Highway Employees' Deferred Retirement Option Plan after June 30, 2021, shall be eligible to receive an amount added to his or her annuity to offset the cost of health insurance and health care as provided in § 24-5-125(a)(1) if:

(i) The member ceases participation in Arkansas State Highway Employees' Deferred Retirement Option Plan;

(ii) The member terminates his or her employment with the Arkansas Department of Transportation; and

(iii) Annuity benefit payments to the member begin.

SECTION 3. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that certain provisions of the law applicable to the Arkansas State Highway Employees' Retirement System are in urgent need of revision to bring the operations of the system into conformance with sound public pension policy; that amendments to the law in this act are of great importance to the citizens of this state; that a July 1, 2021 effective date is necessary to allow the provisions within this act to begin on the first day of the fiscal year to provide for the proper administration of the procedures referenced in this act; and that this act is necessary to maintain an orderly system of benefits for the members of the

system. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2021.

APPROVED: 2/24/21