

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H2/8/13 H2/19/13
A Bill

HOUSE BILL 1123

By: Representative Kerr

For An Act To Be Entitled

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

Subtitle

TO RESTRICT THE AMOUNT OF CREDITED SERVICE EARNED BY A CONTRIBUTORY LOCAL ELECTED PUBLIC OFFICIAL TO ONE (1) YEAR OF RETIREMENT CREDIT FOR EVERY YEAR WORKED UNLESS ADDITIONAL CONTRIBUTIONS ARE PROVIDED.

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

~~(i) at least four Four (4) years of actual service~~

~~shall be required~~ to meet the retirement eligibility requirements ~~of~~ under §§ 24-4-601 and 24-4-510 – 24-4-512~~;~~ and

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

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

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

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

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

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

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

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

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

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

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

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

(i) Who has served in ~~an~~ a noncontributory elected position covered by the system before July 1, 2011, shall be credited as service at two (2) times the regular rate for crediting service; ~~or~~

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

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

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

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

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

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

(i) The Governor;

(ii) An elected state constitutional officer;

(iii) A member of the General Assembly; or

(iv) An elected public official under the State

Division of the Arkansas Public Employees' Retirement System.

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

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

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

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

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

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

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

/s/Kerr