

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1211

5 By: Representative Warren
6 By: Senator Gilmore
7

For An Act To Be Entitled

9 AN ACT TO MAKE TECHNICAL CORRECTIONS AND CLARIFY
10 LANGUAGE FOR THE PROPER ADMINISTRATION OF BENEFITS
11 UNDER THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT
12 SYSTEM; AND FOR OTHER PURPOSES.
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Subtitle

15 TO MAKE TECHNICAL CORRECTIONS AND
16 CLARIFY LANGUAGE FOR THE PROPER
17 ADMINISTRATION OF BENEFITS UNDER THE
18 ARKANSAS PUBLIC EMPLOYEES' RETIREMENT
19 SYSTEM.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 24-4-101(12)(B), concerning the meaning of
25 recurring remuneration in the definition of "compensation" under the Arkansas
26 Public Employees' Retirement System, is amended to read as follows:

27 (B) The following are recurring remuneration for personal
28 services for the purposes of determining retirement benefits:

29 (i) Career service recognition payments paid to a
30 member under § 21-5-106;

31 (ii) Payments made to a member under § 21-5-1101,
32 including without limitation a lump-sum payment;

33 (iii)(a) Except as provided in subdivision
34 (12)(B)(iii)(b) of this section, payments made to a member under § 14-14-
35 1206(a), including without limitation a bonus or lump-sum payment.

36 (b) The maximum amount of the bonus or lump-



1 sum payment that will be considered to be compensation during the last year
 2 of a member's employment is the lesser of five percent (5%) of the current
 3 year's salary or the amount of the bonus or lump-sum payment that was
 4 received by the member during the previous year of employment;

5 (iv)(a) Except as provided in subdivision
 6 (12)(B)(iv)(b) of this section, a bonus or lump-sum payment made to a
 7 municipal employee as provided in the municipality's annual budget under §
 8 14-42-308.

9 (b) The maximum amount of the bonus or lump-
 10 sum payment that will be considered to be compensation during the member's
 11 last year of employment is the lesser of five percent (5%) of the current
 12 year's salary or the amount of the bonus or lump-sum payment that was
 13 received by the member during the previous year of employment; ~~and~~

14 (v) Lump-sum payments made to a member under § 21-5-
 15 211 ~~and §21-5-219 [repealed];~~

16 (vi) Lump-sum payments made to a member under § 21-
 17 5-227; and

18 (vii) Bonus payments made to a member under § 21-5-
 19 228.

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 21 SECTION 2. Arkansas Code § 24-4-110 is repealed.

22 ~~24-4-110. Failure to terminate — Commencement of annuity payments —~~
 23 ~~Election to retire.~~

24 ~~A retirant shall not begin receiving annuity payments until all~~
 25 ~~requirements for terminating qualified employment are satisfied.~~

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 27 SECTION 3. Arkansas Code § 24-4-111 is repealed.

28 ~~24-4-111. Failure to meet termination requirements — Member's~~
 29 ~~retirement election.~~

30 ~~The failure to meet termination requirements does not revoke a member's~~
 31 ~~retirement election.~~

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 33 SECTION 4. Arkansas Code § 24-4-520(d), regarding forfeiture of
 34 benefits until termination requirements under the Arkansas Public Employees'
 35 Retirement System are met, is amended to read as follows:

36 (d)(1) Persons failing A member or former member in the system who

1 fails to meet termination requirements shall forfeit their benefits until
2 requirements are met.

3 (2) A retirant shall not begin receiving annuity payments until
4 all requirements for terminating qualified employment are satisfied.

5 (3) The failure to meet termination requirements does not revoke
6 a member's retirement election.

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9 **APPROVED: 2/20/25**
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