

ARKANSAS SENATE
86th General Assembly - Regular Session, 2007
Amendment Form

Subtitle of Senate Bill No. 117

"TO REVISE THE LAWS OF THE ARKANSAS PUBLIC EMPLOYEES RETIREMENT
SYSTEM CONCERNING BENEFITS, CREDITED SERVICE, ELIGIBILITY
REQUIREMENTS, EMPLOYEE AND EMPLOYER CONTRIBUTIONS, AND THE
ADMINISTRATION OF THE SYSTEM."

Amendment No. 1 to Senate Bill No. 117.

Amend Senate Bill No. 117 as originally introduced:

Page 1, delete lines 9 through 14 and substitute the following:
"AN ACT TO AMEND THE DEFINITION OF COMPENSATION UNDER THE ARKANSAS PUBLIC
EMPLOYEES' RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 17 through 22 and substitute the following:
"AN ACT TO AMEND THE DEFINITION OF COMPENSATION UNDER THE ARKANSAS PUBLIC
EMPLOYEES' RETIREMENT SYSTEM."

AND

Delete everything following the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 21-5-106(d), concerning career service
recognition payments, is amended to read as follows:

(d) Career service recognition payments authorized by this section
shall be:

(1) ~~subject~~ Subject to withholding of all applicable state and
federal taxes; ~~but~~ and

(2) ~~shall not be included~~ Included by retirement systems in
determining benefits.

SECTION 2. Arkansas Code § 21-5-1101(d)(2), concerning competency-
based promotions and salary adjustments, is amended to read as follows:

(2) The lump-sum payments in this section shall ~~not~~ be
considered as salary for the purposes of retirement eligibility.

SECTION 3. Arkansas Code § 24-4-101(11), concerning the definition of
"compensation", is amended to read as follows:



“(11)(A) "Compensation" means the recurring remuneration paid a member by public employers for personal services rendered by a member in a position covered by an employer participating in the Arkansas Public Employees' Retirement System.

(B) The following shall be considered recurring remuneration for personal services for the purposes of determining retirement benefits:

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

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

(iii) Lump sum payments made to a member under §§ 21-5-211 and 21-5-219.

~~(B)~~(C) In case a member's compensation includes either lodging or meals, or both, exclusive of travel expense, the cash value of the lodging and meals shall be fixed by the board, not to exceed the amount the employee is required to report for federal income tax purposes;

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that this act affects the consideration of retirement benefits in the Arkansas Public Employees' Retirement System; and that for better retirement planning by employees wishing to retire at the end of the state's fiscal year and to allow state agencies to better plan for the upcoming fiscal year this act should become effective before the start of the next fiscal year. 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:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Faris

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Secretary