

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 104

5 By: Senator B. Sample
6 By: Representative Warren
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE DEFINITION OF "AVERAGE
10 COMPENSATION" AS THE TERM APPLIES TO THE ARKANSAS
11 STATE HIGHWAY EMPLOYEES' RETIREMENT SYSTEM; TO
12 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
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Subtitle

15 TO AMEND THE DEFINITION OF "AVERAGE
16 COMPENSATION" AS THE TERM APPLIES TO THE
17 ARKANSAS STATE HIGHWAY EMPLOYEES'
18 RETIREMENT SYSTEM; AND TO DECLARE AN
19 EMERGENCY.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 24-5-101(3), concerning the definition of
26 "average compensation" as the term applies to the Arkansas State Highway
27 Employees' Retirement System, is amended to read as follows:

28 (3)(A) "Average compensation" means the average of the highest
29 annual compensation paid to a the member during any period of ~~thirty-six (36)~~
30 sixty (60) consecutive months of creditable service with ~~a state employer, as~~
31 ~~the term "state employer" is defined in § 24-2-401~~ the Arkansas Department of
32 Transportation or its predecessor, the Arkansas State Highway and
33 Transportation Department.

34 (B) For an active member on June 30, 2021, "average
35 compensation" shall not be less than the average of the highest annual
36 compensation paid to the member during any period of the thirty-six (36)



1 consecutive months of creditable service calculated as of June 30, 2021;

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3 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
4 General Assembly of the State of Arkansas that certain provisions of the law
5 applicable to the Arkansas State Highway Employees' Retirement System are in
6 urgent need of revision to bring the operations of the system into
7 conformance with sound public pension policy; that amendments to the law in
8 this act are of great importance to the citizens of this state; that a July
9 1, 2021 effective date is necessary to allow the provisions within this act
10 to begin on the first day of the fiscal year to provide for the proper
11 administration of the procedures referenced in this act; and that this act is
12 necessary to maintain an orderly system of benefits for the members of the
13 system. Therefore, an emergency is declared to exist, and this act being
14 necessary for the preservation of the public peace, health, and safety shall
15 become effective on July 1, 2021.