

## *APERS Related Legislation*

**Act 295 (SB 128)**, sponsored by **Sen. Faris (D-Malvern)** and **Rep. Stewart (D-Kirby)**, which went into effect on March 3rd, broadens members' ability to purchase retirement credit for time served in the military or armed forces reserves. Vested members who are either eligible for or currently receiving military retirement benefits may purchase up to five years of service in APERS. Similarly vested members may purchase up to five years of armed forces reserve time in the system. Act 295 also invokes the federal protections afforded by the Uniformed Services Employment and Reemployment Rights Act (USERRA) for APERS members called to active duty.

**Act 616 (HB 1110)**, sponsored by **Rep. Allen Kerr (R-Little Rock)**, is effective July 1, 2009 and amends the definition of compensation under APERS for county and municipal employees and allows a lump sum payment/bonus to be reported.

**Act 657 (SB 140)**, sponsored by **Sen. Faris (D-Malvern)**, mandates an extension of the period of separation from employment for retirement purposes from 30 days to 180 days. Effective July 1, 2009, anyone returning to otherwise covered employment before the 181st day will forfeit all benefits paid to them. The Act makes two exceptions to this new rule: those enrolled in the Deferred Retirement Option Plan (DROP) on January 1, 2009, and those who retire and begin receiving benefits between January 1, 2009 and June 30, 2009. Members falling in these two categories will still be permitted to return to work after the current 30-day period.

**Act 774 (HB 1167)**, sponsored by **Rep. Cooper (D-Melbourne)**, includes in APERS membership the tipped food service employees of the Department of Parks and Tourism. This Act will be effective the 91st day after the legislative session ends (sine die).

**Act 1200 (SB 164)**, sponsored by **Sen. Gene Jeffress (D-Louann)**, provides benefit enhancements to certain career-service employees. Effective July 1, 2009, all service accrued after that date that is in excess of 28 years will receive a higher benefit multiplier. Members who are non-contributory and receiving a 1.72% multiplier would then be credited with 2.22% for service beyond 28 years accrued after July 1st. In the same fashion, a contributory member receiving credit at a rate of 2.0% would commence crediting at a rate of 2.5% for service after 28 years accrued beyond July 1st.

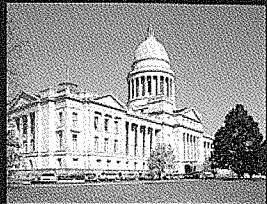
### **★ Contributory Election ★**

**Act 742 (SB 163)**, sponsored by **Sen. Gene Jeffress (D-Louann)**, "reopens the window" for current non-contributory members to opt into the new contributory program. Effective July 1, 2009 non-contributory members may submit application to APERS to commence contributing on January 1, 2010. Any applications received by APERS between July 1, 2009 and December 31, 2009 that are properly filled out by both the member and the employer shall be deemed effective on the first of the new year and shall be irrevocable. The necessary forms, including the mandatory Designation of Beneficiary, will be available at the APERS website or from employers on or before July 1st.

Members participating in the contributory program will contribute 5% of their annual compensation, pre-tax (taxes are deferred) to the System. The contributory program does not provide for a Temporary Annuity for participants. However, the contributory provisions provide for a higher multiplier (currently 2.0%) that is utilized to calculate the member's eligible service.

Election forms will be made available to members via the member's employer, the APERS web-site and/or by calling APERS. The original form should be submitted to your employer for completion of their portion of the form and then forwarded to APERS for processing. Since members will have employee contributions in the System, it will also be necessary for each member to submit a Designation of Beneficiary form with the Election form.

Additional information will be mailed out to all non-contributory members that will include, but not be limited to, specific information regarding being contributory as well as locations of seminars throughout the state regarding the choice to be contributory.



**87<sup>th</sup>  
General  
Assembly**

**LEGISLATIVE  
REVIEW**



**Arkansas Public Employees Retirement System**  
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Little Rock, AR 72201

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*Inside...*

*APERS Related Legislation That Could Impact Your Retirement!  
New Rules for Purchasing Military and Armed Forces Reserves Time! Increase  
In Non-Contributory & Contributory Multiplier for Service Beyond 28 Years!  
6-Month Window "Reopened" for Non-Contributory Members to Join APERS  
Contributory Program! New Compensation Definitions for County, Municipal  
Employees! And More Details!*

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### ***Important News for APERS Retirees***

As always, retirees will continue to receive their 3.0% cost of living adjustment on July 1st - providing they have been retired twelve (12) months as of July 1. While this has been a fairly lean year in terms of benefit enhancements, largely due to the current world-wide economic difficulties, the APERS defined benefit program has proven itself to be the robust pension plan that was first envisioned in 1957. Our benefits are secure and assets will again begin to grow for the benefit of future retirees.

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### **Upcoming Contributory Seminars**

APERS Counseling Staff will be discussing the contributory program as part of our ongoing retirement seminars currently scheduled around the state. APERS Counseling Staff is currently scheduling additional presentations around the state that focus exclusively on the contributory provisions.

Once the dates and locations are developed, additional information regarding these seminars will be printed and provided to all non-contributory members as well as on our web-site at [www.apers.org](http://www.apers.org). Members should continue looking for additional information in their home mailbox.

Once the registration form is available, members will need to complete it indicating the session they wish to attend and mail or fax the form to APERS at: APERS, 124 West Capitol Avenue, Suite 400, Little Rock, AR 72201 or fax at 501-682-7843.