



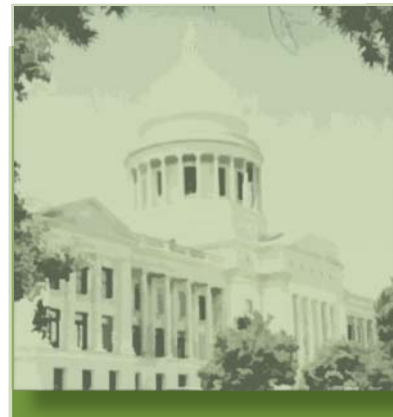
Act 38 (SB 172), sponsored by **Sen. J. Key (R-Mountain Home)** allows eligible members to purchase national guard or armed forces reserve service in one-month increments. It also states that when an APERS DROP participant's participation ceases, that member is not eligible for employment in any position covered by any authorized state retirement plan. *Effective February 16, 2011.*

Act 40 (HB 1018), with lead sponsor **Rep. Allen Kerr (R-Little Rock)** defines terminate as that term applies to eligibility for retirement under APERS to include: 1) the member has resigned, been removed, or otherwise no longer holds the position; 2) a complete severance from the elected position has occurred; and 3) the member has ceased performing any services in his or her elected position, except for non-compensated functions related to the transfer of the duties or the transfer of the position itself. Terminate does not mean taking a leave of absence, performing job duties or services without remuneration or receiving or accruing additional employment related compensation, reimbursements, benefits or other emoluments. These provisions apply to both regular and elected positions. *Effective February 16, 2011.*

Act 558 (SB 127), sponsored by **Sen. J. Key (R-Mountain Home)** requires that employers continue to contribute to APERS for members that are participating in the DROP as well as retirees that have returned to a position covered by APERS. *Approved March 22, 2011; effective January 1, 2012.*

Act 563 (HB 1146), sponsored by **Rep. Allen Kerr (R-Little Rock)** requires an additional 5% contribution on municipal and county elected positions for the additional year of service credit that they receive. Both the employer and employee will contribute an additional 2.5% respectively. These provisions apply to members first elected or appointed after July 1, 2011. *Effective date July 1, 2011.*

Act 774 (SB 41), sponsored by **Sen. J. Key (R-Mountain Home)** extends the termination period required for retirement purposes for individuals who receive at least two-for-one service credit under APERS to one year. *Effective date March 30, 2011.*



Contributory Election Available

Act 140 (HB 1158), sponsored by **Rep. David Branscum (R-Marshall)** allows additional time for the members of APERS to select contributory service. A public employee hired prior to July 1, 2005 and who was an active member of APERS on July 1, 2005, shall have six (6) months from July 1, 2011, to elect coverage under the contributory provisions. The effective date of the contributory coverage shall be the first payroll period that is paid and reported for January 2012 and shall be prospective only. Conversion or purchase of noncontributory service into contributory service is prohibited. Additional information will be mailed to each eligible member of APERS as well as each employer. *Effective 90 days sine die.*

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 in calculating the member's eligible benefit.

Election forms will be made available to members via the member's employer, the APERS website and/or by calling APERS. The original form should be submitted to your employer(s) for completion of their portion of the form and then forwarded to APERS for processing.

Additional information will be mailed out to all noncontributory 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.

Inside...

*APERS Related Legislation That Could Impact On You!
Contributory Election Available!
Upcoming Contributory Seminars and more!*

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 also scheduling additional presentations around the State that will focus exclusively on the contributory provisions. Tentative cities and dates are as follows:

July 19	Hope	October 5	Fort Smith
August 10	Little Rock	October 12	Blytheville
September 22	Monticello	November 15	Little Rock

As additional information is finalized, flyers will be prepared and mailed to all noncontributory members as well as placed on our website at 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) 371-1043.

Registration is also available on-line at www.apers.org. Click on the "Seminar" icon and follow the instructions. If you have a location that we can hold the seminars in, please contact Karen Stricklin at (501) 682-7830.

Coming Soon!!!!!!

We are updating our website to include the electronic submission of various data. So, continue to visit the APERS website for new ways to communicate with the Counseling Staff as well as to make those changes we seem to forget (i.e. address, name, etc.). The Counseling Staff will be able to accept electronic requests for benefit estimates, DROP estimates, etc. We are still working out the details. Stay tuned!!!!

Important News for APERS Retirees

Currently, 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. The APERS defined benefit program continues to be the robust plan that was first envisioned in 1957. Our benefits are secure and assets continue to grow for the benefit of current and future retirees.