

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Representative McGinnis**

# A Bill ACT 221 OF 1991

## HOUSE BILL 1097

### For An Act To Be Entitled

8 "AN ACT TO CORRECT ERRONEOUS ENROLLMENT OF MUNICIPAL  
9 OFFICERS AND EMPLOYEES IN THE ARKANSAS PUBLIC EMPLOYEES  
10 RETIREMENT SYSTEM; TO ALLOW THE PURCHASE OF CERTAIN  
11 MUNICIPAL SERVICE; AND FOR OTHER PURPOSES."

12  
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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15 SECTION 1. (a) Any municipal employee, including a municipal judge,  
16 municipal court clerk, mayor, city attorney, city treasurer, city clerk, clerk  
17 treasurer, and deputy city clerk who was erroneously enrolled in Arkansas  
18 Public Employees Retirement System because of eligibility for membership in  
19 another system on or before January 1, 1991, may elect to remain a member of  
20 the Arkansas Public Employees Retirement System subject to employer  
21 certification that the employee was not enrolled in a local plan at the time  
22 of his employment. Any employee as listed in the preceding sentence who,  
23 prior to this act, has been removed from membership in the Arkansas Public  
24 Employees Retirement System because of eligibility for membership in another  
25 system established pursuant to State law may restore the refunded service and  
26 establish subsequent service by paying or causing to be paid to the Arkansas  
27 Public Employees Retirement System the refunded contributions and the legally  
28 required contributions for subsequent service. However, in no instance shall  
29 the same service time and related earnings be credited in more than one system  
30 established pursuant to State law.

31 (b) The employee shall make election in writing to the Arkansas Public  
32 Employees Retirement System and the eligible system within sixty (60) calendar  
33 days after being notified by the Arkansas Public Employees Retirement System  
34 of the erroneous enrollment. Failure to make an election within sixty (60)  
35 calendar days will result in the employee being removed from the Arkansas

1 Public Employees Retirement System.

2 (c) Should the employee elect to become a member of the eligible system,  
3 as provided in subsection (a) above, or should the employee be removed from  
4 the Arkansas Public Employees Retirement System because of failure to elect,  
5 as provided in subsection (b) above, the Arkansas Public Employees Retirement  
6 System will refund to the employer all contributions, both employee and  
7 employer, that were paid on behalf of the employee in question. Upon receipt  
8 of the refunded contributions, the employer shall enroll and establish the  
9 proper service credit for the employee in the eligible system.

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11 SECTION 2. In the event a local plan is established as provided for by  
12 State law, any member of the Arkansas Public Employees Retirement System who  
13 would otherwise be eligible for this local plan may elect to remain in the  
14 Arkansas Public Employees Retirement System or become a member of the local  
15 plan. This election shall be made in writing to both plans within thirty (30)  
16 days of the establishment of the local plan.

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18 SECTION 3. Any current member of the Arkansas Public Employees  
19 Retirement System who, prior to January 1, 1991, had employment with a  
20 participating municipal employer in which such employment was eligible for  
21 membership in a local plan, may purchase such service in the Arkansas Public  
22 Employees Retirement System, provided the employer certifies that the person  
23 was not a member of a local plan. The service will be credited only after  
24 such certification has been provided and the member has paid into the Arkansas  
25 Public Employees Retirement System an amount equal to that which would have  
26 been paid had the service been reported at the time rendered plus six percent  
27 (6%) interest compounded annually from the date such service was rendered  
28 until date of purchase.

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30 SECTION 4. All provisions of this act of a general and permanent nature  
31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
32 Revision Commission shall incorporate the same in the Code.

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34 SECTION 5. If any provision of this act or the application thereof to  
35 any person or circumstance is held invalid, such invalidity shall not affect

1 other provisions or applications of the act which can be given effect without  
2 the invalid provision or application, and to this end the provisions of this  
3 act are declared to be severable.

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5 SECTION 6. All laws and parts of laws in conflict with this act are  
6 hereby repealed.

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APPROVED: 2-25-91

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