

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Ross**

A Bill

ACT 104 OF 1993
SENATE BILL 6

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE § 24-4-739 TO ALLOW MUNICIPAL OFFICERS AND EMPLOYEES AND MEMBERS OF RECIPROCAL RETIREMENT SYSTEMS ERRONEOUSLY ENROLLED IN THE PUBLIC EMPLOYEES RETIREMENT SYSTEM TO CORRECT THEIR ENROLLMENT; TO ALLOW THE PURCHASE OF CERTAIN MUNICIPAL SERVICE; AND FOR OTHER PURPOSES."

Subtitle

"AN ACT TO ALLOW MUNICIPAL OFFICERS ERRONEOUSLY ENROLLED IN PERS TO CORRECT THEIR ENROLLMENT."

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

SECTION I. Arkansas Code § 24-4-739 is hereby as amended to read as follows:

"24-4-739. Municipal employees.

(a)(1) Any municipal employee or municipal official, including a municipal judge, municipal court clerk, mayor, city attorney, city treasurer, city clerk, clerk-treasurer, and deputy city clerk who was erroneously enrolled in the Arkansas Public Employees' Retirement System because of eligibility for membership in another system on or before January 1, 1991, may elect to remain a member of the Arkansas Public Employees' Retirement System or receive service credit in a reciprocal retirement system subject to employer certification that the employee was not enrolled in a local plan at the time of his employment.

(2) Any employee as listed in subdivision (a)(1) who, prior to this section, has been removed from membership in the Arkansas Public Employees' Retirement System because of eligibility for membership in another system established pursuant to state law or any member of a reciprocal retirement system may restore the refunded service and establish subsequent service by paying or causing to be paid to the Arkansas Public Employees' Retirement System the refunded contributions and the legally required contributions for subsequent service.

1 **(3) However, in no instance shall the same service time and related earnings be**
2 **credited in more than one (1) system established pursuant to state law.**

3 **(b) The employee or member shall make election in writing to the Arkansas Public**
4 **Employees' Retirement System and the eligible system within sixty (60) calendar days after**
5 **being notified by the Arkansas Public Employees' Retirement System of the erroneous**
6 **enrollment. Failure to make an election within sixty (60) calendar days will result in the**
7 **employee being removed from the Arkansas Public Employees' Retirement System.**

8 **(c) Should the employee or the member elect to become a member of the eligible**
9 **system, as provided in subsection (a) of this section, or should the employee or member be**
10 **removed from the Arkansas Public Employees' Retirement System because of failure to elect,**
11 **as provided in subsection (b) of this section, the Arkansas Public Employees' Retirement**
12 **System will refund to the employer all contributions, both employee and employer, that were**
13 **paid on behalf of the employee or member in question. Upon receipt of the refunded**
14 **contributions, the employer shall enroll and establish the proper service credit for the**
15 **employee or member in the eligible system.**

16 **(d) In the event a local plan is established as provided for by state law, any member of**
17 **the Arkansas Public Employees' Retirement System who would otherwise be eligible for this**
18 **local plan may elect to remain in the Arkansas Public Employees' Retirement System or**
19 **become a member of the local plan. This election shall be made in writing to both plans within**
20 **thirty (30) days of the establishment of the local plan.**

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

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31 **SECTION 2. All provisions of this act of general and permanent nature are**
32 **amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision**
33 **Commission shall incorporate the same in the Code.**

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35 **SECTION 3. If any provisions of this act or the application thereof to any person or**

1 **circumstance is held invalid, the invalidity shall not affect other provisions or applications of**
2 **the act which can be given effect without the invalid provisions or application, and to this end**
3 **the provisions of this act are declared to be severable.**

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5 **SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.**

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APPROVED: 2/9/93

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