

*As Engrossed: 1/17/91*

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

# A Bill

**HOUSE BILL 1060**

## For An Act To Be Entitled

8 "AN ACT TO AMEND TITLE 24, CHAPTER 4, SUBCHAPTER 1 OF THE  
9 ARKANSAS CODE OF 1987 TO CLARIFY THE DEFINITION OF AN  
10 EMPLOYEE IN THE ARKANSAS PUBLIC EMPLOYEES RETIREMENT  
11 SYSTEM; 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. Arkansas Code §24-4-101(7) (A) is hereby amended to read as  
16 follows:

17 "(7) (A) "Employees" means all officers and employees of any office,  
18 agency, board, commission, or department of a public employer whose  
19 compensations were, or are, payable from funds appropriated by the public  
20 employer and all otherwise eligible employees whose compensations were, or  
21 are, payable in whole or part from federal funds, as well as the official  
22 court reporters and stenographers of the circuit and chancery courts of the  
23 state and all of the prosecuting attorneys of the judicial districts of  
24 Arkansas. All employees shall be enrolled by the public employer as a member  
25 of the system on the first day of employment. In addition, the term  
26 "employees" shall, effective July 1, 1983, include those persons who are  
27 eligible for benefits from the Teachers Insurance and Annuity Association  
28 (TIAA) but who are otherwise eligible for participation in the system due to  
29 employment with a public employer; however, the term "employees" shall not  
30 include those persons who are receiving or who begin receiving TIAA benefits  
31 while still participating in the system;

32 Any person who has heretofore been denied coverage under the system due to  
33 the fact that the person was eligible for benefits from a local firemen's or  
34 policemen's pension fund or TIAA shall, from the dates of February 11, 1976,  
35 and July 1, 1983, respectively, become a member of the system if in an

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1 otherwise eligible position due to his employment with a public employer and  
2 may, at the employee's option, receive credit for service rendered to a  
3 participating public employer before that date, subject to the following  
4 conditions:

5           (i) The person is a participating employee covered under the  
6 system at the time of the purchase; or, if not participating in the system,  
7 the person shall be eligible to purchase the service if the person was in an  
8 otherwise eligible position on July 1, 1982, and all contributions and  
9 interest were received by the system before January 1, 1984; and

10           (ii) The member pays, or causes to be paid, all employer or  
11 employee contributions at the rate and based on the compensation received by  
12 the persons during the period of time when the service was rendered, together  
13 with interest of six percent (6%) per annum, compounded annually from the date  
14 the service was rendered to the date payment is received by the system. The  
15 member may purchase all of the service or any portion thereof in multiples of  
16 one (1) year;

17           (iii) The payment of funds shall be made in one (1) lump sum;

18           *Any person who has heretofore been denied coverage under the system due*  
19 *to the fact that the person was or is paid from a grant instead of funds*  
20 *appropriated by the public employer, shall from July 1, 1991 become a member*  
21 *of the system if in an otherwise eligible position due to his being an*  
22 *employee of a public employer, and a member may at his option receive credit*  
23 *for service rendered before that date as an employee paid from a grant,*  
24 *subject to the following conditions:*

25           (i) *The member is a participating employee covered under the*  
26 *system at the time of the purchase; and*

27           (ii) *The member furnishes proof, in a form required by the*  
28 *system, of the service and compensation received; and*

29           (iii) *The member pays, or causes to be paid, all employee and*  
30 *employer contributions at the rate and based on the compensation received by*  
31 *the member during the period of time when the service was rendered, together*  
32 *with interest of six percent (6%) per annum, compounded annually from the date*  
33 *the service was rendered to the date payment is received by the system. The*  
34 *member may purchase all of the service or any portion thereof in multiples of*  
35 *one (1) year; and*

1                   (iv) *The payment of funds shall be made in one (1) lump sum;*"

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SECTION 2. Arkansas Code §24-4-101(7) (B) (vii) is hereby repealed.

SECTION 3. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 4. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

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

SECTION 6. EFFECTIVE DATE. The provisions of this act shall become effective July 1, 1992.

*/s/B. Wood*