

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

A Bill

HOUSE BILL

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."

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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)

1 calendar days will result in the employee being removed from the Arkansas
2 Public Employees Retirement System.

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

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

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

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

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35 SECTION 5. If any provision of this act or the application thereof to

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

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

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