

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

A Bill

SENATE BILL

For An Act To Be Entitled

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

Subtitle

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

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

21 SECTION 1. Arkansas Code § 24-4-739 is hereby as amended to read as
22 follows:

23 "24-4-739. Municipal employees.

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

33 (2) Any employee as listed in subdivision (a) (1) who, prior to
34 this section, has been removed from membership in the Arkansas Public
35 Employees' Retirement System because of eligibility for membership in another

1 system established pursuant to state law or any member of a reciprocal
2 retirement system may restore the refunded service and establish subsequent
3 service by paying or causing to be paid to the Arkansas Public Employees'
4 Retirement System the refunded contributions and the legally required
5 contributions for subsequent service.

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

9 (b) The employee or member shall make election in writing to the
10 Arkansas Public Employees' Retirement System and the eligible system within
11 sixty (60) calendar days after being notified by the Arkansas Public
12 Employees' Retirement System of the erroneous enrollment. Failure to make an
13 election within sixty (60) calendar days will result in the employee being
14 removed from the Arkansas Public Employees' Retirement System.

15 (c) Should the employee or the member elect to become a member of the
16 eligible system, as provided in subsection (a) of this section, or should the
17 employee or member be removed from the Arkansas Public Employees' Retirement
18 System because of failure to elect, as provided in subsection (b) of this
19 section, the Arkansas Public Employees' Retirement System will refund to the
20 employer all contributions, both employee and employer, that were paid on
21 behalf of the employee or member in question. Upon receipt of the refunded
22 contributions, the employer shall enroll and establish the proper service
23 credit for the employee or member in the eligible system.

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

30 (e) Any current member of the Arkansas Public Employees' Retirement
31 System who, prior to January 1, 1991, had employment with a participating
32 municipal employer in which such employment was eligible for membership in a
33 local plan, may purchase such service in the Arkansas Public Employees'
34 Retirement System, provided the employer certifies that the person was not a
35 member of a local plan. The service will be credited only after such

1 certification has been provided and the member has paid into the Arkansas
2 Public Employees' Retirement System an amount equal to that which would have
3 been paid had the service been reported at the time rendered plus six percent
4 (6%) interest compounded annually from the date such service was rendered
5 until date of purchase."

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7 SECTION 2. All provisions of this act of general and permanent nature
8 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
9 Revision Commission shall incorporate the same in the Code.

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11 SECTION 3. If any provisions of this act or the application thereof to
12 any person or circumstance is held invalid, the invalidity shall not affect
13 other provisions or applications of the act which can be given effect without
14 the invalid provisions or application, and to this end the provisions of this
15 act are declared to be severable.

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

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