

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4  
5 By: Senator G. Jeffress  
6  
7

## A Bill

SENATE BILL 117

### For An Act To Be Entitled

9 AN ACT TO AMEND THE REQUIREMENTS FOR FORMER  
10 MILITARY PERSONNEL TO OBTAIN SERVICE CREDIT IN  
11 LOCAL POLICE AND FIRE PENSION AND RELIEF FUNDS;  
12 AND FOR OTHER PURPOSES.

### Subtitle

15 TO AMEND THE REQUIREMENTS FOR FORMER  
16 MILITARY PERSONNEL TO OBTAIN SERVICE  
17 CREDIT IN LOCAL POLICE AND FIRE PENSION  
18 AND RELIEF FUNDS.

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

23 SECTION 1. Arkansas Code § 24-11-418(a), concerning the purchase of  
24 service credit for military service, is amended to read as follows:

25 (a) ~~Any~~ A person who is or was a member of the policemen's pension and  
26 relief fund as established by this subchapter and who was not receiving  
27 benefits under the system on June 17, 1981, ~~shall be entitled to~~ may purchase  
28 credited service in the system for a period not to exceed two (2) years for  
29 service rendered by the member while on active duty in the armed forces of  
30 the United States ~~prior to~~ before the member's employment covered by the  
31 policemen's pension and relief fund as established by this subchapter, but  
32 only if:

33 (1) The person received an honorable discharge from the armed  
34 forces; and

35 ~~(2) He or she is not receiving federal military service~~  
36 ~~retirement pay based upon nineteen (19) or more years of active duty.~~



~~However, disability federal retirement pay shall not disqualify a member from purchasing credit; and~~

~~(3)(2)~~ He or she The person does one (1) of the following:

(A) If he or she has participated in the policemen's pension and relief fund for at least eighteen (18) years, he or she contributes to the member's deposit account a sum of money equal to the amount of the combined employee and employer contribution made by or on behalf of the member to the system based upon the contributions for the last month of the employee's eighteenth year of service, multiplied by the number of months of military service the member is eligible for and desires to purchase under this section with interest thereon at the rate of six percent (6%) per annum from the date of eligibility to purchase the service to the date of purchase; or

(B) If he or she has participated in the policemen's pension and relief fund for at least twenty (20) years, he or she contributes to the member's deposit account a sum of money equal to the amount of the combined employee and employer contribution made by or on behalf of the member to the system based upon contributions at the time he or she first became a member of the retirement system, multiplied by the number of months of military service the member is eligible for and desires to purchase under this section with interest thereon at the rate of six percent (6%) per annum from the date of eligibility to purchase the service to the date of purchase.

SECTION 2. Arkansas Code § 24-11-834(b), concerning the purchase of military service for retirement purposes, is amended to read as follows:

(b) The member may purchase the credited service for military service if the person:

(1) Served on active duty in the armed forces before the member's employment covered by the fund;

(2) Received an honorable discharge from the armed forces; and

~~(3)(A) Is not receiving federal military service retirement pay based upon nineteen (19) or more years of active duty.~~

~~(B) However, disability federal retirement pay shall not disqualify a member from purchasing credit; and~~

~~(4)(3)~~ Does one (1) of the following:

(A) If the person has participated in the fund for at

1 least eighteen (18) years, the person contributes to the member's deposit  
2 account a sum of money equal to the amount of the combined employee and  
3 employer contribution made to the system based upon the contributions for the  
4 last month of the employee's eighteenth year of service, multiplied by the  
5 number of months of military service the member is eligible for and desires  
6 to purchase under this section, plus interest on the amount at the rate of  
7 six percent (6%) per annum from the date of eligibility to purchase the  
8 service to the date of purchase; or

9 (B) If the person has participated in the fund for at  
10 least twenty (20) years, the person contributes to the member's deposit  
11 account a sum of money equal to the amount of the combined employee and  
12 employer contribution made to the system based upon contributions at the time  
13 the person first became a member of the retirement system, multiplied by the  
14 number of months of military service the member is eligible for and desires  
15 to purchase under this section, plus interest on the amount at the rate of  
16 six percent (6%) per annum from the date of eligibility to purchase the  
17 service to the date of purchase.