

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011

As Engrossed: H3/18/11

A Bill

HOUSE BILL 1174

4
5 By: Representative Nickels
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7 For An Act To Be Entitled

8 AN ACT TO AMEND THE STATE RETIREMENT SYSTEMS; TO
9 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.
10

11 Subtitle

12 TO AMEND THE STATE RETIREMENT SYSTEMS AND
13 TO DECLARE AN EMERGENCY.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 *SECTION 1. Arkansas Code § 24-4-303, concerning a municipality's*
20 *membership in the Arkansas Public Employees' Retirement System, is amended to*
21 *add a new subsection to read as follows:*

22 *(d) Beginning January 1, 2012, a municipality that has a retirement*
23 *plan under § 24-12-101 et seq., may:*

24 *(1) Include all newly hired employees and newly elected public*
25 *officials in the membership of the Arkansas Public Employees' Retirement*
26 *System; and*

27 *(2) Allow current employees and current elected public officials*
28 *participating in a 401(a) plan established under Internal Revenue Code, 26*
29 *U.S.C. § 401(a), or a 401(k) plan established under Internal Revenue Code, 26*
30 *U.S.C. § 401(k), to elect to continue participation in the municipality's*
31 *retirement plan or to establish participation in the Arkansas Public*
32 *Employees' Retirement System by:*

33 *(A) Purchasing service credit:*

34 *(i)(a) From the municipality's retirement plan to*
35 *transfer into the system.*

36 *(b) A member shall have at least five (5)*



1 years of actual service with the Arkansas Public Employees' Retirement System
2 to retire; or

3 (ii) In a prorated amount by rolling over a 401(a)
4 established under Internal Revenue Code, 26 U.S.C. § 401(a), or a 401(k)
5 established under Internal Revenue Code, 26 U.S.C. § 401(k), into the system;
6 and

7 (B) Notifying the system in writing of the election to
8 participate in the system in a form determined acceptable by the system.

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10 SECTION 2. Arkansas Code § 24-4-723(a)(3), concerning the purchase of
11 service credit for retirement purposes, is amended to read as follows:

12 (3)(A) The Except as provided in subdivision (a)(3)(B) of this
13 section, a member may pay for all of his or her current service credit or a
14 portion thereof consisting of multiples of one (1) year.

15 (B) From September 1, 2011, through December 31, 2012, a member
16 may roll over a 401(a) plan established under section 401(a) of the Internal
17 Revenue Code, 26 U.S.C. § 401(a), or a 401(k) plan established under section
18 401(k) of the Internal Revenue Code, 26 U.S.C. § 401(k), from a municipal
19 employer to purchase credit in a prorated amount in increments of less than
20 one (1) year.

21 (C) A member shall have at least five (5) years of actual
22 service with the Arkansas Public Employees' Retirement System to retire.

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24 /s/Nickels
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