

"AN ACT TO AMEND SECTION 1 OF ACT 514 OF 1981, [ARK. STAT. 19-1828], TO PERMIT THE PURCHASE OF CREDITED SERVICE FOR MILITARY SERVICE AFTER PARTICIPATING IN THE POLICEMEN'S PENSION AND RELIEF FUND FOR EIGHTEEN YEARS; AND FOR OTHER PURPOSES."

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

SECTION 1. Section 1 of Act 514 of 1981, the same being Arkansas Statute 19-1828, is hereby amended to read as follows:

"Section 1. (a) Any person who is now or was in the past a member of the Policemen's Pension and Relief Fund, as established by Act 250 of 1937, as amended, and who is not receiving benefits under such system on June 17, 1981 shall be entitled to purchase credited service in the System for a period of not to exceed two (2) years, for service rendered by the member while on active duty in the armed forces of the United States prior to the member's employment covered by the Policemen's Pension and Relief Fund, as established by Act 250 of 1937, as amended, provided that:

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

(2) he is not receiving federal military service retirement pay based upon nineteen (19) or more years of active duty, but disability federal retirement pay shall not disqualify a member from purchasing such credit; and

(3) he 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 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 the provisions of this Act, 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.

(4) he has participated in the Policemen's Pension and Relief Fund for at least eighteen (18) years.

(b) A member who purchases credited service in the system as authorized in this Section shall not be entitled to receive retirement benefits under the system until the date on which he or she has twenty years of actual service under the system or would have had twenty years of actual service under the system if such member had continued his or her employment.

(c) When a member purchases credited service as authorized in this Section and terminates employment before his or her twentieth anniversary as a member of the system, that portion of the insurance premium tax returned to the employing city for credit to policeman pension funds which was previously credited to the Policemen's Pension and Relief Fund for the position held by such member shall continue to be credited to that fund until the date on which the member would have been a member of the system for twenty years had he or she continued employment."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

APPROVED: April 8, 1987

