

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Engrossed: H3/12/99

A Bill

Act 1455 of 1999
HOUSE BILL 1484

5 By: Representative Prater
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7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE § 24-10-506 TO ALLOW
10 MEMBERS OF THE LOCAL POLICE AND FIRE RETIREMENT SYSTEM
11 (LOPFI), IN LIMITED CIRCUMSTANCES, TO PURCHASE UP TO
12 FIFTEEN (15) YEARS OF PRIOR SERVICE WITH LOCAL POLICE
13 OR FIRE PENSION FUNDS; AND FOR OTHER PURPOSES. "
14

Subtitle

15 "TO ALLOW LOPFI MEMBERS, IN LIMITED
16 CIRCUMSTANCES, TO PURCHASE UP TO FIFTEEN
17 (15) YEARS OF PRIOR SERVICE WITH LOCAL
18 POLICE OR FIRE PENSION FUNDS. "
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 24-10-506 is amended to read as follows:

25 "24-10-506. Other local police and fire service.

26 (a) (1) Any member of the Arkansas Local Police and Fire Retirement
27 System who has employment service with a local government covered by a
28 municipal police pension and relief fund, § 24-11-401 et seq., or a municipal
29 firemen's pension and relief fund, § 24-11-801 et seq., shall be entitled to
30 purchase credited service in the system equivalent to the amount of credited
31 service he or she has with the local police or fire department up to a ~~maximum~~
32 ~~of five (5) years of credited service, provided that the member contributes to~~
33 ~~the system an amount equivalent to (1) the amount the member's contribution~~
34 ~~would have been for the years of credited service, plus (2) the amount the~~
35 ~~employer's contributions would have been for the years of credited service,~~
36 ~~(3) plus regular interest from the time each contribution would have been made~~

1 ~~to the local police or fire department to the time of the credit purchase;~~ or

2 (2) Any member who has at least ten (10) years of service with the
3 Arkansas Local Police and Fire Retirement System and who has employment
4 service with a local government covered by a municipal police pension and
5 relief fund, § 24-11-401 et seq., or a municipal firemen's pension and relief
6 fund, § 24-11-801 et seq., shall be entitled to purchase credited service in
7 the system equivalent to the amount of credited service he or she has with the
8 local police or fire department up to a maximum of fifteen (15) years of
9 credited service;

10 (3) Provided that the member contributes to the system an amount
11 that is the actuarial equivalent of the value of the credited service to be
12 purchased. This actuarial equivalent would be as of the time of the purchase
13 of credited service and would be determined by the actuary to the Local Police
14 and Fire Retirement System.

15 (b) The board shall have the authority to make the final determination
16 as to (1) the length of purchased service credit and as to (2) the amount of
17 the member and employer contributions would have been for the years of
18 credited service, which amount is to be paid into the system for the purchased
19 service and as to (3) the amount of regular interest to be charged.

20 (c) Service credit purchased under this section may be used to
21 determine the member's total credited service for the amount upon retirement
22 and shall not be used to determine his or her final average pay for service
23 under the system."
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25 SECTION 2. No benefit enhancement provided for by this act shall be
26 implemented if it would cause the publicly supported retirement system's
27 unfunded actuarial accrued liabilities to exceed a thirty (30) year
28 amortization. No benefit enhancement provided for by this act shall be
29 implemented by any publicly supported system which has unfunded actuarial
30 accrued liabilities being amortized over a period exceeding thirty (30) years
31 until the unfunded actuarial accrued liability is reduced to a level less than
32 the standards prescribed by Arkansas Code, Title 24.
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34 SECTION 3. All provisions of this act of a general and permanent nature
35 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
36 Revision Commission shall incorporate the same in the Code.

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

SECTION 5. All laws and parts of laws in conflict with this act are hereby repealed.

/s/ Prater

APPROVED: 4/15/1999