

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 903 of 1999  
HOUSE BILL 1396

5 By: Representatives Pappas, R. Smith, Gullett, C. Johnson, Wilkins  
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## For An Act To Be Entitled

9 "AN ACT TO AMEND THE FIRST CLASS CITY POLICE PENSION  
10 LAW TO ALLOW THE PURCHASE OF PRIOR LAW ENFORCEMENT  
11 SERVICE IN ARKANSAS; AND FOR OTHER PURPOSES. "

### Subtitle

13 "AN ACT TO AMEND THE FIRST CLASS CITY  
14 POLICE PENSION LAW TO ALLOW THE PURCHASE  
15 OF PRIOR LAW ENFORCEMENT SERVICE IN  
16 ARKANSAS; AND FOR OTHER PURPOSES. "  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Title 24, Chapter 11, Subchapter 4 of the Arkansas Code is  
23 amended to add the following section to be appropriately numbered by the  
24 Arkansas Code Revision Commission:

25 "Credited service - Purchase of former law enforcement service.

26 (a) If the board of trustees for a policemen's pension and relief fund  
27 decides to extend this benefit for its members, and if the pension fund will  
28 be actuarially sound as determined by the actuary for the Arkansas Fire and  
29 Police Pension Review Board after this benefit increase is extended to  
30 members, any member of the policemen's pension and relief fund as established  
31 by this subchapter shall be entitled to purchase credited service in the  
32 system, not to exceed two (2) years, for service rendered by the member as a  
33 law enforcement officer in this state prior to the member's employment covered  
34 by the policemen's pension and relief fund.

35 (b) He or she may purchase the credited service if he or she has  
36 participated in the policemen's pension and relief fund for at least eighteen

1 (18) years, and he or she contributes to the member's deposit account a sum of  
2 money equal to the amount of the combined employee and employer contribution  
3 made by or on behalf of the member to the system based upon the contributions  
4 for the last month of the employee's eighteenth (18<sup>th</sup>) year of service,  
5 multiplied by the number of months of law enforcement service the member is  
6 eligible for and desires to purchase under this section with interest thereon  
7 at the rate of six percent (6%) per annum from the date of eligibility to  
8 purchase the service to the date of purchase.

9 (c) A member who purchases credited service in the system as authorized  
10 in this section shall not be entitled to receive retirement benefits under the  
11 system until the date on which he or she has twenty (20) years of actual  
12 service under the system or would have had twenty (20) years of actual service  
13 under the system if the member had continued his or her employment.

14 (d) When a member purchases credited service as authorized in this  
15 section and terminates employment before his or her twentieth anniversary as a  
16 member of the system, that portion of the insurance premium tax returned to  
17 the employing city for credit to policemen's pension funds which was  
18 previously credited to the policemen's pension and relief fund for the  
19 position held by the member shall continue to be credited to that fund until  
20 the date on which the member would have been a member of the system for twenty  
21 (20) years had he or she continued employment."

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23 SECTION 2. No benefit enhancement provided for by this act shall be  
24 implemented if it would cause the publicly supported retirement system's  
25 unfunded actuarial accrued liabilities to exceed a thirty (30) year  
26 amortization. No benefit enhancement provided for by this act shall be  
27 implemented by any publicly supported system which has unfunded actuarial  
28 accrued liabilities being amortized over a period exceeding thirty (30) years  
29 until the unfunded actuarial accrued liability is reduced to a level less than  
30 the standards prescribed by Arkansas Code, Title 24.

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32 SECTION 3. All provisions of this act of a general and permanent nature  
33 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
34 Revision Commission shall incorporate the same in the Code.

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36 SECTION 4. If any provision of this act or the application thereof to

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

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

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*/s/ Pappas, et a*

*APPROVED: 3/29/1999*