

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Representative Jones

A Bill

HOUSE BILL 1256

For An Act To Be Entitled

"AN ACT TO AUTHORIZE MEMBERS OF THE PUBLIC EMPLOYEES
RETIREMENT SYSTEM (PERS) TO PURCHASE SERVICE CREDIT FOR UP
TO THREE (3) YEARS OF SERVICE TO STATE AGENCIES WHILE
EMPLOYED UNDER A FEDERAL GRANT; AND FOR OTHER PURPOSES."

Subtitle

"TO ALLOW MEMBERS OF PERS TO PURCHASE
SERVICE CREDIT FOR UP TO THREE (3) YEARS
OF SERVICE WHILE EMPLOYED UNDER FEDERAL
GRANTS."

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

SECTION 1. State service under a federal grant.

(a) From and after January 1, 1995, any person who is or was a member of the Public Employees' Retirement System shall be entitled to purchase credited service in the system for a period not to exceed three (3) years for state service under a federal grant, but only if the person:

(1) Has at least ten (10) years of credited service with the Public Employees' Retirement System;

(2) Is not receiving or was not eligible to receive any retirement benefits paid by another retirement system for the period of time for which he is claiming state service under a federal grant, except for social security benefits, if the person had left on deposit the contributions to the other system;

(3) Pays, or causes to be paid, all employee and employer contributions at the rate and based on the compensation received by the member during the period of time when the service was rendered, together with

1 interest of six percent (6%) per annum, compounded annually from the date the
2 service was rendered to the date payment is received by the system. The
3 member may purchase all of the service or any portion thereof in multiples of
4 one (1) year; and

5 (4) The payment of funds shall be made in one (1) lump,
6 *provided, that if the employee leaves state employment before seven (7) years*
7 *after the purchase of credited service under this act, the cost of the*
8 *purchased service shall be refunded to the employee and credited service*
9 *removed; and*

10 (5) Has otherwise complied with any and all other rules and
11 regulations as the Board of Trustees may from time to time adopt under this
12 section.

13 (b) As used in this section, "state service under a federal grant"
14 means service rendered to any state agency while detailed or assigned to the
15 agency under the terms of a federal grant agreement between an agency of the
16 federal government and a state agency to perform services for the state
17 agency and to be under the supervision of state administrators while being
18 paid from federal grant funds awarded to the state agency and withheld from
19 the federal grant monies.

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21 SECTION 2. All provisions of this act of general and permanent nature
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
23 Revision Commission shall incorporate the same in the Code.

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25 SECTION 3. If any provisions of this act or the application thereof to
26 any person or circumstance is held invalid, the invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provisions or application, and to this end the provisions of this
29 act are declared to be severable.

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31 SECTION 4. All laws and parts of laws in conflict with this act are
32 hereby repealed.

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/s/Rep. Jones

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As Engrossed: 4/7/95

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