

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4  
5 By: Senator Webb

## A Bill

SENATE BILL 216

### For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE § 24-2-502 TO PERMIT  
10 CERTAIN MEMBERS OF STATE SUPPORTED RETIREMENT SYSTEMS TO  
11 PURCHASE UP TO EIGHT (8) YEARS OF CREDITED SERVICE FOR  
12 MILITARY SERVICE TIME; AND FOR OTHER PURPOSES."

### Subtitle

15 "TO PERMIT CERTAIN MEMBERS OF STATE  
16 SUPPORTED RETIREMENT SYSTEMS TO PURCHASE  
17 UP TO EIGHT (8) YEARS OF CREDITED  
18 SERVICE FOR MILITARY SERVICE."

19  
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21  
22 SECTION 1. Arkansas Code § 24-2-502 is amended to read as follows:

23 "24-2-502. Purchased credited service.

24 (a) Any person who is or was a member of a state-supported retirement  
25 system in this state and who was not receiving benefits under the system on  
26 July 9, 1975, shall be entitled to purchase credited service in the system for  
27 a period not to exceed ~~five (5)~~ eight (8) years for service rendered by the  
28 member in the armed forces of the United States prior to the member's  
29 employment in a position covered by a state-supported retirement system, but  
30 only if the person:

31 (1) Has ten (10) years of credited service with the retirement  
32 system;

33 (2) Received an honorable discharge from the armed forces;

34 (3) Is not receiving federal military service retirement pay  
35 based upon nineteen (19) or more years of active duty, but disability federal  
36 retirement pay shall not disqualify a member from purchasing credit; and

1           (4)(A) For the first three (3) years of credited service,  
 2 contributes to the member's deposit account a sum of money equal to the amount  
 3 he would have contributed to the account had he been a member during his term  
 4 of military service. This amount shall be based upon his monthly contributions  
 5 at the time he first became a member of the retirement system and interest  
 6 thereon at the rate of six percent (6%), together with an amount equal to the  
 7 employer's matching contribution and interest thereon at the rate of six  
 8 percent (6%), which interest shall commence January 1, 1976, or six (6) months  
 9 after eligibility, whichever is later; and

10           (B) For the fourth ~~and fifth year~~ through the eighth years  
 11 of credited service, contributes to the members' deposit account a sum of  
 12 money equal to the amount he would have contributed to the account had he been  
 13 a member during his term of military service. This amount shall be based upon:

14           (i) His salary at the time he first became a member  
 15 of the retirement system;

16           (ii) The employer's contribution in effect at the  
 17 time he first became eligible to purchase the military service; and

18           (iii) Interest thereon on both the employee's and  
 19 employer's contributions at the rate of six percent (6%), which interest shall  
 20 commence January 1, 1976, or six (6) months after eligibility, whichever is  
 21 later.

22           (b) The benefit program to be applicable to the credited service for  
 23 members of the Arkansas Public Employees' Retirement System or the State  
 24 Police Retirement System shall be:

25           (1) The benefit program of §§ 24-3-101 - 24-3-105, 24-3-201 -  
 26 24-3-214, 24-3-301 - 24-3-303, 24-3-401 - 24-3-414, and 24-3-416 [repealed] if  
 27 the member is not making regular member contributions to the system and if he  
 28 paid no employee contribution to purchase the military service; or

29           (2) The benefit program based on §§ 24-4-101 - 24-4-105, 24-4-201  
 30 - 24-4-205, 24-4-207 - 24-4-209, 24-4-301 - 24-4-304, 24-4-401, 24-4-402,  
 31 24-4-507 - 24-4-513, 24-4-601 - 24-4-603, 24-4-605, 24-4-606 for members of  
 32 the Arkansas Public Employees' Retirement System or the benefit program based  
 33 on §§ 24-6-201 - 24-6-217, 24-6-222, and 24-6-223 for members of the State  
 34 Police Retirement System if the member is making regular member contributions  
 35 to the system.

36           (c) The provisions of this section shall be supplemental to any other

1 laws relating to state-supported retirement systems in this state. Nothing in  
2 this section shall be construed to repeal or modify any existing provisions of  
3 any state-supported retirement system law providing for credited service in  
4 the system for military service, nor to diminish the right of any member of a  
5 state-supported retirement system to obtain credited service in the system for  
6 military service under the provisions of existing laws; but in no event shall  
7 any member of a state-supported retirement system be entitled to or receive in  
8 excess of ~~five (5)~~ eight (8) years of credited service for military service  
9 rendered by the member. No member shall be eligible for credited military  
10 service in more than one (1) state-supported retirement system.

11 (d) When the applicant can obtain military service credit under this  
12 section and also under other laws relating to state-supported retirement  
13 systems in this state, then service credit shall be granted under the  
14 provisions of the laws in chronological order beginning with the earliest law;  
15 however, the laws may not be used to allow duplicate service credit."  
16

17 SECTION 2. All provisions of this act of general and permanent nature  
18 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
19 Revision Commission shall incorporate the same in the Code.  
20

21 SECTION 3. If any provisions of this act or the application thereof to  
22 any person or circumstance is held invalid, the invalidity shall not affect  
23 other provisions or applications of the act which can be given effect without  
24 the invalid provisions or application, and to this end the provisions of this  
25 act are declared to be severable.  
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27 SECTION 4. All laws and parts of laws in conflict with this act are  
28 hereby repealed.  
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