

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: S2/19/97

A Bill

SENATE BILL 404

4
5 By: Senator Hopkins
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE ~~§~~ 24-10-506 PERTAINING TO
10 THE PURCHASE OF CREDITED SERVICE IN THE LOCAL POLICE AND
11 FIRE RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."
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Subtitle

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14 "AN ACT TO AMEND ARKANSAS CODE ~~§~~ 24-10-
15 506 PERTAINING TO THE PURCHASE OF
16 CREDITED SERVICE IN THE LOCAL POLICE AND
17 FIRE RETIREMENT SYSTEM."
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 "SECTION 1. Arkansas Code 24-10-506 is amended to read as follows:

22 ~~§~~ 24-10-506. Other local police and fire service.

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

36 (b) The board shall have the authority to make the final determination

1 as to (1) the length of purchased service credit and as to (2) the amount of
2 the member and employer contributions ~~would have been for the years of~~
3 credited service, which amount is ~~, plus regular interest,~~ to be paid into
4 the system for the purchased service and as to (3) the amount of regular
5 interest to be charged.

6 (c) Service credit purchased under this section may be used to
7 determine the member's total credited service for the amount upon retirement
8 and shall not be used to determine his or her final average pay for service
9 under the system. "

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

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15 SECTION 3. If any provisions of this act or the application thereof to
16 any person or circumstance is held invalid, the invalidity shall not affect
17 other provisions or applications of the act which can be given effect without
18 the invalid provisions or application, and to this end the provisions of this
19 act are declared to be severable.

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

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24 "SECTION 5. EMERGENCY. It is found and determined by the General
25 Assembly of the State of Arkansas that the present law pertaining to the
26 purchase of credited service in the Local Police and Fire Retirement System by
27 members who have prior service with a local government covered by a municipal
28 police or firemans pension fund is being misinterpreted; that such
29 misinterpretation is resulting in an overcharge to members for the purchase of
30 that prior service; that this act clarifies that law; that until this act goes
31 into effect confusion will continue and persons seeking to purchase the former
32 service will continue to be overcharged; and therefore this act should go into
33 effect as soon as possible. Therefore, an emergency is declared to exist and
34 this act being immediately necessary for the preservation of the public peace,
35 health and safety shall become effective on the date of its approval by the
36 Governor. If the bill is neither approved nor vetoed by the Governor, it

1 shall become effective on the expiration of the period of time during which
2 the Governor may veto the bill. If the bill is vetoed by the Governor and the
3 veto is overridden, it shall become effective on the date the last house
4 overrides the veto.

5 /s/Hopkins

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