

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: S3/10/99 H3/18/99*

## A Bill

SENATE BILL 401

5 By: Senator Gwatney  
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### For An Act To Be Entitled

9 "AN ACT TO PROVIDE CREDITED SERVICE FOR PREVIOUS  
10 MILITARY SERVICE FOR MEMBERS OF THE ARKANSAS LOCAL  
11 POLICE AND FIRE RETIREMENT SYSTEM; AND FOR OTHER  
12 PURPOSES. "  
13

### Subtitle

14 "TO PROVIDE CREDITED SERVICE FOR MILITARY  
15 SERVICE FOR LOPFI MEMBERS. "  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Any person who is or was a member of the Arkansas Local  
22 Police and Fire Retirement System, and who was not receiving benefits under  
23 the system on January 1, 1999, shall be entitled to purchase credited service  
24 in the system for a period not to exceed two (2) years, for service rendered  
25 by the member while on active duty in the armed forces of the United States  
26 prior to the member's employment covered by the Local Police and Fire  
27 Retirement System but only if:

28 (1) The person received an honorable discharge from the armed forces;

29 (2) The person is not receiving federal military service retirement pay  
30 based upon nineteen (19) or more years of active duty; however, disability  
31 federal retirement pay shall not disqualify a member from purchasing credit;  
32 and

33 (3) The person does the following: if he or she has participated in the  
34 system for at least sixteen (16) years or takes medical disability, he or she  
35 contributes to the member's deposit account a sum of money equal to the amount  
36 of the combined employee and employer contribution made by or on behalf of the

1 member to the system based upon the contributions for the last month of the  
2 employee's sixteenth (16<sup>th</sup>) year of service or if the employee has taken  
3 medical disability, the last month of the employee's last year of service  
4 prior to taking disability, multiplied by the number of months of military  
5 service the member is eligible for and desires to purchase under this section  
6 with interest thereon at the rate of six percent (6%) per annum from the date  
7 of eligibility to purchase the service to the date of purchase.

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

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

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

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

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31 SECTION 6. EMERGENCY CLAUSE. It is found and determined by the General  
32 Assembly that members of the Arkansas Local Police and Fire Retirement System  
33 should be entitled to purchase credited service for military service; that  
34 this act corrects an inequity in the retirement system and should be given  
35 immediate effect. Therefore, an emergency is declared to exist and this act  
36 being immediately necessary for the preservation of the public peace, health

1 and safety shall become effective on the date of its approval by the Governor.  
2 If the bill is neither approved nor vetoed by the Governor, it shall become  
3 effective on the expiration of the period of time during which the Governor  
4 may veto the bill. If the bill is vetoed by the Governor and the veto is  
5 overridden, it shall become effective on the date the last house overrides the  
6 veto.

7 /s/ Gwatney

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