

1 State of Arkansas  
2 82nd General Assembly  
3 Regular Session, 1999

# A Bill

SENATE BILL 406

4  
5 By: Senator Webb  
6  
7

## For An Act To Be Entitled

8  
9 "AN ACT TO AMEND ARKANSAS CODE 24-4-516 PERTAINING TO  
10 THE PURCHASE OF CREDITED SERVICE FOR WORK-RELATED  
11 INJURIES UNDER THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
12 (PERS); AND FOR OTHER PURPOSES."  
13

## Subtitle

14  
15 "TO AMEND THE PERS LAWS PERTAINING TO THE  
16 PURCHASE OF CREDITED SERVICE FOR WORK-  
17 RELATED INJURIES."  
18  
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
21

22 SECTION 1. Arkansas Code § 24-4-516 is amended to read as follows:

23 "24-4-516. Credit for lost credited service due to work-related injury.

24 (a) Any member of the Arkansas Public Employees' Retirement System who  
25 suffers from or who has suffered in the past from a work-related injury for  
26 which workers' compensation benefits were paid under the workers' compensation  
27 laws, and whose annuity from the system would otherwise be reduced due to the  
28 reduced salary and lost credited service, shall be entitled to obtain credited  
29 service for the actual time period of reduced salary and lost service credit  
30 by paying to the system all employee contributions at the rate and on the  
31 compensation that would have been paid had he been a member of the system  
32 during that time, all employer contributions based on the employer normal cost  
33 from the most recently completed regular annual actuarial valuation and the  
34 compensation that would have been paid had he been a member during that time,  
35 and ~~regular~~ interest at the rate of five percent (5%) per annum on the  
36 employee and employer contributions computed from the date the service would

1 have been rendered to the date the payment is received by the system.

2 (b) Provided, however, at the discretion of the employer, any employer  
3 under the system may elect to implement a policy to pay the employer's portion  
4 of any contributions that an employee would otherwise be responsible to pay  
5 under this section to receive the service credit."

6  
7 SECTION 2. No benefit enhancement provided for by this act shall be  
8 implemented if it would cause the publicly supported retirement system's  
9 unfunded actuarial accrued liabilities to exceed a thirty (30) year  
10 amortization. No benefit enhancement provided for by this act shall be  
11 implemented by any publicly supported system which has unfunded actuarial  
12 accrued liabilities being amortized over a period exceeding thirty (30) years  
13 until the unfunded actuarial accrued liability is reduced to a level less than  
14 the standards prescribed by Arkansas Code, Title 24.

15  
16 SECTION 3. All provisions of this act of a general and permanent nature  
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
18 Revision Commission shall incorporate the same in the Code.

19  
20 SECTION 4. If any provision of this act or the application thereof to  
21 any person or circumstance is held invalid, such invalidity shall not affect  
22 other provisions or applications of the act which can be given effect without  
23 the invalid provision or application, and to this end the provisions of this  
24 act are declared to be severable.

25  
26 SECTION 5. All laws and parts of laws in conflict with this act are  
27 hereby repealed.

28  
29  
30  
31  
32  
33  
34  
35  
36