

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

As Engrossed: S3/14/13

# A Bill

SENATE BILL 202

5 By: Senator B. Sample  
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## For An Act To Be Entitled

8 AN ACT TO ALLOW CERTAIN MEMBERS OF THE GENERAL  
9 ASSEMBLY TO OPT OUT OF MEMBERSHIP IN THE ARKANSAS  
10 PUBLIC EMPLOYEES' RETIREMENT SYSTEM; TO DECLARE AN  
11 EMERGENCY; AND FOR OTHER PURPOSES.  
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## Subtitle

14 TO ALLOW CERTAIN MEMBERS OF THE GENERAL  
15 ASSEMBLY TO OPT OUT OF MEMBERSHIP IN THE  
16 ARKANSAS PUBLIC EMPLOYEES' RETIREMENT  
17 SYSTEM AND TO DECLARE AN EMERGENCY.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code § 24-4-301(a)(2), concerning membership in  
24 the Arkansas Public Employees' Retirement System as a condition of  
25 employment, is amended to add an additional subdivision to read as follows:

26 (C)(i)(a) An active member of the General Assembly may  
27 elect to rescind his or her coverage in the Arkansas Public Employees'  
28 Retirement System attributable to his or her service as a member of the  
29 General Assembly if he or she is:

30 (1) Retired from a reciprocal system as  
31 defined under § 24-2-401; or

32 (2) Concurrently earning service credit  
33 from his or her employment with another state employer, other than as a  
34 public safety member or as an elected official, participating in the Arkansas  
35 Public Employees Retirement System.

36 (b) The contributions made:



1 (1) By the member of the General  
2 Assembly shall be returned to the member; and

3 (2) By the State on behalf of the member  
4 for his or her service as a member of the General Assembly shall be returned  
5 to the state.

6 (c) The member's service credit earned as a  
7 member of the General Assembly shall be cancelled.

8 (ii) An active member of the Arkansas Public  
9 Employees Retirement System who has rescinded his or her coverage in the  
10 Arkansas Public Employees Retirement System may purchase his or her past  
11 General Assembly service credit if:

12 (a)(1) The member pays or causes to be paid,  
13 all of the employer and employee contributions based on the employer's normal  
14 cost from the most recent actuarial valuation and the compensation that would  
15 have been paid had he or she been a General Assembly member of the Arkansas  
16 Public Employees' Retirement System during that time, and regular interest on  
17 these contributions computed from the date the service was rendered to the  
18 date payment is received by the Arkansas Public Employees' Retirement System.

19 (2) The member may pay for all prior  
20 General Assembly service, or a portion of the prior service, consisting of  
21 one-year increments; and

22 (b) The payment is a lump sum.

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24 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
25 General Assembly of the State of Arkansas that members of the General  
26 Assembly are required to become members of the Arkansas Public Employees'  
27 Retirement System; that members of the General Assembly are required to have  
28 ten (10) or more years of actual service to be eligible for benefits under  
29 the system; that some members of the General Assembly are retired from other  
30 reciprocal systems in the state and may not serve as public employees under  
31 the system for ten (10) or more years; that the state is making contributions  
32 on behalf of these members of the General Assembly; that it is in the best  
33 interests of the state to allow certain members of the General Assembly to  
34 opt out of membership in the system; and that this act is necessary because  
35 the ideal time to make revisions to the system is at the beginning of the  
36 fiscal year, which starts on July 1 of each year. Therefore, an emergency is

1 declared to exist, and this act being necessary for the preservation of the  
2 public peace, health, and safety shall become effective on July 1, 2013.

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