

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4

As Engrossed: S3/9/15

# A Bill

SENATE BILL 169

5 By: Senator B. Sample  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAWS CONCERNING THE ARKANSAS  
9 PUBLIC EMPLOYEES' RETIREMENT SYSTEM; CONCERNING THE  
10 ELIGIBILITY OF PARTICIPATING EMPLOYERS IN THE  
11 ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM THAT ARE  
12 NOT AGENCIES OR INSTRUMENTALITIES OF THE STATE OF  
13 ARKANSAS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
14 PURPOSES.

## Subtitle

15  
16  
17 CONCERNING THE ELIGIBILITY OF CERTAIN  
18 PARTICIPATING EMPLOYERS IN THE ARKANSAS  
19 PUBLIC EMPLOYEES' RETIREMENT SYSTEM; AND  
20 TO DECLARE AN EMERGENCY.  
21  
22  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 SECTION 1. Arkansas Code Title 24, Chapter 4, Subchapter 2, is amended  
27 to add an additional section to read as follows:

28 24-4-213. Eligibility of participating employers in the Arkansas  
29 Public Employees' Retirement System that are not agencies or  
30 instrumentalities of the State of Arkansas.

31 (a) To ensure the tax-qualified status of the Arkansas Public  
32 Employees' Retirement System under the Internal Revenue Code, 26 U.S.C. § 1  
33 et seq., the Arkansas Municipal League and the Association of Arkansas  
34 Counties shall take the following actions by July 1, 2015:

35 (1) Comply with the fiscal management laws of the State of  
36 Arkansas and submit to audits by the Division of Legislative Audit under the



1 Arkansas Governmental Compliance Act, § 10-4-301 et seq., and § 10-4-401 et  
2 seq.;

3 (2) Comply with the accounting and budgetary laws governing  
4 state agencies, including without limitation the General Accounting and  
5 Budgetary Procedures Law, § 19-4-101 et seq., and receive an appropriation  
6 for the expenditures of the Arkansas Municipal League and of the Association  
7 of Arkansas Counties from the General Assembly in the same manner as state  
8 agencies; and

9 (3) Comply with the Uniform Classification and Compensation Act,  
10 § 21-5-201 et seq.

11 (b) If the Arkansas Municipal League or the Association of Arkansas  
12 Counties, or both, fail to comply with subsection (a) of this section by July  
13 1, 2015:

14 (1) Current and former employees of the Arkansas Municipal  
15 League and the Association of Arkansas Counties shall be removed from the  
16 Arkansas Public Employees' Retirement System;

17 (2) Employees of the Arkansas Municipal League and the  
18 Association of Arkansas Counties not yet vested in the Arkansas Public  
19 Employees' Retirement System shall receive a refund of their contributions;

20 (3) Retirement service credit for employees of the Arkansas  
21 Municipal League and the Association of Arkansas Counties not yet vested in  
22 the Arkansas Public Employees' Retirement System shall be deleted from their  
23 service record; and

24 (4) Current employees of the Arkansas Municipal League and the  
25 Association of Arkansas Counties vested in the Arkansas Public Employees'  
26 Retirement System and vested deferred employees of the Arkansas Municipal  
27 League and the Association of Arkansas Counties shall:

28 (A) Receive the present dollar value of their actuarially  
29 accrued benefit with the Arkansas Public Employees' Retirement System; and

30 (B) Have associated retirement service credit deleted from  
31 their record.

32  
33 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
34 General Assembly of the State of Arkansas that the Arkansas Public Employees'  
35 Retirement System must meet certain federal criteria to ensure the tax-  
36 qualified status of the Arkansas Public Employees' Retirement System under

1 the Internal Revenue Code, 26 U.S.C. § 1 et seq.; and that this act is  
2 immediately necessary to ensure that the Arkansas Public Employees'  
3 Retirement System meets these criteria and maintains its tax-qualified  
4 status. Therefore, an emergency is declared to exist, and this act being  
5 immediately necessary for the preservation of the public peace, health, and  
6 safety shall become effective on:

7 (1) The date of its approval by the Governor;

8 (2) If the bill is neither approved nor vetoed by the Governor,  
9 the expiration of the period of time during which the Governor may veto the  
10 bill; or

11 (3) If the bill is vetoed by the Governor and the veto is  
12 overridden, the date the last house overrides the veto

13  
14 /s/B. Sample  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36