

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
89th General Assembly  
Regular Session, 2013

As Engrossed: S3/14/13  
**A Bill**

SENATE BILL 202

By: Senator B. Sample

### **For An Act To Be Entitled**

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

### **Subtitle**

TO ALLOW CERTAIN MEMBERS OF THE GENERAL ASSEMBLY TO OPT OUT OF MEMBERSHIP IN THE ARKANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 24-4-301(a)(2), concerning membership in the Arkansas Public Employees' Retirement System as a condition of employment, is amended to add an additional subdivision to read as follows:

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

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

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

(b) The contributions made:



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

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

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

(ii) An active member of the Arkansas Public Employees Retirement System who has rescinded his or her coverage in the Arkansas Public Employees Retirement System may purchase his or her past General Assembly service credit if:

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

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

(b) The payment is a lump sum.

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

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

*/s/B. Sample*