

As Engrossed: 1/23/91 3/19/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative B. Wood**

A BILL ACT 757 OF 1991
HOUSE BILL 1061

For An Act To Be Entitled

8 "AN ACT TO AMEND TITLE 24, CHAPTER 4, SUBCHAPTER 5 OF THE
9 ARKANSAS CODE OF 1987, TO PROVIDE SERVICE CREDIT TO
10 EMPLOYEES WHO WORK LESS THAN FULL TIME; AND FOR OTHER
11 PURPOSES."

12
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

14
15 SECTION 1. Arkansas Code §24-4-507(a) is hereby amended to read as
16 follows:

17 "(a) (1) The board shall determine, by appropriate rules and regulations
18 consistent with the provisions of this act, the amount of service to be
19 credited any member for any fiscal year.

20 (2) (A) For periods of time prior to July 1, 1991, in no case
21 shall less than ten (10) days of service rendered by a member in any calendar
22 month be credited as a month of service; nor shall less than eleven (11)
23 months of service rendered by a member in any fiscal year be credited as a
24 year of service unless the member is *employed* by the state blind and deaf
25 schools, the state colleges and universities, and the public schools of the
26 state *in which case nine (9) months would constitute a year of credited*
27 *service.*

28 (B) For periods of time prior to July 1, 1991, in no case
29 can less than nine (9) months of service rendered in any fiscal year be
30 credited as a full year of service.

31 (3) (A) Beginning July 1, 1992, and thereafter, service rendered
32 by a member in any calendar month shall be credited as service based upon the
33 member's number of hours of service in such month and in accordance with the
34 following schedule:

35 80 or more hours of service	one month
36 60 hours up to less than 80 hours	three/fourths month

1	40 hours up to less than 60 hours	one-half month
2	20 hours up to less than 40 hours	one-quarter month
3	less than 20 hours	no credit

4 (B) Beginning July 1, 1991, in no case shall less than
5 eleven (11) months of service rendered by a member in any fiscal year be
6 credited as a full year of service, except that such minimum shall be lowered
7 to nine (9) months for a member whose covered employment is employment with
8 the state blind and deaf schools, the state colleges and universities, and the
9 public schools.

10 (4) Prior service credits shall not be granted to any member who
11 did not become a member of the system on the date his public employer became a
12 participating public employer, nor shall current service credit be granted any
13 member for any period of time not covered by accumulated contributions
14 standing to his credit in the members deposit account, except as otherwise
15 provided in this act."

16

17 SECTION 2. Arkansas Code §24-4-101(7) (A) is hereby amended to read as
18 follows:

19 "(7) (A) 'Employees' means all officers and employees of any office,
20 agency, board, commission, or department of a public employer whose
21 compensations were, or are, payable from funds appropriated by the public
22 employer and all otherwise eligible employees whose compensations were, or
23 are, payable in whole or part from federal funds, as well as the official
24 court reporters and stenographers of the circuit and chancery courts of the
25 state and all of the prosecuting attorneys of the judicial districts of
26 Arkansas. In addition, the term 'employees' shall, effective July 1, 1983,
27 include those persons who are eligible for benefits from the Teachers
28 Insurance and Annuity Association (TIAA) but who are otherwise eligible for
29 participation in the system due to employment with a public employer; however,
30 the term 'employees' shall not include those persons who are receiving or who
31 begin receiving TIAA benefits while still participating in the system;

32 Any person who has heretofore been denied coverage under the system due
33 to the fact that the person was eligible for benefits from a local firemen's
34 or policemen's pension fund or TIAA shall, from the dates of February 11,
35 1976, and July 1, 1983, respectively become a member of the system if in an

1 otherwise eligible position due to his employment with a public employer and
2 may, at the employee's option, receive credit for service rendered to a
3 participating public employer before that date, subject to the following
4 conditions:

5 (i) The person is a participating employee covered under the
6 system at the time of the purchase; or, if not participating in the system,
7 the person shall be eligible to purchase the service if the person was in an
8 otherwise eligible position on July 1, 1982, and all contributions and
9 interest were received by the system before January 1, 1984; and

10 (ii) The member pays, or causes to be paid, all employer or
11 employee contributions at the rate and based on the compensation received by
12 the persons during the period of time when the service was rendered, together
13 with interest of six percent (6%) per annum, compounded annually from the date
14 the service was rendered to the date payment is received by the system. The
15 member may purchase all of the service or any portion thereof in multiples of
16 one (1) year;

17 (iii) The payment of funds shall be made in one (1) lump sum;

18 Any person who has heretofore been denied coverage under the system due
19 to the fact that the person was or is paid from a grant instead of funds
20 appropriated by the public employer, shall from July 1, 1991 become a member
21 of the system if in an otherwise eligible position due to his being an
22 employee of a public employer, and a member may at his option receive credit
23 for service rendered before that date as an employee paid from a grant,
24 subject to the following conditions:

25 (i) The member is a participating employee covered under the
26 system at the time of the purchase; and

27 (ii) The member furnishes proof, in a form required by the
28 system, of the service and compensation received; and

29 (iii) The member pays, or causes to be paid, all employee and
30 employer contributions at the rate and based on the compensation received by
31 the member during the period of time when the service was rendered, together
32 with interest of six percent (6%) per annum, compounded annually from the date
33 the service was rendered to the date payment is received by the system. The
34 member may purchase all of the service or any portion thereof in multiples of
35 one (1) year; and

