

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representative Stephens**

A Bill

HOUSE BILL 1066

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 24-3-214 TO ALLOW THOSE
9 ACTIVE EMPLOYEES OF DHS-REHABILITATION SERVICES DIVISION
10 WHO PAID MONIES INTO THE TEACHER RETIREMENT SYSTEM PRIOR
11 TO JANUARY 1, 1978 TO RECEIVE A BENEFITS BASED ON THE
12 CURRENT BENEFIT PROVISIONS FOR SERVICE UNDER THE TEACHER
13 RETIREMENT SYSTEM; TO AMEND ARKANSAS CODE §§ 24-7-701 AND
14 24-7-702 TO ALLOW FOR QUARTERLY RETIREMENT IN THE TEACHER
15 RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

Subtitle

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18 "AN ACT TO ALLOW CERTAIN EMPLOYEES OF DHS-REHABILITATION
19 SERVICES TO RECEIVE BENEFITS AND TO ALLOW FOR QUARTERLY
20 RETIREMENT IN THE TEACHER RETIREMENT SYSTEM."

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

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24 SECTION 1. Subsection (c) of Arkansas Code § 24-3-214 is hereby amended
25 to read as follows:

26 "(c)(1) The benefit provisions of this chapter, including death and
27 disability benefits, shall apply to all credited service rendered before or
28 after the date of election of employees of the Department of Human Services in
29 either the Teacher Retirement System or the Arkansas Public Employees'
30 Retirement System.

31 (2)(A) Employees of the Department of Human Services, including
32 Division of Rehabilitation Services employees, shall be entitled to the
33 benefit amount computed by applying the benefit provisions prescribed by this
34 chapter for all credited service rendered before and after January 1, 1978,
35 except that benefit amounts based upon employment before January 1, 1978,

1 shall not be less than benefit amounts computed in accordance with benefit
2 provisions in effect December 31, 1977.

3 (B) On and after January 1, 1993, Division of Rehabilitation
4 Services employees who elected to be covered by the provisions of this
5 subsection and who are still active employees on January 1, 1993 shall be
6 entitled to the benefit amount computed by applying the benefit provisions
7 prescribed by this chapter for all credited service rendered before and after
8 January 1, 1978, except that benefit amounts based upon employment before
9 January 1, 1978, shall be computed in accordance with current benefit
10 provisions in effect for the Teacher Retirement System at the time of their
11 retirement.

12 (3) In computing the benefit under the benefit provisions of this
13 chapter, the final average salary shall be computed upon all service before
14 and after the election of the Division of Rehabilitation Services employee as
15 provided in § 24-3-102(8)."

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17 SECTION 2. Arkansas Code § 24-7-701 is hereby amended to read as
18 follows:

19 "24-7-701. Voluntary retirement.

20 (a) An active member who either attains age sixty (60) years and has
21 ten (10) or more years of credited service or who has thirty (30) or more
22 years of credited service regardless of age may voluntarily retire upon his
23 written application filed with the board.

24 (b) Upon his retirement, he shall receive an annuity as provided for in
25 § 24-7-705.

26 (c) The annuity shall begin the first day of the calendar month next
27 following the latest of:

28 (1) One (1) month after the date the written application is filed
29 with the board;

30 (2) His termination of active membership;

31 (3) His attainment of the minimum age; or

32 (4) His completion of the minimum years of credited service.

33 (d) If a member is retiring with an effective date other than July 1
34 and if the member wishes credit for service within the current fiscal school
35 year, the member may retire effective the first day of a calendar quarter

1 within that fiscal year subject to the following limitations:

2 (1) no salary for service within that fiscal year shall be
3 considered in determining final average salary; and

4 (2) credited service for service within that fiscal year shall
5 not exceed one-quarter year for each full calendar quarter elapsed since the
6 beginning of that fiscal year.

7 (e) If a member has signed an employment contract for a fiscal school
8 year and been paid in full for that fiscal school year, in no event shall the
9 annuity begin earlier than the July 1 next following that fiscal school year.
10 If a member has signed an employment contract for a fiscal school year and if
11 that contract is not completed, the member may receive credit for service
12 within the current fiscal year as provided in subsection (d) of this section.

13 (f) The benefits provided by this section shall also be available to an
14 inactive member with thirty (30) or more years of credited service."
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16 SECTION 3. Arkansas Code § 24-7-702 is hereby amended to read as
17 follows:

18 "24-7-702. Early voluntary retirement.

19 (a) An active member who has twenty-five (25) or more years of credited
20 service but has not attained age sixty (60) years and is not eligible for
21 retirement under the provisions of § 24-7-701 may voluntarily retire early
22 upon his written application filed with the board.

23 (b) (1) Upon an active member's retirement as provided in this section,
24 he shall receive, in lieu of any other system benefit, an early annuity which
25 shall be a certain percent of an annuity provided for in § 24-7-705.

26 (2) The percent shall be one hundred percent (100%) reduced by
27 five-twelfths of one percent (5/12 of 1%) multiplied by the number of months
28 by which the time of early retirement precedes the earlier of either
29 completion of thirty (30) years of credited service or attainment of age sixty
30 (60) years.

31 (c) The annuity shall begin the first day of the calendar month next
32 following the latest of:

33 (1) One (1) month after the date the written application is filed
34 with the board;

35 (2) His termination of active membership; or

1 (3) His completion of the required credited service.

2 (d) If a member is retiring with an effective date other than July 1
3 and if the member wishes credit for service within the current fiscal school
4 year, the member may retire effective the first day of a calendar quarter
5 within that fiscal year subject to the following limitations:

6 (1) no salary for service within that fiscal year shall be
7 considered in determining final average salary; and

8 (2) credited service for service within that fiscal year shall
9 not exceed one-quarter year for each full calendar quarter elapsed since the
10 beginning of that fiscal year.

11 (e) If a member has signed an employment contract for a fiscal school
12 year and been paid in full for that fiscal year, in no event shall the annuity
13 begin earlier than the July 1 next following that fiscal school year. If a
14 member has signed an employment contract for a fiscal school year and that
15 contract is not completed, the member may receive credit for service within
16 the current fiscal year as provided in subsection (d) of this section."

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18 SECTION 4. All provisions of this act of general and permanent nature
19 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
20 Revision Commission shall incorporate the same in the Code.

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22 SECTION 5. If any provisions of this act or the application thereof to
23 any person or circumstance is held invalid, the invalidity shall not affect
24 other provisions or applications of the act which can be given effect without
25 the invalid provisions or application, and to this end the provisions of this
26 act are declared to be severable.

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28 SECTION 6. All laws and parts of laws in conflict with this act are
29 hereby repealed.

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/s/Bill Stephens

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