

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

# **A Bill**

**ACT 1091 OF 1993**  
**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**

17  
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:

23

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,  
36 shall not be less than benefit amounts computed in accordance with benefit

1 provisions in effect December 31, 1977.

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

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

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

18 "24-7-701. Voluntary retirement.

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

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

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

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

29 (2) His termination of active membership;

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

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

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

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

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

6           (e) If a member has signed an employment contract for a fiscal school  
7 year and been paid in full for that fiscal school year, in no event shall the  
8 annuity begin earlier than the July 1 next following that fiscal school year.

9           If a member has signed an employment contract for a fiscal school year and if  
10 that contract is not completed, the member may receive credit for service  
11 within the current fiscal year as provided in subsection (d) of this section.

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

17           "24-7-702. Early voluntary retirement.

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

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

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

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

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

34           (2) His termination of active membership; or

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

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

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

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

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

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

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

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

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*/s/Bill Stephens*

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APPROVED: 04/13/93

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