1       State of Arkansas       A Bill         2       86th General Assembly       A Bill         3       Regular Session, 2007       HOUSE BILL 2555         4       By: Representative D. Johnson         6       6       For An Act To Be Entitled         9       AN ACT REQUIRING INSTITUTIONS OF HIGHER EDUCATION         10       TO NOTIFY NEW EMPLOYEES CONCERNING THEIR         11       RETIREMENT PLAN OPTIONS; AND FOR OTHER PURPOSES.         12       1         13       Subtitle         14       AN ACT REQUIRING INSTITUTIONS OF HIGHER         15       EDUCATION TO NOTIFY NEW EMPLOYEES         16       CONCERNING THEIR RETIREMENT PLAN         17       OPTIONS.         18       EE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS;         19       BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS;         10       SECTION 1. Arkansas Code § 24-7-807 is amended to read as follows;         12       SECTION 1. Arkansas Code § 24-7-807 is amended to read as follows;         13       Caracter and the ast follows;         14       Participation in an alternate retirement plan established pursuant to         15       subchapter shall be as follows;         16       (1) Any staff member employed or appoint		Stricken language would be deleted from and underlined language would be added to the law as it exist prior to this session of the General Assembly. Act 831 of the Regular Session	ed
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30 university prior to July 1, 1969, who is a member of the retirement system			;
31 shall continue in such membership or shall participate in the alternate			
<pre>32 retirement plan, as provided in this subchapter; 22 (2)(A) Any staff member employed or experimted by a college or</pre>			
33 (3)(A) Any staff member employed or appointed by a college or 34 university with forer than top (10) years of member service in the retirement			-n+
34 university with fewer than ten (10) years of member service in the retirement 35 system may elect to terminate his or her membership in the retirement system			



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1 and participate in the alternate retirement plan established by the employing 2 college or university.

3 (B) The election shall be in writing and filed with the 4 retirement system and the disbursing officer of the employing college or 5 university within one (1) year after he or she becomes eligible to 6 participate in the alternate retirement plan, except that, on or after July 7 1, 1993, until December 31, 1993, any staff member employed or appointed by a 8 college or university who has fewer than ten (10) years of member service in 9 the retirement system and who has not already so elected may elect to 10 terminate his or her membership in the retirement system and participate in 11 the alternate retirement plan established by the employing college or 12 university. The election shall be in writing and filed with the retirement system and the disbursing officer of the employing college or university. 13 14 (C) All accumulated contributions to the credit of the 15 staff member in the members' deposit account which is maintained pursuant to 16 the provisions of § 24-7-406 shall be returned to the staff member, and all

17 of his or her credited service under the retirement system shall be 18 cancelled;

19 (4)(A)(i) Any staff member employed or appointed by a college or 20 university with five (5) or more years of actual service who elects to 21 participate only in the alternate retirement plan and who has left his or her 22 contributions in the retirement system shall be eligible to receive an 23 annuity on or after attaining sixty (60) years of age and on his or her 24 retirement from covered employment.

25 (ii) The amount of the annuity shall be determined 26 by the benefit formula of the retirement system at the time of his or her 27 retirement.

(B) The election authorized under subdivision (4)(A) of this section shall be made in writing and filed with the retirement system and with the disbursing officer of the employing college or university on or before July 1 of the year in which the person makes the election to participate in the alternate retirement plan.

33 (C) The person's annuity shall begin on the first day of 34 the month following the date his or her application for retirement is filed 35 with the board of trustees on or after his or her attainment of age sixty 36 (60);

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1 (5)(A)(i) Any Department of Higher Education employee who 2 transferred from another state department covered by a state-supported 3 retirement system may elect to participate in an alternate retirement plan. 4 The employee shall file written notice of his (ii) 5 or her election with the Director of the Department of Higher Education. 6 (B)(i) Any department employee with five (5) or more years 7 of actual service who elects to participate only in the alternate retirement 8 plan and who has left his or her contributions in the retirement system shall 9 be eligible to receive an annuity on or after attaining the normal retirement 10 age and on his or her retirement from covered employment. 11 (ii) The amount of the annuity shall be determined 12 by the benefit formula of the retirement system at the time of his or her 13 retirement. 14 (C)(i) The election authorized under this subdivision (5) 15 shall be made in writing and filed with the retirement system and with the 16 director on or before July 1 of the year in which the person makes the 17 election to participate in the alternate retirement plan. 18 (ii) The person's annuity shall begin on the first 19 day of the month following the date his or her application for retirement is filed with the board of trustees on or after his or her attainment of normal 20 21 retirement age and on his or her retirement from covered employment. 22 (D)(i) Effective July 1, 2001, staff members who elect to 23 participate in an alternate retirement plan may elect to become members of 24 the retirement system. (ii) Service credit forfeited while a member of an 25 26 alternate retirement plan cannot be established in the retirement system. 27 (iii) The election to withdraw from the alternate 28 retirement plan and become a member of the retirement system shall be made by 29 December 31, 2001, and notice of the election shall be made in writing and 30 filed with the retirement system and the disbursing officer of the employing 31 college or university by December 31, 2001. 32 (6)(A) Each college or university shall provide to each new 33 employee of the college or university a written document explaining to the 34 employee each of his or her retirement plan options. 35 (B) The written document shall contain a line for the

36 <u>employee's signature verifying that he or she understands his or her</u>

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1	retirement plan	option	15.					
2		(C)	The signed d	ocume	nt shall	be added t	o the emp	loyee's
3	personnel file.							
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