

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

A Bill

ACT 739 OF 1997
HOUSE BILL 1248

4
5 By: Representative Faris
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE § 24-7-602 TO GRANT ACCRUED
10 BENEFITS TO MEMBERS OF THE TEACHER RETIREMENT SYSTEM WHO
11 LEAVE EMPLOYMENT TO SERVE IN THE UNIFORMED SERVICES OF THE
12 UNITED STATES AND WHO LATER RETURN TO BE REEMPLOYED; TO
13 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

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15 "TO GRANT ACCRUED BENEFITS TO MEMBERS OF
16 THE TEACHER RETIREMENT SYSTEM WHO LEAVE
17 EMPLOYMENT TO SERVE IN THE UNIFORMED
18 SERVICES OF THE UNITED STATES."
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 24-7-602 is amended to read as follows:

24 "24-7-602. Military service.

25 (a) In the event an active member enters the armed forces of the United
26 States during any period of compulsory military service, the armed service
27 actually required of him shall be credited him as service under this
28 subchapter, but only if he returns to the system the amount, if any, he may
29 have received therefrom at the time he entered or while in the armed service,
30 together with regular interest from the date of withdrawal to the date of
31 repayment.

32 (b) During the period of armed service and until his return as an
33 employee, his contributions to the system shall be suspended, and any balance
34 remaining to his credit in the members' deposit account shall be accumulated
35 at regular interest.

36 (c) A person who entered the armed forces and who was not an active

1 member at the time of entry shall have the armed service actually required of
2 him credited as service under this subchapter if he satisfies all of the
3 following conditions:

4 (1) He completes ten (10) years of credited service for service
5 in Arkansas; and

6 (2) The armed service is not credited as service under any other
7 retirement plan except social security. Receipt of a disability pension from
8 the federal military system shall not be considered as having service credit
9 with another retirement plan.

10 (d) If mandated by federal law prior to December 12, 1994, armed
11 service not otherwise creditable under the provisions of this section shall be
12 creditable, provided the member pays both the employee and employer
13 contributions required by the system, plus ~~regular~~ interest from the date of
14 discharge from active duty until paid in full.

15 (e)(1) Effective December 12, 1994, a member who leaves employment with
16 a school to serve, on a voluntary or involuntary basis, in the uniformed
17 services of the United States, and returns to employment with a school, shall
18 be treated as not having incurred a break in service with the employer. The
19 employer shall certify to the System that re-employment was in accordance with
20 the requirements set forth in Section 4312 of P.L. 103-353, the uniformed
21 Services Employment and Reemployment Act of 1994.

22 (2) Under this subsection, uniformed services of the United
23 States is limited to the Armed Forces, the Army and the Air National Guard
24 when engaged in active duty for training, inactive duty training, or full-time
25 National Guard duty, the commissioned corps of the Public Health Service, and
26 any other category of persons designated by the President in time of war or
27 emergency.

28 (3) The cumulative length of the absence from a position of
29 employment with the employer by reason of service in the uniformed services
30 shall not exceed five (5) years

31 (4) A member reemployed under this subsection shall be entitled
32 to accrue benefits for the time he served in the uniformed services by paying
33 the employee contributions set forth in Arkansas Code § 24-7-406.

34 (5) An employer reemploying a member under this subsection shall
35 pay to the system the employer contributions due for the time the member
36 served in the uniformed services and shall be that required by Arkansas Code §

1 24-3-103, however, should a member not pay the employee contributions due,
 2 then no employer contributions shall be due.

3 (6) For the purposes of determining the employee and employer
 4 contributions due, the member's compensation during the period of service in
 5 the uniformed services shall be computed at:

6 (A) the rate the member would have received had he not
 7 served in the uniformed services; or

8 (B) the member's average compensation level during the
 9 twelve (12) month period, or shorter, if applicable, immediately preceding the
 10 service.

11 (7) If both employee and employer contributions are not paid, the
 12 member shall not be entitled to any accrued benefits for the time served in
 13 the uniformed services.

14 ~~——(e)(f)~~ In no event shall a person be credited with a total of more than
 15 five (5) years of armed service, except that service credited under subsection
 16 (e) of this section shall be in addition to that amount.

17 ~~——(f)(g)~~ In any case of doubt as to the period of the armed service to be
 18 credited a member, the board shall have the power to determine the period."

20 SECTION 2. The provisions of this act shall be effective from and after
 21 December 12, 1994 and shall be retroactive to that date.

23 SECTION 3. All provisions of this act of general and permanent nature
 24 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 25 Revision Commission shall incorporate the same in the Code.

27 SECTION 4. If any provisions of this act or the application thereof to
 28 any person or circumstance is held invalid, the invalidity shall not affect
 29 other provisions or applications of the act which can be given effect without
 30 the invalid provisions or application, and to this end the provisions of this
 31 act are declared to be severable.

33 SECTION 5. All laws and parts of laws in conflict with this act are
 34 hereby repealed.

36 SECTION 6. Emergency. It is hereby found and determined by the Eighty-

1 First General Assembly of the State of Arkansas that the provisions of
2 Arkansas Teacher Retirement laws are not in compliance with requirements under
3 federal law and that it is necessary to bring the laws of the State of
4 Arkansas into agreement with those requirements as soon as possible.
5 Therefore, in order for this act to have immediate and retroactive effect, an
6 emergency is hereby declared to exist, and this act being necessary for the
7 immediate preservation of the public peace, health, and safety, shall become
8 effective on the date of its approval by the Governor. If the bill is neither
9 approved or vetoed by the Governor, it shall become effective on the
10 expiration of the period of time during which the Governor may veto the bill.
11 If the bill is vetoed by the Governor and the veto is overridden, it shall
12 become effective on the date the last house overrides the veto.

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APPROVED: 3-21-97