

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4
5 By: Senator P. Malone
6

A Bill

SENATE BILL 116

For An Act To Be Entitled

8 AN ACT TO CLARIFY THE REQUIREMENTS FOR RECIPROCAL
9 SERVICE CREDITS FOR PUBLIC EMPLOYEES; TO DECLARE AN
10 EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

14 TO CLARIFY THE REQUIREMENTS FOR
15 RECIPROCAL SERVICE CREDITS FOR PUBLIC
16 EMPLOYEES; TO DECLARE AN EMERGENCY.

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 24-2-402(2)(B) and (C), concerning
22 reciprocal service eligibility, are amended to read as follows:

23 (B) In addition to the forfeited credited service, the active
24 member of a reciprocal system shall receive credit for his or her previous
25 employment with a public employer upon his or her paying the prescribed
26 employee and employer contributions based upon the rate in effect during the
27 previous employment, together with regular interest from the dates for the
28 previous service to the date of repayment.

29 (C) Certain eligible active members of a state retirement system
30 shall receive one (1) year of service credit for the purpose of retirement
31 eligibility only for every five (5) years of full time employment at a state
32 college or university if the member has:

33 (i) At least ten (10) years of actual service in the
34 current retirement system;

35 (ii) At least ten (10) years of actual service in an
36 alternative retirement plan provided thru a state college or university after



1 1985; and

2 (iii) Ten (10) or more years of full time employment
3 before 1985 at the same state college or university during a time period that
4 the state college or university was without a mandatory employer contribution
5 to an alternate retirement plan and did not require mandatory participation
6 in an alternate retirement plan.

7 ~~(C)~~(D) The provisions for determining a year of service credit
8 shall be the prevailing regulations of each reciprocal system;

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10 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
11 General Assembly of the State of Arkansas that certain provisions of the
12 Arkansas Teacher Retirement System are in urgent need of revision to bring
13 them into compliance with sound public pension policy; that this revision is
14 of great importance to members of the Arkansas Teacher Retirement System and
15 to other citizens of the State of Arkansas; that the Arkansas Teacher
16 Retirement System should provide credit for employees whose public employer
17 did not offer mandatory employer contributions before 1985 to prevent undue
18 harm to members; and that this act is immediately necessary because allowing
19 members to lose potential service credit for their public service is poor
20 public policy. Therefore, an emergency is declared to exist and this act
21 being immediately necessary for the preservation of the public peace, health,
22 and safety shall become effective on:

23 (1) The date of its approval by the Governor;

24 (2) If the bill is neither approved nor vetoed by the Governor,
25 the expiration of the period of time during which the Governor may veto the
26 bill; or

27 (3) If the bill is vetoed by the Governor and the veto is
28 overridden, the date the last house overrides the veto.

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