

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1534

By: Representative McGinnis

For An Act To Be Entitled

"AN ACT TO AMEND VARIOUS SUBCHAPTERS OF TITLE 24, CHAPTER 7,
OF THE ARK. CODE OF 1987 TO CLARIFY THE DEFINITION OF
"SALARY;" TO MAKE TECHNICAL CORRECTIONS FOR TEACHER'S
RETIREMENT SYSTEM; AND FOR OTHER PURPOSES."

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

SECTION 1. Ark. Code 24-7-202(14) is hereby amended to read as follows:

"(14) 'Salary' means the recurring remuneration paid a teacher for personal services rendered by the teacher in a position covered by the system. Should a portion of a teacher's remuneration be paid other than in cash, the cash value of the remuneration shall be established by the system in an amount not to exceed the amount the teacher is required to report for federal income tax purposes. In determining salary, no consideration shall be given to any nonrecurring single sum payment paid by an employer, any employer contributions to any employee benefit plan, except cafeteria plans as defined in Ark. Code §21-5-901, or any other unusual or nonrecurring remuneration. Money which is in lieu of remuneration and which is used by an employer to purchase a qualified tax-sheltered annuity or a life insurance policy for a teacher shall be considered as salary for system purposes. A teacher who is receiving remuneration under both a regular contract and a purchased contract or under both a regular contract and a contract won through litigation shall have only the greater of the two (2) amounts considered as salary for system purposes. Should a teacher make a charitable donation, or return any part of his salary to his employer, the amount of his recurring remuneration otherwise usable as salary shall be reduced by such amount or amounts to arrive at his salary for system purposes. In case of any dispute concerning a teacher's salary for system purposes, the system shall have the power to settle the

dispute."

SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. All laws and parts of laws in conflict with this act are hereby repealed.

