

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

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 24-7-807 TO GRANT CERTAIN
9 COLLEGE OR UNIVERSITY EMPLOYEES WITH THE TEACHER
10 RETIREMENT SYSTEM A SIX (6) MONTH TIME PERIOD IN WHICH TO
11 ELECT TO CHANGE TO AN ESTABLISHED ALTERNATIVE RETIREMENT
12 PLAN; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

14 "AN ACT TO ALLOW UNIVERSITY EMPLOYEES UNDER TEACHER
15 RETIREMENT SIX MONTHS TO ELECT TO CHANGE TO AN ESTABLISHED
16 ALTERNATIVE RETIREMENT PLAN."

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code § 24-7-807 is hereby amended to read as
22 follows:

23 "24-7-807. Participation in plan. Participation in an alternate
24 retirement plan established pursuant to this subchapter shall be as follows:

25 (1) Any staff member employed or appointed by a college or university
26 on or after the establishment of its alternate retirement plan shall
27 participate in the plan or in the teacher retirement system;

28 (2) Any staff member employed or appointed by a college or university
29 prior to July 1, 1969, who is a member of the retirement system shall continue
30 in such membership or shall participate in the alternate retirement plan, as
31 provided in this subchapter;

32 (3) (A) Any staff member employed or appointed by a college or
33 university with less than ten (10) years of member service in the retirement
34 system may elect to terminate his membership in the retirement system and
35 participate in the alternate retirement plan established by the employing

1 college or university.

2 (B) The election shall be in writing and filed with the
3 retirement system and the disbursing officer of the employing college or
4 university within one (1) year after he becomes eligible to participate in the
5 alternate retirement plan, except that on or after July 1, 1993, until
6 December 31, 1993, any staff member employed or appointed by a college or
7 university who has less than ten (10) years of member service in the
8 retirement system and who has not already so elected, may elect to terminate
9 his membership in the retirement system and participate in the alternate
10 retirement plan established by the employing college or university. Such
11 election shall be in writing and filed with the retirement system and the
12 disbursing officer of the employing college or university.

13 (C) All accumulated contributions to the credit of the staff
14 member in the members' deposit account which is maintained pursuant to the
15 provisions of § 24-7-406 shall be returned to the staff member, and all of his
16 credited service under the retirement system shall be cancelled;

17 (4) (A) Any staff member employed or appointed by a college or
18 university with ten (10) or more years of credited service who elects to
19 participate only in the alternate retirement plan and who has left his
20 contributions in the retirement system shall be eligible to receive an annuity
21 on or after attaining sixty (60) years of age and on his retirement from
22 covered employment. The amount of the annuity shall be determined by the
23 benefit formula of the retirement system at the time of his retirement.

24 (B) The election authorized under subdivision (4) (A) of this
25 section shall be made in writing and filed with the retirement system and with
26 the disbursing officer of the employing college or university on or before
27 July 1 of the year in which the person makes the election to participate in
28 the alternate retirement plan. The person's annuity shall begin on the first
29 day of the month following the date his application for retirement is filed
30 with the board of trustees on or after his attainment of age sixty (60) years;

31 (5) (A) Any department employee who transferred from another state
32 department covered by a state-supported retirement system may elect to
33 participate in an alternate retirement plan. Such employee shall file written
34 notice of his election with the executive director of the department.

35 (B) Any department employee with ten (10) or more years of

1 credited service who elects to participate only in the alternate retirement
2 plan and who has left his contributions in the retirement system shall be
3 eligible to receive an annuity on or after attaining the normal retirement age
4 and on his retirement from covered employment. The amount of the annuity
5 shall be determined by the benefit formula of the retirement system at the
6 time of his retirement.

7 (C) The election authorized under this subsection shall be made
8 in writing and filed with the retirement system and with the Director of the
9 State Department of Higher Education on or before July 1 of the year in which
10 the person makes the election to participate in the alternate retirement plan.
11 The person's annuity shall begin on the first day of the month following the
12 date his application for retirement is filed with the board of trustees on or
13 after his attainment of normal retirement age and on his retirement from
14 covered employment."

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

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20 SECTION 3. If any provision of this act or the application thereof to
21 any person or circumstance is held invalid, such invalidity shall not affect
22 other provisions or applications of the act which can be given effect without
23 the invalid provision or application, and to this end the provisions of this
24 act are declared to be severable.

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26 SECTION 4. All laws and parts of laws in conflict with this act are
27 hereby repealed.

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29 SECTION 5. Emergency. It is hereby found and determined by the
30 Seventy-Ninth General Assembly that certain college and university employees
31 under the Teacher Retirement System need additional time to determine whether
32 or not to elect to be covered by an alternate retirement plan, that current
33 law does not extend an adequate period for those persons to make an educated
34 selection of the alternatives, and that the change in the law is necessary to
35 the continued efficient and effective operation of the Teacher Retirement

1 System. Therefore, an emergency is hereby declared to exist and this act
2 being necessary for the immediate preservation of the public peace, health and
3 safety shall be in full force and effect from and after July 1, 1993.