

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

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 24-7-701 TO PERMIT
9 RETIREMENT UNDER THE TEACHER RETIREMENT SYSTEM WITH
10 TWENTY-FIVE (25) YEARS OF CREDITED SERVICE REGARDLESS OF
11 AGE; TO AMEND ARKANSAS CODE § 24-7-702 AND ARKANSAS CODE §
12 24-7-707 TO PERMIT RETIREMENT UNDER THE TEACHER RETIREMENT
13 SYSTEM WITH A PARTIAL BENEFIT OR DEFERRED ANNUITY WITH
14 TWENTY (20) YEARS OF CREDITED SERVICE; AND FOR OTHER
15 PURPOSES."

Subtitle

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18 "AN ACT TO PERMIT RETIREMENT UNDER THE TEACHER RETIREMENT
19 SYSTEM WITH TWENTY-FIVE (25) YEARS OF CREDITED SERVICE
20 REGARDLESS OF AGE OR WITH A PARTIAL BENEFIT OR DEFERRED
21 ANNUITY WITH TWENTY (20) YEARS OF CREDITED SERVICE."

22
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 SECTION 1. Arkansas Code § 24-7-701 is hereby amended to read as
26 follows:

27 "24-7-701. Voluntary retirement.

28 (a) An active member who either attains age sixty (60) years and has
29 ten (10) or more years of credited service or who has twenty-five (25) or more
30 years of credited service regardless of age may voluntarily retire upon his
31 written application filed with the board.

32 (b) Upon his retirement, he shall receive an annuity as provided for in
33 § 24-7-705.

34 (c) The annuity shall begin the first day of the calendar month next
35 following the latest of:

1 (1) One (1) month after the date the written application is filed
2 with the board;

3 (2) His termination of active membership;

4 (3) His attainment of the minimum age; or

5 (4) His completion of the minimum years of credited service.

6 (d) In no event shall the annuity begin earlier than the July 1 next
7 following a fiscal school year for which the member has signed an employment
8 contract unless his contract is terminated with the employer's consent before
9 the year of service is rendered.

10 (e) The benefits provided by this section shall also be available to an
11 inactive member with twenty-five (25) or more years of credited service."

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13 SECTION 2. Arkansas Code § 24-7-702 is hereby amended to read as
14 follows:

15 "24-7-702. Early voluntary retirement.

16 (a) An active member who has twenty (20) or more years of credited
17 service but has not attained age sixty (60) years and is not eligible for
18 retirement under the provisions of § 24-7-701 may voluntarily retire early
19 upon his written application filed with the board.

20 (b)(1) Upon an active member's retirement as provided in this section,
21 he shall receive, in lieu of any other system benefit, an early annuity which
22 shall be a certain percent of an annuity provided for in § 24-7-705.

23 (2) The percent shall be one hundred percent (100%) reduced by
24 five-twelfths of one percent (5/12 of 1%) multiplied by the number of months
25 by which the time of early retirement precedes the earlier of either
26 completion of twenty-five (25) years of credited service or attainment of age
27 sixty (60) years.

28 (c) The annuity shall begin the first day of the calendar month next
29 following the latest of:

30 (1) One (1) month after the date the written application is filed
31 with the board;

32 (2) His termination of active membership; or

33 (3) His completion of the required credited service.

34 (d) In no event shall the annuity begin earlier than the July 1 next
35 following a fiscal school year for which the member has signed an employment

1 contract unless his contract is terminated with the employer's consent before
2 the year of service is rendered."

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4 SECTION 3. Arkansas Code § 24-7-707 is hereby amended to read as
5 follows:

6 "24-7-707. Deferred annuity.

7 (a) (1) Should an active member cease to be an active member before
8 attaining age sixty (60) years, other than by death or retirement, but after
9 completing ten (10) years of credited service, he shall become an inactive
10 member and shall be entitled to a deferred annuity as provided for in this
11 section, but only if he does not withdraw his accumulated contributions from
12 the members deposit account and is not employed in a position covered by
13 another retirement plan which is supported wholly or in part by state
14 contributions.

15 (2) The deferred annuity shall commence as of the first day of
16 the calendar month next following the later of:

17 (A) His deferred annuity age; or

18 (B) The date his written application is received by the
19 board.

20 (3) Deferred annuity age is age fifty-five (55) years for members
21 terminating active membership with twenty (20) or more years of credited
22 service and age sixty (60) years for all other members eligible for a deferred
23 annuity.

24 (4) A member shall have the right to elect an option provided for
25 in § 24-7-706 at the time of filing the written application.

26 (b) An inactive member's deferred annuity shall be a life annuity as
27 provided for in § 24-7-705 if his annuity deferment age is sixty (60) years or
28 over, or as provided for in § 24-7-702 if his annuity deferment age is under
29 age sixty (60) years.

30 (c) (1) An inactive member otherwise entitled to a deferred annuity
31 shall be entitled to a deferred annuity only if he lives to his annuity
32 deferment age and if written application for a deferred annuity is received
33 from him by the board.

34 (2) In the event the inactive member does not so live or in the
35 event the written application is not received by the board, no benefits

1 whatsoever shall be paid except under the provisions of § 24-7-711."

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3 SECTION 4. All provisions of this act of general and permanent nature
4 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
5 Revision Commission shall incorporate the same in the Code.

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7 SECTION 5. If any provisions of this act or the application thereof to
8 any person or circumstance is held invalid, the invalidity shall not affect
9 other provisions or applications of the act which can be given effect without
10 the invalid provisions or application, and to this end the provisions of this
11 act are declared to be severable.

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13 SECTION 6. All laws and parts of laws in conflict with this act are
14 hereby repealed.

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