

1 State of Arkansas
2 80th General Assembly
3 Regular Session, 1995
4 By: Representative Miller

A Bill

HOUSE BILL 1197

For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE § 24-7-907 TO EXTEND THE
TIME PERIOD FOR STAFF MEMBERS OF POST-SECONDARY
VOCATIONAL-TECHNICAL SCHOOLS AND THE DIVISION OF
VOCATIONAL-TECHNICAL EDUCATION TO BECOME MEMBERS OF THE
TEACHER RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND
FOR OTHER PURPOSES."

Subtitle

"TO EXTEND THE TIME FOR STAFF MEMBERS OF
VOCATIONAL SCHOOLS AND THE DIVISION OF
VOCATIONAL-TECHNICAL EDUCATION TO ENTER
THE TEACHER RETIREMENT SYSTEM."

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

SECTION 1. Arkansas Code § 24-7-907 is amended to read as follows:
"24-7-907. Participation in plan.

Participation in an alternate retirement plan established pursuant to
this subchapter shall be as follows:

(1) All staff members shall participate in either the retirement
system or an alternate retirement plan, or may participate in both, but
participation in both shall be limited to the circumstances described in
subdivision (2) of this section;

(2) Any staff member who has become fully vested in the retirement
system may:

(A) Continue as an active member of the retirement system;

(B) Discontinue contributing to the retirement system, thus
becoming an inactive member of the retirement system, and participate instead

1 in an alternate retirement plan. Under those circumstances, the staff member
2 would be both an inactive member of the retirement system and an active
3 member of the alternate retirement plan; or

4 (C) Participate in an alternate retirement plan and receive all
5 accumulated contributions to the credit of the staff member in the members'
6 deposit account which is maintained pursuant to the provisions of § 24-7-406
7 and have the member's credited service under the retirement system cancelled.

8 (3) Any staff member who has participated in the retirement system for
9 a period which is insufficient to allow for full vesting of that staff
10 member's retirement system benefits may:

11 (A) Continue as an active member of the retirement system;

12 (B) Discontinue membership in the retirement system and transfer
13 from the retirement system into his account with the alternate retirement
14 plan, i.e., roll over all contributions which the staff member has previously
15 made to the retirement system; or

16 (C) Participate in the alternate retirement plan and receive all
17 accumulated contributions to the credit of the staff member in the members'
18 deposit account which is maintained pursuant to the provisions of § 24-7-406
19 and have the member's credited service under the retirement system cancelled.

20 (4) No staff member may participate in an alternate retirement plan
21 without giving prior written notice of his election to participate in the
22 alternate retirement plan. The notice of election shall be in writing on a
23 form established by the division and filed with both the director and the
24 retirement system. New staff members shall make the election within ninety
25 (90) days after the date of their employment.

26 (5)(A) Effective July 1, 1995, staff members who elect to participate
27 in an alternate retirement plan may elect to become members of the retirement
28 system.

29 (B) Service credit forfeited while a member of an alternate
30 retirement plan cannot be established in the retirement system.

31 (C) The election to withdraw from the alternate retirement plan
32 and become a member of the retirement system shall be made by December 31,
33 1995, and notice of the election shall be made in writing to the director and
34 the retirement system by December 31, 1995."

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

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5 SECTION 3. If any provisions of this act or the application thereof to
6 any person or circumstance is held invalid, the invalidity shall not affect
7 other provisions or applications of the act which can be given effect without
8 the invalid provisions or application, and to this end the provisions of this
9 act are declared to be severable.

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

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14 SECTION 5. Emergency. It is hereby found and determined by the
15 Eightieth General Assembly of the State of Arkansas that certain staff
16 members of the post-secondary vocational-technical schools and the Division
17 of Vocational-Technical Education are unable to achieve an equitable
18 retirement under the current provisions of Arkansas law; that the retirement
19 laws regarding alternate retirement plans in Arkansas need to be changed to
20 solve this inequitable situation; and that those laws need to be amended and
21 this act needs to be effective at the beginning of the state fiscal biennium
22 to continue the effective and efficient operation of the vocational-technical
23 schools in Arkansas. Therefore, in order to promote effectiveness in state
24 government, an emergency is hereby declared to exist, and this act being
25 necessary for the immediate preservation of the public peace, health, and
26 safety, shall be in full force and effect from and after July 1, 1995.

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