

1 State of Arkansas  
2 82nd General Assembly  
3 Regular Session, 1999

# A Bill

HOUSE BILL 1192

4  
5 By: Representative Faris  
6 By: Senator Hopkins

## For An Act To Be Entitled

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10 "AN ACT TO AMEND ARKANSAS CODE § 24-7-603 AND 24-7-607  
11 TO PROVIDE FOR THE PURCHASE OF FRACTIONAL YEARS OF  
12 OUT-OF-STATE SERVICE AND PRIVATE SCHOOL SERVICE FOR  
13 THE TEACHER RETIREMENT SYSTEM; TO DECLARE AN  
14 EMERGENCY; AND FOR OTHER PURPOSES."

## Subtitle

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17 "TO PROVIDE FOR THE PURCHASE OF  
18 FRACTIONAL YEARS OF OUT-OF-STATE SERVICE  
19 AND PRIVATE SCHOOL SERVICE FOR TEACHER  
20 RETIREMENT SYSTEM."

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

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25 SECTION 1. Arkansas Code § 24-7-603(d), regarding out-of-state service  
26 in the Teacher Retirement System, is amended to read as follows:

27 "(d) An active member ~~who had both in-state and~~ may purchase a fraction  
28 of year of out-of-state service ~~in one (1) school year may contract with the~~  
29 ~~board for one (1) year of service~~ to be credited as service under this  
30 subchapter in the same manner as provided for out-of-state service under  
31 subsection (c) of this section, if the service meets the following ~~additional~~  
32 requirements:

33 ~~(1) The combination of in-state and out-of-state service rendered~~  
34 ~~in the fiscal school year was not fewer than one hundred twenty (120) days;~~  
35 ~~provided, however, that a fraction of a year of out-of-state service may be~~  
36 ~~credited in keeping with board policies as provided by § 24-7-601; and~~

1           ~~(2) The person had not less than thirty (30) days of out-of-state~~  
 2 ~~credited service in the school year and not less than thirty (30) days in-~~  
 3 ~~state credited service in the fiscal school year.~~

4           (1) The member has not less than thirty (30) days of out-of-state  
 5 credited service in the fiscal year; and

6           (2) The fraction of a year of out-of-state service may be credited  
 7 in keeping with policies of the board as provided by § 24-7-601."

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 9           SECTION 2. Arkansas Code § 24-7-607(c), regarding private school  
 10 service in the Teacher Retirement System, is amended to read as follows:

11           "(c) An active member ~~who had both public and~~ may purchase a fraction  
 12 of a year of private school service in one (1) school year may contract with  
 13 ~~the board for one (1) year of service~~ to be credited as service under this  
 14 subchapter in the same manner as provided for private school service under  
 15 subsection (b) of this section, if the service meets the following ~~additional~~  
 16 requirements:

17           ~~(1) The combination of public and private school service rendered~~  
 18 ~~in the fiscal school year was not less than one hundred twenty (120) days;~~  
 19 ~~provided, however, that a fraction of a year of private school service may be~~  
 20 ~~credited in keeping with board policies as provided by § 24-7-601; and~~

21           ~~(2) The person had not less than thirty (30) days of private~~  
 22 ~~school teaching service in the school year and not less than thirty (30) days~~  
 23 ~~of public teaching service in the fiscal school year.~~

24           (1) The member had not less than thirty (30) days of private  
 25 school service in a fiscal year; and

26           (2) The fraction of a year of private school service may be  
 27 credited in keeping with policies as provided by § 24-7-601."

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 29           SECTION 3. No benefit enhancement provided for by this act shall be  
 30 implemented if it would cause the publicly supported retirement system's  
 31 unfunded actuarial accrued liabilities to exceed a thirty (30) year  
 32 amortization. No benefit enhancement provided for by this act shall be  
 33 implemented by any publicly supported system which has unfunded actuarial  
 34 accrued liabilities being amortized over a period exceeding thirty (30) years  
 35 until the unfunded actuarial accrued liability is reduced to a level less than  
 36 the standards prescribed by Arkansas Code, Title 24.

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SECTION 4. 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 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

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

SECTION 7. EMERGENCY CLAUSE. It is hereby found and determined by the Eighty-second General Assembly that the Teacher Retirement System law recognizes private school and out-of-state service for the purchase of credited service; that allowing the purchase of smaller increments of credited service will help members achieve more service credit for their teaching careers, that by increasing the benefit to members, more educators will be encouraged to stay in the teaching career fields; and that the most effective time to make changes to the retirement system is at the beginning of the state's fiscal year and therefore this act should take effect immediately at that time. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on July 1, 1999.