

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: H1/22/07

A Bill

HOUSE BILL 1113

5 By: Representatives Cook, Dunn, Abernathy, *Wood, Walters, Stewart, Pennartz*
6 By: Senator Miller
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For An Act To Be Entitled

9 AN ACT CONCERNING THE PURCHASE OF ARKANSAS
10 TEACHER RETIREMENT SYSTEM CREDITED SERVICE BY
11 MEMBERS OF THE UNITED STATES MILITARY RESERVE;
12 AND FOR OTHER PURPOSES.
13
14

Subtitle

15 CONCERNING THE PURCHASE OF ARKANSAS
16 TEACHER RETIREMENT SYSTEM CREDITED
17 SERVICE BY MEMBERS OF THE UNITED STATES
18 MILITARY RESERVE.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 24-7-610 is amended to read as follows:

25 24-7-610. National Guard or United States Military Reserve service
26 credit.

27 (a) As used in this section, "United States Military Reserve" means
28 the:

29 (1) United States Air Force Reserve;

30 (2) United States Army Reserve;

31 (3) United States Marine Corp Reserve; and

32 (4) United States Naval Reserve.

33 ~~(a)~~(b)(1) Any member of the Arkansas Teacher Retirement System shall
34 be entitled to purchase credited service in the system for a period not to
35 exceed five (5) years for service rendered by the member in the Arkansas
36 National Guard or United States Military Reserve if the member:



1 (A) Makes an application to the Board of Trustees of the
2 Arkansas Teacher Retirement System;

3 (B) Provides proof satisfactory to the board of that
4 person's service in the Arkansas National Guard or United States Military
5 Reserve; and

6 (C) Pays to the system for each year of service credit
7 being granted:

8 (i) The product of the sum of the employee and
9 employer contribution rates in effect at the time of purchase multiplied by
10 the greater of:

11 (a) The annual salary received by the member
12 for his or her first full year of credited service that precedes the fiscal
13 year in which the service is purchased; or

14 (b) The average of the three (3) highest
15 salaries earned at the time of purchase; plus

16 (ii) Interest from the end of that year of credited
17 service to the date of payment in full.

18 (2) If the payment for service under this section is not made in
19 a single lump-sum payment, interest shall accrue from the date of the initial
20 payment to the date of the payment in full.

21 (3) The payment shall be credited to the member's account in the
22 members' deposit account and shall be in addition to regular member
23 contributions.

24 ~~(b)~~(c)(1) Members shall receive one (1) year of purchased service
25 credit for each five (5) years of Arkansas National Guard or United States
26 Military Reserve service.

27 (2) A member may combine periods of Arkansas National Guard and
28 United States Military Reserve service for the purpose of purchasing credited
29 service.

30 ~~(d)~~(d) The Arkansas National Guard or United States Military Reserve
31 service shall not become credited service under this system until:

32 (1) The member payments specified in subdivision ~~(a)~~(b)(1)(C) of
33 this section have been paid in full; and

34 (2) The member has established five (5) or more years of actual
35 service in the system.

36 ~~(d)~~(e) If a member ceases to be an active member before the Arkansas

1 National Guard or United States Military Reserve service has been established
2 as system-credited service, the member payments contributed as specified in
3 subdivision ~~(a)~~(b)(1)(C) of this section shall be refundable, together with
4 regular interest.

5 ~~(e)~~(f)(1) This section shall be supplemental to § 24-7-602, and
6 nothing in this section shall be construed to diminish the right of any
7 member of the system to obtain credited service in the system for active duty
8 military service within the limits permitted by § 24-7-602.

9 (2) However, no member shall be entitled to or receive in excess
10 of five (5) years of credited service rendered by the member under this
11 section.

12 ~~(f)~~(g) Except for service credit under § 24-7-602(e), service credit
13 in the Arkansas National Guard or United States Military Reserve shall not be
14 given if the service is credited under any other retirement plan, including a
15 federal military retirement.

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17 /s/ Cook, et al
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