

1 State of Arkansas
2 90th General Assembly
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4

As Engrossed: S2/18/15

A Bill

SENATE BILL 171

5 By: Senator B. Sample
6

For An Act To Be Entitled

8 *AN ACT CONCERNING THE ARKANSAS TEACHER RETIREMENT*
9 *SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER*
10 *PURPOSES.*

Subtitle

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13 *CONCERNING THE ARKANSAS TEACHER*
14 *RETIREMENT SYSTEM; AND TO DECLARE AN*
15 *EMERGENCY.*
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 *SECTION 1. Arkansas Code § 24-7-602 is amended to read as follows:*
22 *24-7-602. Military service credit.*

23 *(a)(1) If an active member of the Arkansas Teacher Retirement System*
24 *enters the United States Armed Forces during ~~any a~~ a period ~~of compulsory~~*
25 *~~military service, after receiving~~ that a federal military draft was in effect*
26 *and obtains a refund of member contributions from the system, the compulsory*
27 *military service required of the member may be established as free credited*
28 *service under this subchapter, if after an honorable discharge from the*
29 *United States Armed Forces and before retirement the member repays to the*
30 *system the actuarial equivalent of the member's ~~benefits~~ refunded service.*

31 *(2) In addition, an active member who entered the United States*
32 *Armed Forces during any period ~~of compulsory military service~~ that a federal*
33 *military draft was in effect and who becomes an active member ~~within one (1)~~*
34 *~~year of his or her~~ after an honorable discharge from the armed forces is*
35 *eligible to receive free military service credit under this section, whether*
36 *or not the member has five (5) or more years of credited service at the time*



1 of the reemployment.

2 ~~(b)(3) An active or inactive~~ When a member who entered is first
3 employed after serving in the armed forces United States Armed Forces shall
4 have the period of armed forces service credited as service in the system
5 without cost to the member during a period of time that the military draft
6 was in effect, he or she is eligible to receive free military service credit
7 under this section if the member satisfies the following conditions:

8 ~~(1)(A) He or she completes~~ Completes five (5) or more years of
9 actual service in the system; and

10 ~~(2)(A) The armed forces service is not credited as service under~~
11 ~~any other retirement plan except Social Security.~~

12 ~~(B) Receipt of a pension from the federal military~~
13 ~~retirement system paid solely for disability shall not be considered as~~
14 ~~having service credit with another retirement plan~~ Receives an honorable
15 discharge.

16 ~~(e)(b) If mandated by federal law before December 12, 1994, armed~~
17 ~~service~~ All United States Armed Forces service not otherwise creditable under
18 this section shall be creditable, provided the member pays to the system the
19 actuarial equivalent ~~of~~ for the member's benefits service credit.

20 ~~(d)(1)(c)(1)~~ Effective December 12, 1994, a member who leaves
21 employment with a school to serve, on a voluntary or involuntary basis, in
22 the uniformed services of the United States and returns to employment with a
23 school shall be treated as not having incurred a break in service with the
24 employer. The employer shall certify to the system that reemployment was in
25 accordance with the requirements set forth in section 4312 of Pub. L. No.
26 103-353, the Uniformed Services Employment and Reemployment Rights Act of
27 1994, Pub. L. No. 103-353.

28 (2) Under this subsection, uniformed services of the United
29 States is limited to the United States Armed Forces; the United States Army
30 and the Air National Guard when engaged in active duty for training, inactive
31 duty training, or full-time National Guard duty; the commissioned corps of
32 the Public Health Service; and any other category of persons designated by
33 the President of the United States in time of war or emergency.

34 (3) The cumulative length of the absence from a position of
35 employment with the employer by reason of service in the uniformed services
36 shall not exceed five (5) years.

1 (4) A member reemployed under this subsection shall be entitled
2 to accrue benefits for the time he or she served in the uniformed services by
3 paying the employee contributions set forth in § 24-7-406.

4 (5) An employer reemploying a member under this subsection shall
5 pay to the system the employer contributions due for the time the member
6 served in the uniformed services and shall be those required by § 24-3-103
7 [repealed]. However, should a member not pay the employee contributions due,
8 then no employer contributions shall be due.

9 (6) For the purposes of determining the employee and employer
10 contributions due, the member's compensation during the period of service in
11 the uniformed services shall be computed at:

12 (A) The rate the member would have received had he or she
13 not served in the uniformed services; or

14 (B) The member's average compensation level during the
15 twelve-month period, or shorter, if applicable, immediately preceding the
16 service.

17 (7) If both employee and employer contributions are not paid,
18 the member shall not be entitled to any accrued benefits for the time served
19 in the uniformed services.

20 ~~(e)~~(d) In no event shall a person be credited with a total of more
21 than five (5) years of armed service, except that service credited under
22 subsection ~~(d)~~ (c) of this section shall be in addition to that amount.

23 ~~(f)~~(e) In any case of doubt as to the period of the armed service to
24 be credited a member, the Board of Trustees of the Arkansas Teacher
25 Retirement System shall have the power to determine the period.

26 ~~(g)(1)~~(f)(1) In the case of a death occurring on or after January 1,
27 2007, if a member dies while performing qualified military service as defined
28 in section 414(u) of the Internal Revenue Code, as it existed on January 1,
29 2011, the survivors of the member are entitled to any additional benefits,
30 including determining a member's vesting, provided under the Arkansas Teacher
31 Retirement System as if the member had resumed and then terminated employment
32 on account of death.

33 (2) Additional benefits under subdivision ~~(g)(1)~~ (f)(1) of this
34 section do not include benefit accruals relating to the period of qualified
35 military service.

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