

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**

# A Bill

**HOUSE BILL**

4 **By: Representatives Sanson, Purdom**

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## **For An Act To Be Entitled**

8 "AN ACT TO PROVIDE SERVICE CREDIT IN THE ARKANSAS TEACHERS  
9 RETIREMENT SYSTEM FOR HIGHER EDUCATION ACCOMPLISHMENT; TO  
10 PROVIDE A RETENTION INCENTIVE; TO PROVIDE FOR HEALTH  
11 INSURANCE REIMBURSEMENTS; AND FOR OTHER PURPOSES."

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

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15 SECTION 1. PURPOSE. This act shall provide educational incentives for  
16 retirement purposes that will result in members of the Arkansas Teachers  
17 Retirement System receiving credit toward their retirement for advanced  
18 degrees. It is hereby found by the General Assembly that the more education  
19 active members of the public school system receives, the more productive an  
20 active member they will be. Any increased cost as a result of this act will  
21 be more than offset by increased active member productivity.

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23 SECTION 2. An active member with a minimum of twenty-three (23) years  
24 of service credit shall receive the following for college degrees:

25 (a) Each active member who on July 1, 1992, or thereafter, holds an  
26 associate of applied science degree, shall receive one year credit toward  
27 computing service years for retirement.

28 (b) Each active member who on July 1, 1994, or thereafter, holds a  
29 bachelors degree, shall receive two years credit toward computing service  
30 years for retirement.

31 (c) Each active member who on July 1, 1996, or thereafter, holds a  
32 masters degree shall receive three years credit toward computing service years  
33 for retirement.

34 (d) Each active member who on July 1, 1998, or thereafter, holds a  
35 specialist degree shall receive four years credit toward computing service

1 years for retirement.

2 (e) Each active member who on July 1, 2000, or thereafter, holds a  
3 doctoral degree or higher shall receive four years credit toward computing  
4 service years for retirement.

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6 SECTION 3. (a) Beginning July 1, 1992, an active member who has  
7 achieved more than thirty (30) years service credit in the Arkansas Teachers  
8 Retirement System but less than thirty-five (35) years service credit, upon  
9 retirement shall have the multiplier increased by five one-hundredths (.05)  
10 for those years in excess of thirty (30) but less than thirty-five (35).

11 (b) Beginning July 1, 1992, an active member who has achieved at least  
12 thirty-five (35) years service credit, upon retirement shall have the  
13 multiplier increased by one-tenth (.1) for those years in excess of thirty  
14 (30).

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16 SECTION 4. Beginning July 1, 1991, all retirants from the Arkansas  
17 Teachers Retirement System shall have their monthly benefits increased by  
18 twenty-five dollars (\$25.00) each year until the amount of increase equals the  
19 amount active members pay for the purchase of health insurance. Such benefit  
20 increase shall thereafter coincide with any increase in the amount paid by  
21 active members for health insurance.

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23 SECTION 5. (a) Beginning July 1, 1991, the total of A.C.A. §24-7-705  
24 (1) through (4) shall not be less than the number of years of credited service  
25 multiplied by the indicated percent of the final average salary:

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27	Effective Date	Percent of
28	of Retirement	Final Average Salary
30	July 1, 1991 through June 30, 1992	1.80%
31	July 1, 1992 through June 30, 1993	1.85%
32	July 1, 1993 through June 30, 1994	1.90%
33	July 1, 1994 through June 30, 1995	1.95%
34	July 1, 1995 through June 30, 1996	2.00%
35	July 1, 1996 through June 30, 1997	2.05%

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2 (b) Beginning July 1, 1991, the number of years of credited service for  
3 which no member contributions were made as provided in A.C.A. §24-7-406, shall  
4 be multiplied by the indicated percent of the final average salary:

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6	Effective Date	Percent of
7	of Retirement	Final Average Salary

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9	July 1, 1991 through June 30, 1992	1.15%
10	July 1, 1992 through June 30, 1993	1.17%
11	July 1, 1993 through June 30, 1994	1.20%
12	July 1, 1994 through June 30, 1995	1.23%
13	July 1, 1995 through June 30, 1996	1.26%
14	July 1, 1996 through June 30, 1997	1.29%

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16 SECTION 6. All provisions of this act of a general and permanent nature  
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
18 Revision Commission shall incorporate the same in the Code.

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20 SECTION 7. If any provision of this act or the application thereof to  
21 any person or circumstance is held invalid, such invalidity shall not affect  
22 other provisions or applications of the act which can be given effect without  
23 the invalid provision or application, and to this end the provisions of this  
24 act are declared to be severable.

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26 SECTION 8. All laws and parts of laws in conflict with this act are  
27 hereby repealed.

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29 SECTION 9. EMERGENCY. It is hereby found and determined by the  
30 Seventy-Eighth General Assembly of the State of Arkansas that the  
31 effectiveness of this act on July 1, 1991, is essential to the operation of  
32 the Arkansas Teachers Retirement System and that in the event of an extension  
33 of the Regular Session, the delay in the effective date of this act beyond  
34 July 1, 1991, could work irreparable harm upon the proper administration and  
35 provision of essential governmental programs. Therefore, an emergency is

1 hereby declared to exist and this act being necessary for the immediate  
2 preservation of the public peace, health and safety shall be in full force and  
3 effect from and after July 1, 1991.