

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

# A Bill

HOUSE BILL 1204

5 By: Representative D. Johnson  
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7

## For An Act To Be Entitled

9 AN ACT TO ALLOW A MEMBER OF AN ALTERNATE  
10 RETIREMENT PLAN TO ELECT TO TRANSFER TO THE  
11 ARKANSAS TEACHER RETIREMENT SYSTEM; CONCERNING  
12 THE MEMBERSHIP OF THE ARKANSAS TEACHER RETIREMENT  
13 SYSTEM; AND FOR OTHER PURPOSES.  
14

## Subtitle

15 AN ACT TO ALLOW A MEMBER OF AN ALTERNATE  
16 RETIREMENT PLAN TO ELECT TO TRANSFER TO  
17 THE ARKANSAS TEACHER RETIREMENT SYSTEM  
18 AND CONCERNING THE MEMBERSHIP OF THE  
19 ARKANSAS TEACHER 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 § 24-7-807 is amended to read as follows:  
26 24-7-807. Participation in plan.

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

29 (1) Any staff member employed or appointed by a college or  
30 university on or after the establishment of its alternate retirement plan  
31 shall participate in the plan or in the Arkansas Teacher Retirement System;

32 (2) Any staff member employed or appointed by a college or  
33 university prior to July 1, 1969, who is a member of the retirement system  
34 shall continue in such membership or shall participate in the alternate  
35 retirement plan, as provided in this subchapter;

36 (3)(A) Any staff member employed or appointed by a college or



1 university with fewer than ten (10) years of member service in the retirement  
 2 system may elect to terminate his or her membership in the retirement system  
 3 and participate in the alternate retirement plan established by the employing  
 4 college or university.

5 (B) The election shall be in writing and filed with the  
 6 retirement system and the disbursing officer of the employing college or  
 7 university within one (1) year after he or she becomes eligible to  
 8 participate in the alternate retirement plan, except that, on or after July  
 9 1, 1993, until December 31, 1993, any staff member employed or appointed by a  
 10 college or university who has fewer than ten (10) years of member service in  
 11 the retirement system and who has not already so elected may elect to  
 12 terminate his or her membership in the retirement system and participate in  
 13 the alternate retirement plan established by the employing college or  
 14 university. The election shall be in writing and filed with the retirement  
 15 system and the disbursing officer of the employing college or university.

16 (C) All accumulated contributions to the credit of the  
 17 staff member in the members' deposit account which is maintained pursuant to  
 18 the provisions of § 24-7-406 shall be returned to the staff member, and all  
 19 of his or her credited service under the retirement system shall be  
 20 cancelled;

21 (4)(A)(i) Any staff member employed or appointed by a college or  
 22 university with five (5) or more years of actual service who elects to  
 23 participate only in the alternate retirement plan and who has left his or her  
 24 contributions in the retirement system shall be eligible to receive an  
 25 annuity on or after attaining sixty (60) years of age and on his or her  
 26 retirement from covered employment.

27 (ii) The amount of the annuity shall be determined  
 28 by the benefit formula of the retirement system at the time of his or her  
 29 retirement.

30 (B) The election authorized under subdivision (4)(A) of  
 31 this section shall be made in writing and filed with the retirement system  
 32 and with the disbursing officer of the employing college or university on or  
 33 before July 1 of the year in which the person makes the election to  
 34 participate in the alternate retirement plan.

35 (C) The person's annuity shall begin on the first day of  
 36 the month following the date his or her application for retirement is filed

1 with the board of trustees on or after his or her attainment of age sixty  
 2 (60);

3 (5)(A)(i) Any Department of Higher Education employee who  
 4 transferred from another state department covered by a state-supported  
 5 retirement system may elect to participate in an alternate retirement plan.

6 (ii) The employee shall file written notice of his  
 7 or her election with the Director of the Department of Higher Education.

8 (B)(i) Any department employee with five (5) or more years  
 9 of actual service who elects to participate only in the alternate retirement  
 10 plan and who has left his or her contributions in the retirement system shall  
 11 be eligible to receive an annuity on or after attaining the normal retirement  
 12 age and on his or her retirement from covered employment.

13 (ii) The amount of the annuity shall be determined  
 14 by the benefit formula of the retirement system at the time of his or her  
 15 retirement.

16 (C)(i) The election authorized under this subdivision (5)  
 17 shall be made in writing and filed with the retirement system and with the  
 18 director on or before July 1 of the year in which the person makes the  
 19 election to participate in the alternate retirement plan.

20 (ii) The person's annuity shall begin on the first  
 21 day of the month following the date his or her application for retirement is  
 22 filed with the board of trustees on or after his or her attainment of normal  
 23 retirement age and on his or her retirement from covered employment.

24 (D)(i) Effective July 1, 2001, staff members who elect to  
 25 participate in an alternate retirement plan may elect to become members of  
 26 the retirement system.

27 (ii) Service credit forfeited while a member of an  
 28 alternate retirement plan cannot be established in the retirement system.

29 (iii) The election to withdraw from the alternate  
 30 retirement plan and become a member of the retirement system shall be made by  
 31 December 31, 2001, and notice of the election shall be made in writing and  
 32 filed with the retirement system and the disbursing officer of the employing  
 33 college or university by December 31, 2001;and

34 (6)(A) Any faculty or classified employee employed or appointed  
 35 by a college or university before July 1, 2007, who is a member of the  
 36 alternate retirement plan as provided in this subchapter, may elect to become

1 a member of the Arkansas Teacher Retirement System.

2 (B) Service credit forfeited while the employee is a  
3 member of the alternative retirement plan shall not be established in the  
4 retirement system.

5 (C)(i) The election to withdraw from the alternate  
6 retirement plan and become a member of the retirement system shall be made by  
7 December 31, 2007, and notice of the election shall be made in writing and  
8 filed with the retirement system and the disbursing officer of the employing  
9 college or university by December 31, 2007.

10 (ii) The employing college or university shall  
11 notify all participants in the alternate retirement plan of this option by  
12 October 1, 2007.

13 (D) A classified employee employed or appointed by a  
14 college or university beginning July 1, 2007, shall be a member of the  
15 Arkansas Teacher Retirement System.

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