

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1355

By: Representative Shepherd
By: Senator Rapert

For An Act To Be Entitled

AN ACT TO MAKE TECHNICAL CORRECTIONS TO TITLE 24 OF
THE ARKANSAS CODE CONCERNING RETIREMENT AND PENSIONS;
AND FOR OTHER PURPOSES.

Subtitle

TO MAKE TECHNICAL CORRECTIONS TO TITLE 24
OF THE ARKANSAS CODE CONCERNING
RETIREMENT AND PENSIONS.

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

SECTION 1. Arkansas Code § 24-1-202(9), concerning the definitions used in Subchapter 2, is amended to repeal an unused definition.

(9) ~~“State agency” means the Arkansas Public Employees’ Retirement System;~~

SECTION 2. Arkansas Code § 24-7-601 is amended to make stylistic changes and to clarify references to the Arkansas Teacher Retirement System to read as follows :

24-7-601. Credited service generally.

(a) By rule, the Board of Trustees of the Arkansas Teacher Retirement System shall fix and determine the number of years, and fraction thereof, of service to be credited each member for his or her employment as an employee.

(b)(1) A member shall be employed by an employer covered by the Arkansas Teacher Retirement System for a minimum of one hundred sixty (160) days per fiscal year to earn one (1) year of credited service.



(2) Fractional years of service may be granted beginning July 1, 1971, as prescribed by the board.

(3) A member shall not receive more than one (1) year of service in any one (1) fiscal year.

(4)(A) Beginning July 1, 2011, a contributory member who accrues less than one-fourth ($\frac{1}{4}$) year of service credit in a fiscal year may accumulate and carry forward days of service until the first fiscal year in which the contributory member accrues the minimum days of service required to credit one-fourth ($\frac{1}{4}$) year of service credit.

(B) Upon the contributing member's accruing of a minimum of one-fourth ($\frac{1}{4}$) year of service credit, the:

(i) Service credit shall be applied to the latest fiscal year; and

(ii) Carry-forward days shall be reset to zero (0).

(c)(1) Days of absence from service because of sickness shall be considered as service if the days are paid sick leave.

(2) Days of paid sick leave shall not be considered service if the payment is for unused sick leave.

(d) No credited service may be granted by the board for service rendered before July 1, 1937.

(e)(1) The ~~system~~ Arkansas Teacher Retirement System is a reciprocal system under ~~the provisions of~~ §§ 24-2-401 – 24-2-405.

(2) In establishing eligibility for a benefit from the Arkansas Teacher Retirement System, the credited service under all reciprocal systems shall be totaled, and the total credited service shall be used in determining eligibility for ~~a system~~ an Arkansas Teacher Retirement System benefit.

(3) In determining the amount of a benefit from ~~this system~~ the Arkansas Teacher Retirement System, there shall be used only the actual service under ~~this system~~ the Arkansas Teacher Retirement System and the benefit formula of ~~this system~~ the Arkansas Teacher Retirement System.

(4) The final average compensation used shall be that of the reciprocal system that furnishes the highest final salary at the time of retirement.

(5) Beginning July 1, 2014, if the reciprocal system in which a member has service credit has ~~less~~ fewer than the number of years of service credit required in ~~the system's~~ the Arkansas Teacher Retirement System's

formula for the calculation of final average salary for a member, then ~~this system~~ the Arkansas Teacher Retirement System shall obtain the salary and service credit information from the reciprocal system and use the combined salary and service credit information to calculate the member's final average salary as if the salary and service credit ~~has~~ have all been earned in ~~this system~~ the Arkansas Teacher Retirement System.

(6) ~~Wherever this system~~ When the Arkansas Teacher Retirement System provides a benefit amount that is not dependent on length of credited service, the benefit amount shall be reduced to the proportion that actual system service bears to total reciprocal system-credited service.

(f) In any case of question as to the service credit of any person, the board shall have the final power to decide the question.

(g)(1)(A) Beginning July 1, 2013, ~~the system~~ the Arkansas Teacher Retirement System shall allow a member who earns concurrent service in both ~~this system~~ the Arkansas Teacher Retirement System and a reciprocal system to receive full service credit in ~~this system~~ the Arkansas Teacher Retirement System without reduction of service credit due to the concurrent service.

(B) Credited service in an alternate retirement plan or the Arkansas Public Employees' Retirement System is not allowed under subdivision (g)(1)(A) of this section.

(2) The ~~system~~ Arkansas Teacher Retirement System shall not recognize any concurrent service added to the member's credited service in the ~~system~~ Arkansas Teacher Retirement System that credits a member with more than one (1) year of credited service for a fiscal year or combines salary earned in both systems in a fiscal year for the purpose of:

- (A) Vesting;
- (B) Retirement eligibility; and
- (C) Calculating final average salary.

SECTION 3. Arkansas Code § 24-8-219(a) and (b), concerning the rights of surviving unremarried spouses of judges, are amended to clarify references related to the Arkansas Judicial Retirement System and to comport with the membership generally as set forth in § 24-8-207, to read as follows:

(a) The surviving unremarried spouse, sixty-five (65) years of age or older, of any person who served as a justice of the Supreme Court, as a judge of the Court of Appeals, or as a judge of any circuit or chancery court of

the State of Arkansas for a period of eight (8) years or longer, who is not now receiving, or entitled to receive, survivors' benefits under the Arkansas Judicial Retirement System shall be entitled to receive survivors' benefits under the system upon meeting the qualifications therefor and otherwise complying with the provisions of this section.

(b)(1) Any person desiring to apply for and draw benefits provided for in this section shall make application to the Auditor of State.

(2) The application shall be supported and accompanied by proof satisfactory to the Auditor of State that the applicant is an unmarried spouse, sixty-five (65) years of age or older, of a person who served either on the Supreme Court, as a judge of the Court of Appeals, or as a circuit or chancery judge for a period of eight (8) years or longer, and that the applicant was married to the deceased justice or judge for at least five (5) years, was married to him or her at the time of his or her death, and was living with him or her in marriage at the time of his or her death.

SECTION 4. DO NOT CODIFY. CONSTRUCTION AND LEGISLATIVE INTENT.

It is the intent of the General Assembly that:

(1) The enactment and adoption of this act shall not expressly or impliedly repeal an act passed during the regular session of the Ninety-First General Assembly;

(2) To the extent that a conflict exists between an act of the regular session of the Ninety-First General Assembly and this act:

(A) The act of the regular session of the Ninety-First General Assembly shall be treated as a subsequent act passed by the General Assembly for the purpose of:

(i) Giving the act of the regular session of the Ninety-First General Assembly its full force and effect: and

(ii) Amending or repealing the appropriate parts of the Arkansas Code of 1987; and

(B) Section 1-2-107 shall not apply; and

(3) This act shall make only technical, not substantive, changes to the Arkansas Code of 1987.

APPROVED: 02/21/2017