

## MEMBERSHIP

(A.C.A. § 24-7-501-502, § 24-7-202, § 24-7-406)  
(As Amended by Act 97 of 2007)

### DEFINITIONS

**Active member** means any member rendering service to an employer that is covered by the System.

**Deferred member** means a member who has five (5) or more years of actual or reciprocal service who is eligible for retirement under § 24-7-707.

**Inactive member** means a member who is no longer rendering service covered by the System and who is not retired.

**Member** means any person included in the membership of the System.

**Nonteacher** means any member except a teacher.

**Teacher** means any member employed by a school for purposes of giving instruction and whose employment requires state licensure.

1. Membership in the Arkansas Teacher Retirement System shall include the following persons:

A. All teachers hired after July 1, 1971, who are not participating in another state-supported retirement plan;

B. All employees of an Arkansas public school district hired after July 1, 1989<sup>1</sup>; and

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<sup>1</sup> Those employees whose nonteaching service began before July 1, 1989, and whose nonteaching service is covered or coverable by the Public Employees Retirement System, shall continue to be covered by that System for all nonteaching service.

- C. All persons newly hired after July 1, 1989, by any covered employer who are not participating in an alternate or other state-supported retirement plan;..

## **RULES**

1. A person who has excluded himself from membership before July 1, 1991, may rescind the exclusion by filing with the System a Membership Data form.
2. Effective July 1, 2001, those employees whose nonteaching service began before July 1, 1989, and whose nonteaching service is covered or coverable by the Public Employees Retirement System may elect to be covered by the Arkansas Teacher Retirement system. The elections shall be made prior to May 31 on a form provided by System and shall be effective the following July 1. (Act 742 of 2001).
3. Employees who are eligible for membership in the Teacher Retirement System are ineligible for membership in another state retirement system while employed in a position covered by Teacher Retirement excluding service in the Arkansas General Assembly § 24-7-204(6).
4. Employees hired by the following employers are ineligible to become members of the System unless the employee has prior service in the System with another covered employer: Arkansas Activities Association; Arkansas Association of Educational Administrators; Arkansas School Board Insurance Trust, Arkansas Easter Seals Society; Ashley County Adult Education; Florence Crittenden Home; Jefferson County Adult Education; Laidlaw Transit; and the Literacy Council of Lonoke. (See ATRS Board Resolution 2006-15, IRS Private Letter Ruling, June 17, 2006.)

## **ACTIVE MEMBERS**

An active member means a person rendering service to a covered employer as follows:

1. For the purpose of crediting service in a fiscal year, an active member must earn a year of credit (120 teaching days) or a fraction thereof (not less than 1/4 year - 30 teaching days).
2. No service credit shall accrue until the member works thirty (30) days for a covered employer in a fiscal year. If the member does not accrue any service credit for a fiscal year, then any employee contributions shall be refunded to the member by the System at the end of the fiscal year.
3. Active membership will continue beyond a fiscal year in which actual service was rendered, provided the employing institution certified continuing employment, and leave of absence with pay upon which the member is

making contributions or is a noncontributory member, also continues active membership

. he Teacher Retirement System.

4. An inactive member will become an active member after returning to covered employment and completing at least 30 (thirty) days of credited service.

### **TERMINATION OF ACTIVE MEMBERSHIP**

Active membership in the System will terminate upon the occurrence of any of the following:

### **RULES**

1. An active member who terminates covered employment and retires becomes inactive and is not eligible to accrue additional service credit or make employee contributions to the System unless the member's retirement is rescinded.
2. An active member who is no longer employed by a covered employer and does not retire shall become inactive.
3. If an inactive member who has not retired becomes employed by a covered employer, he/she will become an active member and is eligible to accrue service credit upon the completion of 30 days of service to the employer.

d August 13, 2002.)

### **ADMISSION OF NEW EMPLOYERS**

## **COVERED BY THE SYSTEM**

- A. All employees of a new ATRS employer must participate in the Arkansas Teacher Retirement System as a condition of their employment.
- B. Employees of a new ATRS employer will enter the System as a noncontributory member, and be allowed one (1) year from the date the new employer is approved by the Board of Trustees to make an irrevocable choice to participate in either the contributory or noncontributory plan.
- C. Employees of a new employer who want to purchase their previous service with the new employer may do so in accordance with the policies pertaining to the purchase of prior service. Service with other Arkansas educational nonprofit corporations not covered by ATRS may be purchased in accordance with the policies pertaining to the purchase of private school service.
- D. A retiree who is working for a new ATRS employer on the date the employer is approved by the Board of Trustees, may continue employment with the employer without being considered to be rendering service to a covered employer. A retiree working for a newly covered employer in this instance is not subject to the ATRS earnings limitation.

### **MEMBERSHIP SERVICE**

## **RULES**

- ~~1. After July 1, 1971, for the purpose of establishing service based on back contributions, the number of days required to establish a year of service since 1937 is 120 days.~~
- ~~2. Fractional years of credit may also be established only for service rendered after July 1,~~

**Amended:** June 15, 2004

### **ERRONEOUS MEMBERSHIP (formerly 6-9-1)(Now 6-1B-1)**

## **RULES**

- 1. Employees erroneously enrolled in a state retirement system on or after January 1, 1979, may elect to remain a member of the system of record or may become a member of the eligible retirement system.

1. After July 1, 1979, the Teacher Retirement System will make no further effort to correct the retirement system membership of persons who were erroneously enrolled in another state retirement system before January 1, 1979. The Teacher Retirement System will not accept as members persons who were erroneously enrolled in another state retirement system before January 1, 1979, unless that person's contributions were refunded prior to July 1, 1979.
2. If an employee was erroneously enrolled in the Teacher Retirement System before January 1, 1979, and if his/her contributions were not refunded prior to July 1, 1979, the employee shall continue to be a member of the Teacher Retirement System. The member shall receive service credit for all paid membership service in the System and any free service creditable under Act 427 of 1973 as amended. He shall also be entitled to reciprocal service credit as provided by § 24-7-401-408.
3. If it is discovered by the Teacher Retirement System that an employee became erroneously enrolled in a state retirement system on or after January 1, 1979, the Teacher Retirement System will notify both the employer and employee that the membership is erroneous and that it may be corrected as prescribed by Act 13 of 1991.
4. If a person who is employed before July 1, 1989, as a school janitor, bus driver, or cafeteria worker is enrolled in the Public Employees Retirement System under the provision of Act 63 of 1965, and later is promoted to a position of school maintenance worker or supervisor, bus mechanic or transportation supervisor, or cafeteria manager, respectively, the employee shall continue to be a member of the Public Employees Retirement System as long as he/she is employed in one of these respective capacities.
5. If it is discovered by the Teacher Retirement System that an employee became erroneously enrolled in a state retirement system on and after January 1, 1979, the Teacher Retirement System will notify both the employer and employee that the membership is erroneous and that it should be corrected as prescribed by A.C.A. §\_24-2-304.



**CONTRIBUTORY/NONCONTRIBUTORY SERVICE**(A.C.A. § 24-7-406) as amended by Act 93 of 2007**DEFINITIONS**

1. **Contributory service** is service on which a member makes or made member contributions to the Teacher Retirement System.
2. A **contributory election** is a written election by a member to make member contributions to the Teacher Retirement System. To be valid, an election must be on a special **an** election form provided by the System and signed by both the member and the employer.
3. **Noncontributory service** is service on which a member does not make member contributions to the Teacher Retirement System and accepts a reduced retirement annuity for the years of service on which he/she does not contribute.
4. A ~~noncontributory election~~ is a written election by a member not to make member contributions. To be valid, an election must be on a special election form provided by the System and signed by both the member and the employer.
5. **4. Nonteacher** means any employee member except a teacher.
6. **5. Teacher** means any person employed by a school for the purpose of giving instructions and whose employment requires state certification licensure.

**RULES** (Amended by Act 907 of 1999; Acts 23 and 47 of the 2<sup>nd</sup> Extraordinary Session of 2003; and Act 385 of 2005 and Act 93 of 2007)

1. All service rendered before July 1, 1986, is contributory service. ~~Active members do not become eligible for a refund of contributions by signing a noncontributory election form.~~
2. ~~Effective July 1, 1999, all~~ All new members under contract for 181 or more days will make member contributions to the Teacher Retirement System. (Acts 81 and 907 of 1999)
3. ~~Effective July 1, 1999~~
  - A. Until June 30, 2007, all new members under contract for 180 days or less will have one (1) year from their hire date to make an irrevocable election to make member contributions.
  - B. Effective July 1, 2007, all new members under contract for 180 days or less may elect to become contributory members.

4. A. Effective July 1, 2005, any active member whose status later changes from nonteacher status to teacher status under contract for 181 days or more shall make the member contributions regardless of an earlier election to be noncontributory.
- B. If the change of status from nonteacher to teacher occurs during a year in which service has already been reported as noncontributory, and the member is under contract for 181 days or more, the change to contributory will occur beginning with the next fiscal year.
5. ~~Effective July 1, 1999~~
- A. Until June 30, 2007, new members who are not under contract will not make member contributions.
- B. Effective July 1, 2007, all new members who are not under contract may elect to become contributory members.
6. ~~A. All active members, as of July 1, 1999, were required to make an irrevocable election to be contributory or noncontributory on or before June 30, 2000. An election to become contributory remains in effect for the remainder of the member's career. If no election was made by June 30, 2000, the member remained in the plan he/she was in as of that date.~~
- ~~B. To be effective July 1, 2005~~
- A. Until June 30, 2007, and each July 1 thereafter, Acts 23 and 47 of the 2<sup>nd</sup> Extraordinary Session of 2003 as amended by Act 385 of 2005 (A.C.A. § 24-7-406(f)(5) provide that, subject to a determination by the Board under No. 6Bii below, active members who have previously elected to eliminate member contributions be noncontributory may make an irrevocable election to make future member contributions to the Retirement System become contributory members. °
- B. Effective July 1, 2007, any noncontributory member may elect to become a contributory member.
- i. If the election is made before the preparation of the first salary payment to the member in the fiscal year, the election will become effective immediately. If the election is after the preparation of the first payroll containing the first salary payment to the member in the fiscal year, the election shall become effective July 1 of the next fiscal year.
- ii. ~~A.C.A. § 24-7-406(f)(C) further provides that if the Board determines that a member's contributions may not be treated as employer contributions under the Internal Revenue Code or Income Tax Act of 1929, § 26-51-101 et seq., the Board may exclude such member's participation under this rule, paragraph 6B.~~ Any member's election to



become contributory is irrevocable. All service rendered after the election is filed with the System shall be contributory.

- iii. ~~Because a final favorable ruling was not received from the Internal Revenue Service in sufficient time for implementation of this subsection on July 1, 2005, implementation will be delayed until July 1, 2006.~~
  - ° All active members, as of July 1, 1999, were required to make an irrevocable election to be contributory or noncontributory on or before June 30, 2000. An election to become contributory remains in effect for the remainder of the member's career. If no election was made by June 30, 2000, the member remained in the plan he/she was in as of that date.
7. A. All former, active ~~Inactive members or rescinding retirees~~ members who reenter the System covered employment after June 30, 1999, must ~~may~~ make an election to become contributory members within one year of reentry. If no election is made, the member will be enrolled in the plan that he/she was in prior to reentry.
- B. Noncontributory inactive members or noncontributory rescinding retirees who reenter the System after June 30, 2007, may elect to become contributory members.
8. A. For purposes of Act 907 of 1999, full-time Full-time employees of state agencies covered by the Teacher Retirement System shall be contributory ~~will be classified the same as members contracted for 181 days or more and will make member contributions. (See No. 2 above.)~~
9. B. ~~For purposes of Act 907 of 1999, part-time~~ Part-time employees of state agencies covered by the Teacher Retirement System ~~will be classified as new members who are not under contract and will not make member contributions. (See No. 5 above.)~~ shall be noncontributory. Effective July 1, 2007, part-time employees of state agencies covered by the Teacher Retirement System may elect to become contributory.
10. 9. Any former active ~~Inactive~~ members s who had been contributing contributory on a maximum salary of \$7,800.00 ~~who returns to work on or after July 1, 1995, and who elects to make member contributions to the System~~ become contributory ~~will contribute~~ make contributions on his/her full salary.
11. 10. If a member enters the System and is reported incorrectly by the employer for the first year as a noncontributory member, the System will accept the member the first year as a noncontributory member. The System shall notify the employer of the member's contributory status. Effective the next

July 1, the member shall make member contributions to the System.  
(Amended August 13, 2002.)

~~12~~ 11. If a former an inactive member returns to the System covered employment as an active member after July 1, 1999, and is reported incorrectly by the employer as a noncontributory member for the first year, the System will accept the member the first year as a noncontributory member. The System shall notify the employer of the member's contributory status. Effective the next July 1, the member shall make member contributions to the System. (Amended August 13, 2002.)

**Amended:** July 18, 2005

**RECIPROCITY**

(A.C.A. §§ 24-2-401—408, as amended by Act 1022 of 2005 and Acts 97 and 297 of 2007)

**DEFINITIONS** (~~Act 611 of 1975 as most recently amended by Act 1022 of 2005~~)

1. **Reciprocal system** means the Arkansas Teacher Retirement System in operation June 30, 1957, and continued by statutes; the Arkansas State Highway Employees' Retirement System, established by A.C.A. § 24-5-103; the Arkansas Public Employees' Retirement System established by A.C.A. § 24-4-103; the Arkansas State Police Retirement System established by A.C.A. § 24-6-203; the Arkansas Judicial Retirement System established by A.C.A. § 24-8-201; the Arkansas District Judge Retirement System established by A.C.A. §§ 24-8-801--824; the Arkansas Local Police and Fire Retirement System provided for under A.C.A. § 24-10-101; or an alternate retirement plan for a public college or university, or the Arkansas Department of Higher Education provided for under A.C.A. § 24-7-801, et seq., or for a vocational-technical school or the Division of Workforce Education (formerly the Division of Vocational and Technical Education) provided for under A.C.A. § 24-7-901, et seq.
2. **State employer** means the public employer whose employees are covered under the Arkansas Teacher Retirement System, the Arkansas State Highway Employees' Retirement System (A.C.A. § 24-5-103), the Arkansas Public Employees' Retirement System (A.C.A. § 24-4-103), the Arkansas State Police Retirement System (A.C.A. § 24-6-203), the Arkansas Judicial Retirement System (A.C.A. § 24-8-201), or the Arkansas District Judge Retirement System (A.C.A. §§ 24-8-801—824). "State employer" also includes a public employer that is a college, university, or the Arkansas Department of Higher Education (A.C.A. § 24-7-801 et seq.), or a vocational-technical school or the Division of Workforce Education (formerly the Division of Vocational and Technical Education (A.C.A. § 24-7-901 et seq.).
3. **Alternate retirement plans** refers to the retirement plan(s) of a public college or university, or the Department of Higher Education provided for under A.C.A. § 24-7-801, et seq., or for a vocational-technical school or the Division of Workforce Education (formerly the Division of Vocational and Technical Education) provided for under A.C.A. § 24-7-901, et seq.
4. **Preceding system** is a previous retirement system of record as defined above.
5. **Succeeding system** is the current retirement system of record, following membership in a retirement system covered above.

## **SUMMARY OF RECIPROCAL SERVICE ACT ~~611 OF 1975~~**

If a member leaves the employ of a state employer whose position is covered by any of the retirement systems listed above and enters the employ of another state employer whose position is covered by any of these retirement systems, the member shall be entitled to a deferred annuity payable from the preceding system subject to the following conditions:

### **1. Age and Service Retirement with Reciprocal Service Credit**

- A. The member has credited service acquired in the employ of the preceding state employer.
- B. The member does not withdraw his or her contributions, or if the contributions are withdrawn, the member repays the amount withdrawn, plus interest while an active member of a reciprocal system.
- C. The member qualifies for age and service retirement in the succeeding reciprocal system through combined credited service ~~in force with the preceding and succeeding reciprocal systems, plus credited service acquired in the employ of the succeeding state employer,~~ to meet the minimum service requirements of the succeeding system. This would also qualify the member for benefits in the preceding system.
- D. The member's deferred annuity payable by the preceding reciprocal system shall be determined by the annuity formula in effect at the time of retirement in the preceding system, ~~exclusive of any minimum amounts.~~
- E. If the Teacher Retirement System is the preceding system, the member's annuity begins the first day of the month ~~next~~ following the month the application was filed or after attainment of age 60 years, whichever is later. However, should the member have combined service of at least 25 years, the age limitation shall not apply. ~~In no case shall it~~ The deferred annuity shall not begin prior to the date of leaving the employ of the last state employer unless the member reaches age 65.
- F. If the Teacher Retirement System is the preceding system, the member is eligible to apply for benefits without leaving the employ of the last state employer upon reaching age 65. The member's annuity will begin the first day of the month ~~next~~ following the month the application was filed or after attainment of age 65, whichever is later. Only service credited and salaries earned prior to the ATRS effective date of benefits will be used in the ATRS benefit calculation.

### **2. Disability Retirement with Reciprocal Service Credit**

- A. If the member has five (5) or more years of combined actual and reciprocal ~~creditable~~ service in two (2) or more reciprocal systems, he/ or

she is eligible to apply for disability benefits from each reciprocal system in which he or she has credited service.

- B. Eligibility for disability benefits is determined under the rules and regulations of each respective system.
- C. The member shall be eligible for a refund of accumulated contributions plus interest, if any, from any reciprocal system in which he/ or she does not qualify for disability benefits. Such refund shall not alter eligibility for benefits from any other reciprocal system.
- D. The member's annuity for disability retirement payable by the preceding reciprocal system shall begin the first day of the month ~~next~~ following the month the application was filed with the preceding system, but not prior to the date of leaving the employ of the last state employer.

## RULES

1. A ~~person~~ member who leaves a position covered by the Teacher Retirement System ~~and is , becomes~~ employed by a reciprocal system, and files a reciprocal service agreement becomes an deferred (inactive) member and is ~~entitled to~~ may become eligible for the benefit formula in effect at the time of retirement, ~~exclusive of any minimum amounts.~~
2. The final average compensation used in computing benefits ~~payable by the preceding system~~ shall be that of the reciprocal system furnishing the highest final average salary at the time of retirement. To determine the final average salary, only service credit and salaries earned in a system will be used, even if the service does not total ~~five~~ three years. Salaries earned from employers participating in the Arkansas Judicial Retirement System, the Arkansas District Judge Retirement System, and alternate retirement plans shall not be used in computing final average compensation.
3. The provisions of paragraph 2 above shall not be applicable to a ~~person~~ member who elects to contribute on a maximum salary of \$7,800.00 unless he or she changes to full salary and pays the difference between 6% of \$7,800.00 and 6% of full salary retroactive to July 1, 1969; ~~provided, however, if~~ Should a member who is making contributions ~~only~~ on the first \$7,800.00 of the total annual salary receives a refund of contributions and subsequently returns to an ATRS covered employer ~~service~~ as a noncontributory member, the member shall be considered on full salary for reporting purposes. ~~However, should~~ If the member ~~wishes~~ wishes to repay any refunds ~~which include contributory service~~, he/ or she must pay the additional contributions due to change to full salary.

A member whose salary for reporting purposes is \$7,800.00 and who has not received a refund may elect to change effective July 1, 1986, to the noncontributory plan and from that date be considered on full salary for reporting purposes. Additional employer contributions for that period shall not

be due from the member. However, if a member elects to make this change, he or she must pay the additional employee and employer contributions plus interest due on any service reported between July 1, 1969, and June 30, 1986. (Interest will be calculated to July 1, 1986.)

4. A. Benefits will not be paid under reciprocity from the Teacher Retirement System as the preceding system until the member has ceased to be in the employ of a state employer unless the member reaches age 65.  
  
B. If the Teacher Retirement System is the preceding system, the member is eligible to apply for benefits without leaving the employ of the last state employer upon reaching age 65. The member's annuity will begin the first day of the month ~~next~~ following the month the application was filed or after attainment of age 65, whichever is later. Only service credited and salaries earned prior to the ATRS effective date of benefits will be used in the ATRS benefit calculation.
5. Benefits will not be paid under reciprocity from the Teacher Retirement System as the preceding system earlier than age 60 unless the member has 25 or more years of combined service.
6. No minimum benefits apply under Act 488 of 1965 [A.C.A. § 24-2-402(5)(E)], as amended, for reciprocal service ~~unless the Teacher Retirement System is the succeeding system~~ and the member has five (5) or more years of credited service in the Teacher Retirement System.
7. If the survivor death-in-service benefits are payable by more than one reciprocal system to eligible survivors of a deceased member, ~~such the~~ survivors shall not receive more, as a than the percentage of the deceased member's final pay or ~~the~~ as a minimum dollar amount, than the largest amount payable by a single reciprocal system. The Teacher Retirement System will prorate minimum benefits payable with other reciprocal systems that have a minimum benefit provision in their plans. Each reciprocal system shall pay ~~only~~ a proportionate share of ~~such the~~ minimum amount based on the ratio of ~~such~~ service in ~~such~~ that system to the total service in all reciprocal systems. If the reciprocal system is an alternate retirement plan, ~~death-in-service survivor~~ benefits shall be contingent upon provisions of that benefit having been provided by the alternate retirement plan and having been selected by the member as a benefit [A.C.A § 24-2-402 (5)].
8. If an employee of the Department of Human Services who becomes a member of the Public Employees Retirement System under the provisions of Act 793 of 1977, as amended, leaves employment with the Department of Human Services and becomes employed in another position covered by the Teacher Retirement System, the benefits for service, both before and after any service under Act 793, shall be subject to the benefit provisions of the Teacher Retirement law. Such member shall be eligible to establish reciprocity under the provisions of Act 488 of 1965 as amended.

9. If an ATRS member has reciprocal service credited during the same fiscal year with ~~the Teacher Retirement System~~ and another reciprocal system and if, ~~under the two systems' methods of credited service~~, the combined service amounts to more is greater than one full year of service credit, the ATRS will credit service as follows:
- A. If credit by the ~~other~~ reciprocal system is less than three (3) months, ATRS will credit service for the full one (1.00) year.
  - B. If credit by the ~~other~~ reciprocal system is three (3) or more months but less than six (6) months, ATRS will credit service for three-fourths (3/4) year.
  - C. If credit by the ~~other~~ reciprocal system is six (6) or more months but less than nine (9) months, ATRS will credit service for one-half (1/2) year.
  - D. If credit by the ~~other~~ reciprocal system is for nine (9) months but less than twelve (12) months, ATRS will credit service for one-fourth (1/4) year.
10. ~~A member who has established reciprocity with the Teacher Retirement System as the succeeding system and has at least ten (10) years of service credit with the Teacher Retirement System will be eligible for the minimum amounts for retirement benefits (Act 221 of 1999). He or she will not receive less than \$1,800.00 per year (contributory option) or \$1,128.00 (noncontributory option) or a proration of the two. Effective July 1, 1998, a member who has established reciprocity with the System as the succeeding system and has at least five (5) years of service credit with the Teacher Retirement System will be eligible for the minimum amounts for retirement benefits: \$100.00 per month, or \$1,200.00 per year, if the member has only contributory service, or a proration of the two if the member has a combination of contributory and noncontributory service.~~

A member who has established reciprocity with ATRS and has at least five (5) years of **actual** service will be eligible for the greatest minimum retirement benefit as provided by A.C.A. § 24-7-705(b)(2). See policy 9-1-4 for minimum benefit guidelines.

In addition to the minimum benefit amount, a member who **meets eligibility requirements** shall receive benefits applicable under A.C.A. § 24-7-713.

11. ~~All purchases and payments paid with after-tax dollars~~ While participating in a reciprocal system, back contributions, additional contributions, and repayment of refund payments made to ATRS shall be made according to rules pertaining to the minimum payments and payment methods contained in Rule No. 8-5 (Purchase Payments); except employer pick-up is prohibited while working for a non-covered ATRS employer<sup>1</sup>.

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<sup>1</sup> From July 1, 1991, until December 31, 1991, an active member of the Public Employees Retirement System who was an active member of the Teacher Retirement System prior to January 1, 1978, and who became a member of the Public Employees Retirement System within

- ~~12. From July 1, 1991, until December 31, 1991, an active member of the Public Employees Retirement System who was an active member of the Teacher Retirement System prior to January 1, 1978, and who became a member of the Public Employees Retirement System within thirty (30) days of departure from the Teacher Retirement System may establish reciprocity between the two systems and purchase out-of-state service rendered prior to January 1, 1978, in accordance with the provisions and conditions contained in A.C.A. §24-7-601 and §24-7-603.~~
- ~~13. Effective July 1, 1993, for a ninety (90) day period, employees of the Arkansas Rehabilitation Services may transfer from the Public Employees Retirement System to the Teacher Retirement System. Any employee making the change will establish reciprocity between the two systems, and Act 793 shall no longer apply.~~

**Amended:** July 18, 2005

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thirty (30) days of departure from the Teacher Retirement System may establish reciprocity between the two systems and purchase out-of-state service rendered prior to January 1, 1978 in accordance with the provisions and conditions contained in A.C.A §24-7-601 and §24-7-603. Effective July 1, 1993, for a ninety (90) day period, employees of the Arkansas Rehabilitation Services may transfer from the Public Employees Retirement System to the Teacher Retirement System under Act 574 of 1993. Any employee making the change will establish reciprocity between the two systems, and Act 793 of 1977 shall no longer apply.



**ERRONEOUS MEMBERSHIP**

**DEFINITIONS**

1. **Erroneous Membership** means an employee was enrolled in a state retirement system in which he was not eligible for membership and both employee and employer contributions have been accepted by the "System of Record."
2. **Retirement System of Record** means the system that holds an erroneous membership.
3. **Eligible Retirement System** means the retirement system in which the employee is eligible for membership.
4. **Employer** means an employing state agency or employing school district.

**RULES**

1. Employees erroneously enrolled in a state retirement system on or after January 1, 1979, may elect to remain a member of the system of record or may become a member of the eligible retirement system.
2. With the exception of erroneously enrolled persons who choose to remain in the system of record, the Teacher Retirement System will notify all employers that the following persons should be enrolled in the Teacher Retirement System:
  - A. Any person employed by a school for the purpose of giving instruction and whose employment requires state certification.
  - B. Any other person first employed by a school on or after July 1, 1989, in a regular or special position.
  - C. Any person first employed on or after July 1, 1989, by any of the following organizations or agencies:

State School for the Blind; State School for the Deaf; Arkansas Activities Association; a local school board; Chief County School Officers; State Board of Education; Regional Educational Cooperatives; the State Surplus Property Program; the Teacher Retirement System; Arkansas Rehabilitation Service; the Division of Rehabilitation Services for the Blind.
  - D. Any person employed in a position with an area Vocational Technical School, except those employees who have elected to participate in an alternate retirement plan established by Act 480 of 1983; or the Arkansas Educational Television Commission.

~~E. Any person employed in a covered position with a technical college, except those employees who elect under Act 1244 of 1991 to remain in the retirement plan in which he or she was enrolled prior to July 1, 1991, or any alternate retirement plan currently established.~~

~~F. Any person employed in a position with the Arkansas Rehabilitation Services for the Blind or the Youth Services Division, except those employees who have elected coverage under Act 793 of 1977; provided, however, that any employee hired by Youth Services after July 1, 1977, is ineligible for membership in the Teacher Retirement System. (Attorney General's Opinion No.77-249.)~~

- ~~3. After July 1, 1979, the Teacher Retirement System will make no further effort to correct the retirement system membership of persons who were erroneously enrolled in another state retirement system before January 1, 1979. The Teacher Retirement System will not accept as members persons who were erroneously enrolled in another state retirement system before January 1, 1979, unless that person's contributions were refunded prior to July 1, 1979.~~
- ~~4. If an employee was erroneously enrolled in the Teacher Retirement System before January 1, 1979, and if his contributions were not refunded prior to July 1, 1979, he shall continue to be a member of the Teacher Retirement System. He shall receive service credit for all paid membership service in the System and any free service creditable under Act 427 of 1973 as amended. He shall also be entitled to reciprocal service credit as provided by Act 488 of 1965 as amended.~~
- ~~5. If it is discovered by the Teacher Retirement System that an employee became erroneously enrolled in a state retirement system on or after January 1, 1979, the Teacher Retirement System will notify both the employer and employee that the membership is erroneous and that it may be corrected as prescribed by Act 13 of 1991.~~
- ~~6. If a person who is employed before July 1, 1989, as a school janitor, bus driver, or cafeteria worker is enrolled in the Public Employees Retirement System under the provision of Act 63 of 1965, and later is promoted to a position of school maintenance worker or supervisor, bus mechanic or transportation supervisor, or cafeteria manager, respectively, he shall continue to be a member of the Public Employees Retirement System as long as he is employed in one of these respective capacities.~~
- ~~7. If it is discovered by the Teacher Retirement System that an employee became erroneously enrolled in a state retirement system on and after January 1, 1979, the Teacher Retirement System will notify both the employer and employee that the membership is erroneous and that it should be corrected as prescribed by A.C.A. §24-2-304.~~

**CONFIDENTIALITY OF MEMBER ACCOUNTS**  
**FREEDOM OF INFORMATION, MEMBER RECORDS**

~~In compliance with A.C.A. § 25-19-105, the Board of Trustees will release information taken from member records under the following conditions:~~

- ~~1. Unless a member requests information on his account, only the names and addresses of members will be supplied from the records.~~
- ~~2. The request for information must be made in writing to the Executive Director.~~
- ~~3. Any costs incurred in supplying the requested information must be paid by the person or organization requesting the information.~~

In compliance with the ATRS Code of Ethics, the System shall keep all member's salary, employment history, retirement account, and other personal data or information compiled by ATRS for purposes of establishing and maintaining a member's retirement account with the System confidential. Such information shall not be disclosed to any third party without the express written consent of the member or other valid legal process.

**NOTE:** See A.C.A. § 24-4-1003. Benefit provisions—Inspection of records:

Any and all records kept by an Arkansas public retirement system, whether required to be kept by law or board policy, shall be open to public inspection as provided in § 25-19-105, except that individual member's records which are kept for the purpose of compiling information for the member's retirement or social security records shall not be open to the public.

History: Act 151 of 2001, § 53; formerly A.C.A. § 24-3-213 (Act 793 of 1977 § 5; A.S.A. 1947, § 12-330).

**Amended:**