

ARKANSAS REGISTER

Transmittal Sheet

Use only for **FINAL** and **EMERGENCY RULES**



Secretary of State

Mark Martin

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For Office

Use Only:

Effective Date _____ Code Number _____

Name of Agency Arkansas Teacher Retirement System

Department N/A

Contact Laura Gilson E-mail laurag@artsr.gov Phone 501-682-1266

Statutory Authority for Promulgating Rules 24-7-305 (b)(1)

Rule Title: Rule 9-9 Retirement Application

Intended Effective Date

(Check One)

Date

☐ Emergency (ACA 25-15-204)

Legal Notice Published 9/28/2017

☒ 10 Days After Filing (ACA 25-15-204)

Final Date for Public Comment 10/27/2017

☐ Other _____
(Must be more than 10 days after filing date.)

Reviewed by Legislative Council 12/12/2017

Adopted by State Agency 02/05/2018

Electronic Copy of Rule e-mailed from: (Required under ACA 25-15-218)

Laura Gilson

laurag@artsr.gov

02/06/2018

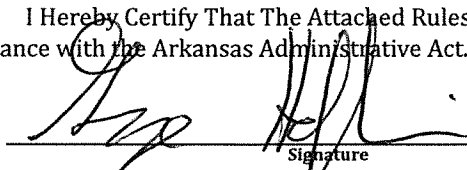
Contact Person

E-mail Address

Date

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with the Arkansas Administrative Act. (ACA 25-15-201 et. seq.)



Signature

501-682-1820

georgeh@artsr.gov

Phone Number

E-mail Address

Executive Director

Title

February 6, 2018

Date

RULE 9-9

RETIREMENT APPLICATION

- I. A copy the ATRS retirement application can be downloaded from the ATRS website or requested from ATRS.
- II. In order for a retirement application to be timely filed, there is a three (3) month "window" to apply for retirement benefits.

For active members currently employed, the window for filing your retirement application is:

- A. *No sooner* than four (4) months *prior to* your Effective Retirement Date; and,
 - B. *No later* than one (1) month *before* your Effective Retirement Date.
- III. A. The member's Effective Retirement Date for purposes of ATRS retirement benefits is the 1st day of the month in which the member requests to receive retirement benefits and for which the member has submitted a timely retirement application.
 - B. For an inactive, vested, immediately eligible-to-retire member, retirement benefits are payable the month after the retirement application is received.
- IV. A. If a retirement application is received by ATRS before the three (3) month window begins for the member's anticipated Effective Retirement Date, the application is not timely filed, and ATRS will reject the application and notify the member of the dates that their retirement application can be filed timely and the procedure to do so.
 - B. If a retirement application is received after the three (3) month window ends for the member's anticipated Effective Retirement Date, the retirement application is not timely filed and the member will receive a new Effective Retirement Date beginning on the 1st day of the next month.
- V. This Rule does not apply to an application for disability retirement or survivor benefits.

The following table shows examples of the "windows" for filing a retirement application:

EXAMPLE OF RETIREMENT FILING DATES			
Effective Date of Retirement	Retirement Application Must be Filed In:	Last Date of Employment	First Retirement Check
January 1	September, October or November	December 31	End of January
February 1	October, November or December	January 31	End of February
March 1	November, December or January	Feb 28/29 (Leap year)	End of March
April 1	December, January or February	March 31	End of April
May 1	January, February or March	April 30	End of May
June 1	February, March or April	May 31	End of June
July 1	March, April or May	June 30	End of July
August 1	April, May or June	July 31	End of August
September 1	May, June or July	August 31	End of September
October 1	June, July or August	September 30	End of October
November 1	July, August or September	October 31	End of November
December 1	August, September or October	November 30	End of December

The following table is the only "window" for filing a T-DROP application:

Effective Date of Retirement	Retirement Application Must be Filed In:
July 1	March, April or May

HISTORY

Board Approval
Effective

February 5, 2018

13. Please provide proof of filing the rule with the Secretary of State and the Arkansas State Library as required pursuant to Ark. Code Ann. § 25-15-204(e). _____
14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known. None

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT ATRS

DIVISION Legal

PERSON COMPLETING THIS STATEMENT Laura Gilson

TELEPHONE 501-682-1266 **FAX** _____ **EMAIL:** laurag@artrs.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Rule 9-9 Retirement Application Rules and Deadlines

1. Does this proposed, amended, or repealed rule have a financial impact? Yes ☐ No ☒
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes ☐ No ☐
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☐ No ☐

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

- (b) The reason for adoption of the more costly rule;

- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

- (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total _____

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____
 Total _____

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____ N/A

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____ N/A

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☐ No ☐

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

(1) a statement of the rule's basis and purpose;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

Summary of Proposed Rule Change

for

Arkansas Teacher Retirement System

Rule 9-9 Retirement Application

Rules and Deadlines

Substantive changes

This new rule is necessary for the proper administration of retirement applications and benefits. It sets a "window" of three (3) months in which a member may apply for retirement benefits before their effective date of retirement. (The Arkansas Public Employees Retirement System has such an application window for its members.) In addition, it allows ATRS to hold a member's application if the member applies too early or too late, and requires the member to fill out a simple form once an allowable date is reached, directing ATRS to file the application at that later date.

This new rule applies to voluntary retirement, early retirement, and T-DROP. It does not apply to disability retirement or survivor benefits.

Non-substantive changes

None.