

**RETIRANTS RETURN TO SERVICE
RESCISSION OF RETIREMENT (Act 39 of 1989)**
(Amended by Act 1293/95; Act 384/99; Act 30/99)

DEFINITION

A retirant under Arkansas Code 24-7-201 through Arkansas Code 24-7-713, and any amendments thereto, may rescind his decision to terminate active membership and may become an active member upon reemployment.

POLICIES

1. A retirant rescinding his decision to terminate active membership shall file a written rescission on a form furnished by the Board.
2. a) For any school year in which a retirant takes a position in a public school, the rescission form shall be filed with the Teacher Retirement System office on or before June 30 of the previous year.

b) Should a retirant fail to meet the deadline set out in 2(a), the school district may file an appeal for a waiver of the required filing date.
3. The rescission shall become effective the first day of the calendar month next following the date the written rescission is received by the Board.
4. Any annuity benefit formerly due from the System shall be terminated upon the effective date of the rescission.
5. Upon rescission, the former retirant shall be considered an active member who shall accrue additional credited service subject to the following conditions:
 - a) If reemployment terminates before the end of the fiscal year in which the former retirant has accumulated at least three (3) years of credited service, the former retirant shall become a retired member and the payment of annuity shall resume upon such termination. The former retirant shall be entitled to receive any member contributions, which may have been made during the reemployment period.
 - b) If reemployment terminates after the end of the fiscal year in which the former retirant has accumulated at least three (3) years of credited service, upon termination of reemployment, the former retirant shall become a retired member and receive an annuity, which has been recalculated according to the benefit formula in effect at the time of such termination of reemployment.

6. Effective July 1, 1993, if a retirant has previously rescinded his decision to terminate active membership and become an active member by reemployment, but after becoming a retirant and before rescinding had been employed in a position covered by the System, as an active member he shall be eligible to purchase such previous service by:
 - a) Fulfilling the requirements set out in Sec. 24-7-717(e)(2);
 - b) Returning to the System all retirement benefits received during such employment, together with regular interest from the date of receipt of such payments to the date of repayment in full; and
 - c) Paying to the System both member and employer contributions for the previous service rendered after becoming a retirant but before rescinding, plus interest from the date of reemployment to the date of payment in full.
7. Upon rescission, a former retirant shall be eligible to participate in the T-DROP subject to the following conditions:
 - a) The employee shall file a Retirement Rescission form;
 - b) The employee shall file a T-DROP application; and
 - c) The effective date will be the first day of the calendar month next following the completion of at least thirty (30) working days
 - d) The years of service used in the calculation of T-DROP reductions do not include service rendered while rescinded
 - e) The former retirant's T-DROP deposit will be based on the monthly straight life annuity benefit to which he/she was entitled on the effective date of retirement plus retirant raises received during time of retirement. The T-DROP deposit will not include the benefit provided in Arkansas Code Section 24-7-713(b).
8. A T-DROP retirant who wishes to rescind must file a Retirement Rescission form and receive a lump sum distribution of the remainder of the T-DROP account. Then, following receipt of the T-DROP Application form and the completion of at least thirty (30) working days, participation in the T-DROP will begin.
 - a) The years of service used in the calculation of T-DROP reductions do not include service rendered while rescinded.

- b) The former retirant's T-DROP deposit will be based on the monthly straight life annuity benefit to which he/she was entitled on the effective date of retirement plus retirant raises received during time of retirement. The T-DROP deposit will not include the benefit provided in Arkansas Code Section 24-7-713(b).
- c) Upon completion of a maximum of 10 years of combined participation, the monthly deposits and accrued interest shall cease.

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