

PURCHASE OF FEDERAL RETIREMENT SERVICE

A.C.A. § 24-1-107, A.C.A. § 24-7-601

RULES

1. An active member shall be eligible to purchase federal retirement service under the following conditions (Act 2091 of 2005):
 - A. Federal retirement service eligible for purchase is limited to service for which no benefit is payable from the federal retirement system in which he or she had previously been a member.
 - B. Federal retirement service purchased shall be limited to ten (10) years.
2. The cost to purchase federal retirement service is actuarial cost determined by ATRS.
3. The federal retirement service will become credited service in the System when:
 - A. The member payments have been paid in full; and
 - B. The member has established five (5) or more years of actual service exclusive of federal retirement service.
4. Should a member cease to be an active member before the federal retirement service has been established as System credited service, the member payments contributed shall be refundable, together with regular interest; however, due to IRS regulations, purchase account payments made through employer pick-up are subject to the restrictions as stated in Rule No. 8-6 (Rollover Eligibility).
5. To be eligible to establish one (1) year of federal retirement service, a minimum of one hundred sixty (160) days must have been worked. Fractional years of domestic federal service may be purchased in accordance with A.C.A. § 24-7-601 and A.C.A. § 24-1-107). A month of domestic federal service shall be considered as twenty (20) days.
6. Certification of federal retirement service must be submitted to ATRS on a form provided by the System.
7. All federal retirement service shall be counted as contributory service.

8. Purchased federal credited service shall be credited to the fiscal year in which it was rendered.
9. ATRS will accept participant rollover contributions and/or direct rollovers of distributions for the purchase of service credit under certain circumstances. See Rule No. 8-4 (Direct Rollover Eligibility).

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