

# MARK UP

## 24 CAR § 10-512. Purchasable service credit — ~~Gap-year~~ Gap period service.

(a) A member may purchase permissive service credit for one (1) or more consecutive or nonconsecutive gap years periods if the member:

~~(1) The member:~~

~~(A)~~ (1) Has five (5) years of actual service in the Arkansas Teacher Retirement System;

~~(B)~~ (2) Has left his or her position as a classroom teacher immediately before each nonconsecutive gap year period or the initial gap year period of consecutive gap years periods;

~~(C)~~ (3) Returns to his or her position as a classroom teacher after one (1) or more gap years periods;

~~(D)~~ (4) Accrues at least one-half (1/2) year of service credit after returning to his or her position as a classroom teacher;

~~(E)~~ (5) Was inactive during the gap year period or gap years periods; and

~~(F)~~ (6) Is ineligible to receive free service credit for each gap year period under another provision of the law applicable to the system; ~~and.~~

~~(2) Each gap year amounts to an entire fiscal year.~~

(b)(1) A member shall not:

~~(A) Be permitted to purchase permissive service credit unless the total gap year service for which permissive service credit is being purchased amounts to one (1) fiscal year;~~

~~(B)~~ (A) Purchase more than five (5) years of permissive service credit; or

~~(C)~~ (B) Purchase one (1) or more gap years periods after the member retires from the system.

(2) A member's purchased permissive service credit shall be credited in accordance with Arkansas Code § 24-7-601.

(c)(1) A member shall purchase permissive service credit for one (1) or more gap years periods at the actuarial cost.

# MARK UP

(2) At the member's request, a member's payment for permissive service credit shall be refunded by the system if the:

(A) Member ceased to be an active member before the permissive service is established as credited service in the system; or

(B) Permissive service credit is not otherwise used to establish the member's eligibility for retirement under the system.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH  
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT Legal

BOARD/COMMISSION Arkansas Teacher Retirement System

BOARD/COMMISSION DIRECTOR Mark White

CONTACT PERSON Jennifer Liwo

ADDRESS 1400 W. Third Street

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NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING  
Mark White and Jennifer Liwo

PRESENTER EMAIL(S) markw@artrs.gov and jenniferl@artrs.gov

**INSTRUCTIONS**

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, [miller-ricer@blr.arkansas.gov](mailto:miller-ricer@blr.arkansas.gov), for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, [garritym@blr.arkansas.gov](mailto:garritym@blr.arkansas.gov), for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

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1. What is the official title of this rule?  
24 CAR § 10-512 - Purchasable service credit — Gap Year Service
2. What is the subject of the proposed rule? The purchase of gap period service.
3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes  No

*If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).*

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes  No

4. Is this rule being filed for permanent promulgation? Yes  No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes  No

If yes, what was the effective date of the emergency rule? \_\_\_\_\_

On what date does the emergency rule expire? \_\_\_\_\_

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes  No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes  No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes  No

If yes, please list the rules being repealed.

If no, please explain.

[24 CAR §§ 10-808 and 10-809.](#)

8. Is this a new rule? Yes  No

Does this repeal an existing rule? Yes  No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes  No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

[A.C.A. § 24-7-301 and A.C.A. § 24-7-305\(b\)](#)

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?  
Yes  No

If yes, please provide the year of the act(s) and act number(s).

[Acts 2025, No. 227.](#)

11. What is the reason for this proposed rule? Why is it necessary?

[The rule has been amended to revise "gap year" to read "gap period" to align with Acts 2025, No. 227. The rule amendment is necessary due to Acts 2025, No. 227.](#)

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

<https://www.artrs.gov/>

13. Will a public hearing be held on this proposed rule? Yes  No

If yes, please complete the following:

Date: 09/29/2025

Time: 11:00 am

Place: 1400 West Third Street, Little Rock, AR 72201

*Please be sure to advise Bureau Staff if this information changes for any reason.*

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. 09/08/2025

15. What is the proposed effective date for this rule? 12/01/2025

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

[Members and staff of the Arkansas Teacher Retirement System.](#)

19. Is the rule expected to be controversial? Yes  No

If yes, please explain.

**FINANCIAL IMPACT STATEMENT**

**PLEASE ANSWER ALL QUESTIONS COMPLETELY.**

**DEPARTMENT** Legal  
**BOARD/COMMISSION** Arkansas Teacher Retirement System  
**PERSON COMPLETING THIS STATEMENT** Jennifer Liwo  
**TELEPHONE NO.** (501) 682-1517      **EMAIL** jenniferl@artrs.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

**TITLE OF THIS RULE** 24 CAR § 10-512 - Purchasable Service Credit - Gap Year Service.

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 no, please explain:

(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 reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

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**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \$0.00

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \$0.00

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

**Current Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \$0.00

**Next Fiscal Year**

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other (Identify) \_\_\_\_\_

Total \$0.00

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

**Current Fiscal Year**

\$ 0.00

N/A

**Next Fiscal Year**

\$ 0.00

6. What is the total estimated cost by fiscal year to a state, county, or 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**

\$ 0.00

N/A

**Next Fiscal Year**

\$ 0.00

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.

August 8, 2025

**Executive Summary**  
**Proposed Rule Amendment**  
**24 CAR § 10-512 — Purchasable Service Credit — Gap Year Service**

**I. Purpose**

The Arkansas Teacher Retirement System (“ATRS” or “System”) requests the review and approval of proposed amendments to 24 CAR § 10-512 — Purchasable Service Credit — Gap Year Service.

On June 2, 2025, the Board of Trustees of the Arkansas Teacher Retirement System (“Board”) voted to proceed with the promulgation process for 24 CAR § 10-512.

**II. Authority**

A.C.A. § 24-7-301 provides that the Board is responsible for the general administration and proper operation of the System and for implementing the Arkansas Teacher Retirement System Act, A.C.A. § 24-7-201 et seq.

A.C.A. § 24-7-305(b) gives the Board the authority to promulgate rules as it deems necessary from time to time in the transaction of its business and in administering the System.

Acts 2025, No. 227, which amended “gap year” to read “gap period”.

**III. Amendments**

24 CAR § 10-512 has been amended revise “gap year” to read “gap period”.

**IV. Recommendation**

The System recommends that the proposed amendments to 24 CAR § 10-512 be approved as proposed.

**Mark-Up Color Code**

- Blue – Non-substantive changes by ATRS staff.
- Green – Substantive changes by ATRS staff.
- Red – Required legislative changes.
- Brown – Non-substantive changes where the rule was transferred from one rule to another.