



1400 West Third, Little Rock, AR 72201
Phone - (501) 682-1517
Fax - (501) 682-2359
E-mail - info@artrs.gov

MEMORANDUM

TO: Superintendents of Schools, Administrators of other Agencies and Payroll Offices
Participating in the Arkansas Teacher Retirement System

FROM: Clint Rhoden, Executive Director

SUBJECT: Application Filing Date for Age and Service Retirement and/or Entering the
Teacher Deferred Retirement Option Plan (T-DROP)

DATE: April 28, 2023

All ATRS members who are eligible for retirement benefits with an effective date of July 1, 2023, **must file an application with ATRS by May 31, 2023.** Applications received after the May 31, 2023, deadline will have an effective date of August 1, 2023, or later, and the retiree will not qualify for a cost-of-living (COLA) raise for the first year of retirement.

The deadline to apply for participation in the T-DROP program for the 2023-2024 fiscal year is also **May 31, 2023,** for an effective date of July 1, 2023. Members may begin participation in the T-DROP plan on July 1st only. As such, applications received after the May 31, 2023, deadline cannot be processed for 2023-2024 T-DROP participation. If an application is received after May 31, 2023, the member will need to reapply the following year if the member still desires to participate in T-DROP. Members entering the T-DROP plan will receive T-DROP deposits for a maximum of 10 years or until they terminate employment, whichever occurs first.

Any active member making plans to retire or enter T-DROP this year should be notified of these deadlines. To request an application, members may contact ATRS by phone at (501) 682-1517 or by e-mailing info@artrs.gov. Additionally, applications are available on the ATRS website at: www.artrs.gov under Forms.

Retirement Eligibility and Employment Termination Requirements:

1. For age and service/voluntary retirement, members must be at least 60 years of age and have at least 5 years of credited service. However, members with at least 28 years of credited service may retire at any age.
2. For early voluntary retirement, early reduced retirement benefits are payable if the member is under 60 years of age and has at least 25 years of credited service, including purchased or free credited service.

3. A member is the *Normal Retirement Age* if the member is either: (1) at least 65 years of age with at least 5 years of actual service credit, or (2) at least 60 years of age with at least 38 years of combined service.
4. Effective July 1, 2023, the amended Rule of 98 will permit members who are at least 60 years of age and have at least 38 years of combined credited service to fall within the *Normal Retirement Age*. Additionally, a member's years of T-DROP participation may also be counted toward the required 38 years of combined service credit.
5. A member must terminate employment unless the member is the *Normal Retirement Age*. A member who is the *Normal Retirement Age* may apply for benefits without termination of employment.
6. Effective July 1, 2023, members who do not meet the *Normal Retirement Age* **cannot** return to covered employment for **4 full calendar months** from the effective date of their retirement. If a member returns to covered employment before the end of the fourth full calendar month, the member's retirement will be canceled. Members should contact ATRS before engaging in direct or indirect covered employment or before providing direct or indirect services to a covered employer to ensure that the employment or services provided will not cause the member to violate the termination separation period requirement.
7. The effective date of retirement will **always** be on the first of the month. The effective date of retirement is **not** the last day a member works.
8. Members must file an application with *both* the employer's payroll department and ATRS. Members may also submit their retirement applications to ATRS using the member portal.
9. All purchase accounts, employer contributions, and employee contributions must be paid in full **before** a member may apply for retirement benefits.

Requirements for T-DROP Participation:

1. Members must have at least 28 years of credited service.
2. Members must be active members of ATRS.
3. The effective date of T-DROP participation will **always** be July 1 of each year.
4. Members must file an application with both the employer's payroll department and ATRS. Members may also submit their T-DROP application to ATRS using the member portal.
5. All purchase accounts, employer contributions, and employee contributions must be paid in full **before** a member may apply for the program.