

REFUNDS OF MEMBER CONTRIBUTIONS

A.C.A. § 24-7-711

RULES

1. Should an overpayment of contributions of less than \$25.00 be reported from the local level, no refund of this amount will be made to the member, except upon the written request from the member. The total amount reported by the employing authority shall be credited to contributions.
2. On refunded contributions, the rate for all interest credited before June 30, 1984, is 3%, compounded annually, after the first year of contributions. The rate of interest credited on June 30, 1984, through June 30, 2009, is 6%, compounded annually, after the first year of contributions. The rate of interest credited for June 30, 2010, through June 30, 2011, is 2%, compounded annually after the first year of contributions. Beginning June 30, 2012, the interested rate shall be 1% compounded annually after the first year's contributions. Payable interest shall be computed on each member's individual account as of June 30 each year by multiplying the balance in the member's individual account as of July 1 (including all contributions and interest credit from previous years) plus one-half (1/2) of the contributions for the year ending on June 30 by the annual applicable interest percentage rate.
3. The Board may change the interest rate on refunded contributions for future years by Resolution stating the new interest rate, the date that the new interest rate will become effective, and any other features of the interest rate's implementation.
4. Regular interest is not paid on contributions made in the year in which a refund is paid.
5. As of July 1, 2012, ATRS no longer requires a hardship in order to pay a refund in no more than two payments on a direct payment to the member. Upon receipt of a properly completed refund application, ATRS will issue a refund for all member contributions that have been closed on the books of ATRS. Any amount due in a second payment will be made when all quarters of service the member worked are closed on the books of ATRS. Rollovers will be made in one payment when all quarters of service worked have been closed on the books of ATRS.
6. The effective date of a refund is the date that ATRS first issues payment of a refund.

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Amended: July 18, 2005
February 1, 2010 under emergency rules.
June 7, 2010 Permanent
July 1, 2011 (Emergency)

Adopted: August 8, 2011

Effective: November 11, 2011

Approved by Board: February 6, 2012

Amended: April 2, 2012 (Emergency)

Effective: May 29, 2012