

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

A Bill

Act 396 of 1999
SENATE BILL 305

5 By: Senator Hopkins
6 By: Representative Faris
7
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For An Act To Be Entitled

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10 "AN ACT TO AMEND ARKANSAS CODE § 24-7-705 TO PROVIDE
11 AUTHORITY FOR THE BOARD OF TRUSTEES OF THE TEACHER
12 RETIREMENT SYSTEM (TRS), WHEN ACTUARIALLY APPROPRIATE,
13 TO INCREASE THE BENEFIT MULTIPLIER; TO PROVIDE THE
14 BOARD WITH AUTHORITY FOR COMPARABLE INCREASES TO
15 RETIREES FOR ANY BENEFIT INCREASES; AND FOR OTHER
16 PURPOSES. "

Subtitle

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19 "TO PROVIDE AUTHORITY FOR THE TRS-BOARD
20 OF TRUSTEES TO INCREASE THE BENEFIT
21 MULTIPLIER FOR MEMBERS AND TO PROVIDE
22 FOR COMPARABLE INCREASES TO RETIREES. "
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24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 24-7-705(a)(1), concerning the multiplier
28 for annuities under the Arkansas Teacher Retirement System, is amended to read
29 as follows:

30 "(a)(1)(A) ~~Upon~~ After July 1, 1999, upon a member's retirement, he
31 shall receive a straight life annuity equal to his number of years of credited
32 service for which member contributions were made as provided in § 24-7-406
33 multiplied by not less than two and sixty-five thousandths percent (2.065%),
34 nor more than two and fifteen-hundredths percent (2.15%), of his final average
35 salary, or a straight life annuity equal to his number of years of credited
36 service rendered after June 30, 1986, for which no member contributions were

1 made as provided in § 24-7-406 multiplied by not less than one and three
 2 hundred and five thousandths percent (1.305%), nor more than one and thirty-
 3 nine hundredths percent (1.39%), of his final average salary, or a combination
 4 of both.

5 (B) The percentages in subdivision (a)(1)(A) of this section
 6 shall be determined in accordance with rules and regulations of the Teacher
 7 Retirement System's Board of Trustees as is actuarially appropriate for the
 8 system.

9 (C) Prior to increasing a benefit as provided in this
 10 section, the board of trustees shall file relevant information concerning the
 11 actuarial appropriateness of the action with the Joint Committee on Public
 12 Retirement and Social Security Programs."

13
 14 SECTION 2. The Board of Trustees of the Arkansas Teacher Retirement
 15 System is authorized by this section to raise the level of benefit to the
 16 current retirants and other beneficiaries of the Arkansas Teacher Retirement
 17 System to a comparable level increase to match the increase in benefits that
 18 would accrue to active members as a result of any increase in the calculation
 19 of a life annuity as provided in subdivisions (a)(1)(A) and (a)(1)(B) of § 24-
 20 7-705 in accordance with any rules and regulations the Board might promulgate.
 21 The amount of any increase for retirants and other beneficiaries shall also be
 22 determined in accordance with the rules and regulations of the Arkansas
 23 Teacher Retirement System's Board of Trustees as is actuarially appropriate
 24 for the system. Prior to increasing a benefit as provided in this section,
 25 the board of trustees shall file relevant information concerning the actuarial
 26 appropriateness of the action with the Joint Committee on Public Retirement
 27 and Social Security Programs and the action shall be reviewed by the
 28 Committee.

29
 30 SECTION 3. The base amount in Arkansas Code 24-7-713 will be adjusted
 31 at the same time a benefit increase is granted to active members under Section
 32 2 of this act.

33
 34 SECTION 4. No benefit enhancement provided for by this act shall be
 35 implemented if it would cause the publicly supported retirement system's
 36 unfunded actuarial accrued liabilities to exceed a thirty (30) year

amortization. No benefit enhancement provided for by this act shall be implemented by any publicly supported system which has unfunded actuarial accrued liabilities being amortized over a period exceeding thirty (30) years until the unfunded actuarial accrued liability is reduced to a level less than the standards prescribed by Arkansas Code, Title 24.

SECTION 5. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 6. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 7. All laws and parts of laws in conflict with this act are hereby repealed.

APPROVED: 3/3/1999

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