

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 404 of 1999  
SENATE BILL 265

5 By: Senator Hopkins  
6 By: Representative Faris  
7  
8

## For An Act To Be Entitled

9  
10 "AN ACT TO PROVIDE AUTHORITY FOR THE BOARD OF TRUSTEES  
11 OF THE TEACHER RETIREMENT SYSTEM (TRS), WHEN  
12 ACTUARIALLY APPROPRIATE, TO COMPOUND THE COST-OF-  
13 LIVING ADJUSTMENT FOR RETIRANTS, BENEFICIARIES, AND  
14 TEACHER DEFERRED RETIREMENT OPTION PLAN PARTICIPANTS;  
15 AND FOR OTHER PURPOSES."  
16

## Subtitle

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18 "TO PROVIDE AUTHORITY FOR THE TRS-BOARD  
19 OF TRUSTEES, WHEN ACTUARIALLY  
20 APPROPRIATE, TO COMPOUND THE COST-OF-  
21 LIVING ADJUSTMENT FOR RETIRANTS AND  
22 OTHER BENEFICIARIES."  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Compounded cost of living adjustments.

28 (a) After July 1, 1999, beginning with the July 1 which is at least  
29 twelve (12) months after the effective date of a monthly benefit, the amount  
30 of the benefit shall be redetermined effective each July 1, and the  
31 redetermined amount shall be payable for the ensuing year.

32 (b) The redetermined amount shall be the amount of the benefit payable  
33 as of the immediately preceding June 30 increased by three percent (3%).

34 (c) The benefit provisions provided in subsections (a) and (b) of this  
35 section shall be implemented according to rules and regulations of the Teacher  
36 Retirement System's Board of Trustees as is actuarially appropriate for the

1 system. Prior to increasing a benefit as provided in this section, the Board  
2 of Trustees shall file relevant information concerning the actuarial  
3 appropriateness of the action with the Joint Interim Committee on Public  
4 Retirement and Social Security Programs.

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6 SECTION 2. No benefit enhancement provided for by this act shall be  
7 implemented if it would cause the publicly supported retirement system's  
8 unfunded actuarial accrued liabilities to exceed a thirty (30) year  
9 amortization. No benefit enhancement provided for by this act shall be  
10 implemented by any publicly supported system which has unfunded actuarial  
11 accrued liabilities being amortized over a period exceeding thirty (30) years  
12 until the unfunded actuarial accrued liability is reduced to a level less than  
13 the standards prescribed by Arkansas Code, Title 24.

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15 SECTION 3. All provisions of this act of general and permanent nature  
16 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
17 Revision Commission shall incorporate the same in the Code.

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19 SECTION 4. If any provisions of this act or the application thereof to  
20 any person or circumstance is held invalid, the invalidity shall not affect  
21 other provisions or applications of the act which can be given effect without  
22 the invalid provisions or application, and to this end the provisions of this  
23 act are declared to be severable.

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25 SECTION 5. All laws and parts of laws in conflict with this act are  
26 hereby repealed.

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29 APPROVED: 3/4/1999  
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