

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

As Engrossed: H2/25/99 H3/12/99

A Bill

Act 773 of 1999
SENATE BILL 370

5 By: Senator Hopkins
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For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 24-7-1303 CONCERNING
10 CONTRIBUTIONS TO ARKANSAS TEACHER RETIREMENT SYSTEM;
11 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

13 "TO AMEND ARKANSAS CODE 24-7-1303
14 CONCERNING CONTRIBUTIONS TO ARKANSAS
15 TEACHER RETIREMENT SYSTEM."
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code Section 24-7-1303 is amended to read as
22 follows:

23 "24-7-1303. Contributions to Arkansas Teacher Retirement System.

24 (a) When a member begins participation in the teacher deferred
25 retirement option plan, both member and employer contributions to the Arkansas
26 Teacher Retirement System on behalf of the member shall cease.

27 (b) It is the intent of the General Assembly that the employer
28 contribution to the Arkansas Teacher Retirement System that has ceased for a
29 participant in the teacher deferred retirement option plan will become a part
30 of the general operating fund of the school district to be used for any
31 purpose including employee salaries. The school district shall not make
32 contributions to any tax qualified retirement plan on behalf of any employee
33 participating in the deferred retirement option plan. However, this
34 prohibition shall not be applicable to the extent necessary to comply with
35 contractual obligations incurred by a school district prior to February 1,
36 1999.

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SECTION 2. 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 3. 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 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. Emergency. It is found and determined by the Eighty-second General Assembly of the State of Arkansas that the deferred retirement option (DROP) for the Teacher Retirement System requires no employer contributions by the school districts, that some school districts are unnecessarily expending funds for employees on the DROP, that this threatens the general level of education of all students, especially in small school districts where every dollar is needed, and that this law will immediately correct this situation so school districts will retain all necessary funds for expenditure for the general benefit of the students and not make unnecessary expenditures to benefit certain select employees. Therefore an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

/s/ Hopkins

APPROVED: 3/22/1999