

ARKANSAS SENATE
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of Senate Bill No. 123

"TO CHANGE THE TEACHER DEFERRED RETIREMENT OPTION PLAN TO REQUIRE
EMPLOYER CONTRIBUTIONS TO THE RETIRMENT SYSTEM TO CONTINUE."

Amendment No. 2 to Senate Bill No. 123.

Amend Senate Bill No. 123 as engrossed, S2/18/03:

Page 1, lines 13 and 14, delete "AFTER JULY 1, 2003"

AND

Page 1, delete lines 27 through 36, and Page 2, delete lines 1 through 10,
and substitute the following:

"(a)(1) When a member begins participation in the Teacher Deferred Retirement Option Plan ~~both member and employer~~ contributions to the Arkansas Teacher Retirement System ~~on behalf of the member~~ shall cease.

(2) Before September 1, 2003, employer contributions on behalf of the members participating in the Teacher Deferred Retirement Option Plan that are due the Arkansas Teacher Retirement System may be retained by the school districts for the purposes under subdivision (b)(1) of this section.

(3) Beginning September 1, 2003, employer contributions to the Arkansas Teacher Retirement System on behalf of members participating in the Teacher Deferred Retirement Option Plan shall recommence or continue.

(b)(1) It is the intent of the General Assembly that the employer contribution to the system that has ceased for a participant in the Teacher Deferred Retirement Option Plan will become a part of the general operating fund of the school district to be used for any purpose including employee salaries.

(2) The school district shall not make contributions to any tax-qualified retirement plan on behalf of any employee participating in the Teacher Deferred Retirement Option Plan. However, this prohibition shall not be applicable to the extent necessary to comply with contractual obligations incurred by a school district prior to February 1, 1999."

AND

Delete Section 2. and substitute another Section 2. to read as follows:

"SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Teacher Deferred



Retirement Option Plan is not presently cost neutral; that certain changes in the law governing employer contributions are necessary to make it cost neutral; and that the most effective time to make changes to the retirement system is at the beginning of the state's fiscal year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July1, 2003."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Faris
EAN/VJF - 022720031254
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Secretary