

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representative McGinnis**

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND TITLE 24, CHAPTER 7, SUBCHAPTER 7 OF THE
9 ARKANSAS CODE OF 1987, ANNOTATED, TO PERMIT THE ROLLOVER
10 OF ELIGIBLE RETIREMENT PLAN DISTRIBUTIONS FROM THE TEACHER
11 RETIREMENT SYSTEM MADE TO MEMBERS OR OTHER ELIGIBLE
12 RETIREMENT PLANS OR QUALIFIED PAYEES; TO DECLARE AN
13 EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

16 "AN ACT TO PERMIT THE ROLLOVER OF ELIGIBLE RETIREMENT PLAN
17 DISTRIBUTIONS FROM TEACHER RETIREMENT MADE TO MEMBERS OR
18 QUALIFIED PLANS."

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

22 SECTION 1. Title 24, Chapter 7, Subchapter 7 of Arkansas Code of 1987,
23 Annotated, is hereby amended to add a new Section § 24-7-719 to read as
24 follows:

25 "24-7-719. Rollover of distributions.

26 (a) As used in this section:

27 (1) Direct rollover means the payment of an eligible
28 distribution to an individual retirement arrangement or another employer
29 benefit plan.

30 (2) Eligible rollover distribution means that portion of a
31 distribution which may be rolled over to an individual retirement arrangement
32 or to another employer benefit plan.

33 (3) Eligible retirement plan means an IRA (individual
34 retirement account or individual retirement annuity or individual retirement
35 arrangement) or another employer benefit plan which accepts direct rollovers.

1 (b) Beginning January 1, 1993, should a member, or spouse, if the
2 member is deceased, elect to make a direct rollover of a distribution from the
3 Teacher Retirement System to an eligible retirement plan of all or part of his
4 eligible rollover distribution, the amount shall be paid to the trustee of the
5 eligible retirement plan.

6 (c) Subsection (b) of this section shall apply to distributions made
7 under Arkansas Code §§ 24-7-709, 24-7-710, 24-7-711 and 24-7-716."

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9 SECTION 2. All provisions of this act of a general and permanent nature
10 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
11 Revision Commission shall incorporate the same in the Code.

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13 SECTION 3. If any provision of this act or the application thereof to
14 any person or circumstance is held invalid, such invalidity shall not affect
15 other provisions or applications of the act which can be given effect without
16 the invalid provision or application, and to this end the provisions of this
17 act are declared to be severable.

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

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22 SECTION 5. Emergency. It is hereby found and determined by the
23 Seventy-Ninth General Assembly that changes in the federal Internal Revenue
24 Code and federal IRS regulations have made several provisions of the Teacher
25 Retirement System law in need of revision and updating, that the law needs to
26 be updated in order to prevent an unfair tax impact on the system_s members
27 and dependents, and that certain changes in the Teacher Retirement System law
28 are necessary to efficiently and effectively administer the Teacher Retirement
29 System. Therefore, an emergency is hereby declared to exist and this act
30 being necessary for the immediate preservation of the public peace, health and
31 safety shall be in full force and effect retroactive to July 1, 1993.

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