

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

SENATE BILL 163

5 By: Senator E. Cheatham
6

For An Act To Be Entitled

8 AN ACT TO TREAT THE PERCENTAGE OF PLAN BENEFIT FOR
9 CONTRIBUTORY, NONCONTRIBUTORY, AND RECIPROCAL
10 CREDITED SERVICE EQUALLY IN THE TEACHER DEFERRED
11 RETIREMENT OPTION PLAN UNDER THE ARKANSAS TEACHER
12 RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR
13 OTHER PURPOSES.
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Subtitle

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16 TO TREAT THE PERCENTAGE OF PLAN BENEFIT
17 EQUALLY IN THE TEACHER DEFERRED
18 RETIREMENT OPTION PLAN UNDER THE ARKANSAS
19 TEACHER RETIREMENT SYSTEM; TO DECLARE AN
20 EMERGENCY.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 24-7-1306(b), concerning amount of
27 deposits, is amended to read as follows:

28 (b)(1) The percentage is one hundred percent (100%) reduced by the
29 product of one percent (1%) multiplied by the number of years of ~~contributory~~
30 ~~and reciprocal service credit and credited service~~ and fractions thereof in
31 the Arkansas Teacher Retirement System ~~and further reduced by the product of~~
32 ~~six tenths percent (0.6%) multiplied by the number of years of~~
33 ~~noncontributory service credit and fractions thereof in the system.~~

34 (2)(A) When a participant whose effective date in the plan is
35 before September 1, 2003, reaches normal retirement age, the plan deposits
36 shall be one hundred percent (100%) with no reduction.



1 (B) For any ~~member~~ participant whose effective date in the
2 plan is September 1, 2003, or after, the plan deposits for a participant who
3 reaches normal retirement age shall continue as reduced under subdivision
4 (b)(1) of this section.

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6 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
7 General Assembly of the State of Arkansas that provisions of the Arkansas
8 Teacher Retirement System Act are in need of revision to maintain the teacher
9 retirement laws in conformance with sound public pension policy; that the
10 Arkansas Teacher Retirement System operates on a July 1 to June 30 fiscal
11 year; that a July 1, 2013, effective date is necessary to allow the
12 provisions of this act to begin on the first day of the fiscal year and to
13 provide proper administration of the system; that the revision helps clarify
14 the law for the member's understanding and for the ease of administration;
15 and that this act is necessary to maintain actuarial soundness and an orderly
16 system of benefits for the members of the Arkansas Teacher Retirement System.
17 Therefore, an emergency is declared to exist, and this act being necessary
18 for the preservation of the public peace, health, and safety shall become
19 effective on July 1, 2013.