

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

SENATE BILL 210

5 By: Senator L. Chesterfield  
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## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE CORRECTION OF  
9 ERRORS UNDER THE ARKANSAS TEACHER RETIREMENT SYSTEM;  
10 AND FOR OTHER PURPOSES.  
11

### Subtitle

12  
13 TO AMEND THE LAW CONCERNING THE  
14 CORRECTION OF ERRORS UNDER THE 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 § 24-7-205(b), concerning the correction of  
22 errors under the Arkansas Teacher Retirement System, is amended to read as  
23 follows:

24 (b)(1) If a benefit participant has a balance due to the system or  
25 receives any benefit or other distribution by the system to which the benefit  
26 participant is not entitled or the benefit participant or employer has an  
27 unpaid obligation to the system, the system or its designee, under rules  
28 adopted by the Board of Trustees of the Arkansas Teacher Retirement System,  
29 may:

30 (A) Withhold the amount due from any benefit or payment  
31 due the benefit participant;

32 (B) Collect the amount in any other manner provided by  
33 law; or

34 (C)(i) Cancel any contributory service credit for the  
35 fiscal year for which there is a member contribution balance due to the  
36 system, if the member that owes the member contribution balance elects to



1 have the system cancel the contributory service rather than pay the balance  
2 due.

3 (ii) If contributory service credit is canceled  
4 under subdivision (b)(1)(C)(i) of this section, the system shall return any  
5 member contributions for the affected portion of that fiscal year without  
6 interest.

7 (2) Withheld amounts shall be used to effect repayment until the  
8 total amount withheld equals all amounts payable by the benefit participant  
9 to the system.

10 (3)(A) Before making an adjustment of benefits or pursuing any  
11 other collection action under this section, the system or its designee shall  
12 provide notice to the benefit participant or employer.

13 (B) The notice shall describe the process for disputing an  
14 adjustment of benefits.

15 (4) ~~Except for member contributions, the~~ The board or its  
16 designee may waive adjustment or repayment due to the system, including  
17 interest, if:

18 (A) The error was not the result of the benefit  
19 participant's or employer's intentional nondisclosure, fraud,  
20 misrepresentation, or other fault; and

21 (B) The board or its designee finds in his or her or its  
22 sole discretion that recovery of the amount owed to the system will result in  
23 a manifest injustice.

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