

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997
4

A Bill

ACT 393 OF 1997
HOUSE BILL 1630

5 By: Representative Dawson
6
7

For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE § 24-7-406 TO CHANGE THE
10 DEADLINE TO FILE ELECTIONS FOR PARTICIPATION IN THE
11 ARKANSAS TEACHER RETIREMENT SYSTEM CONTRIBUTORY AND
12 NONCONTRIBUTORY PLANS; TO DECLARE AN EMERGENCY; AND FOR
13 OTHER PURPOSES."

Subtitle

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15 "TO CHANGE THE DEADLINE TO FILE
16 ELECTIONS FOR PARTICIPATION IN THE
17 ARKANSAS TEACHER RETIREMENT SYSTEM
18 CONTRIBUTORY AND NONCONTRIBUTORY PLANS."
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20
21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Subsection (f) of Arkansas Code § 24-7-406, regarding the
24 amount of funds in members' deposit accounts for Teacher Retirement System, is
25 amended to read as follows:

26 "(f)(1) Each member may elect, by written election filed with the
27 system in accordance with rules and regulations adopted by the board, to
28 eliminate future member contributions otherwise provided for in this section.

29 (2)(A) For a new member, the election shall become a binding
30 agreement upon its effective date, if the election is so filed before
31 preparation of the payroll containing his first salary payment, but in no
32 event before July 1, 1986.

33 ~~_____ (B) In all other circumstances, the election shall be effective the~~
34 ~~July 1 immediately following the filing of the election, but in no event~~
35 ~~before July 1, 1986.~~

36 (3) Beginning July 1, 1993, any member may change his election

1 concerning member contributions once each fiscal year, ~~to be effective the~~
 2 ~~July 1 immediately following the filing of the election.~~ Beginning July 1,
 3 1997, the election shall be effective the July 1 immediately preceding its
 4 filing provided it is received by the system before October 1 of the current
 5 fiscal year.

6 (4)(A) If the election is to eliminate member contributions, then
 7 the election shall apply only to future member salaries and shall not change
 8 the status of any member contributions made before the election.

9 (B)(i) If the effect of the election is to require member
 10 contributions, then the election shall apply only to future member salaries
 11 and shall not change any member contribution requirements existing before the
 12 election.

13 (ii) However, if a member has previously contributed
 14 on only the first seven thousand eight hundred dollars (\$7,800) of his annual
 15 salary, he cannot contribute on full future salaries until he has made added
 16 contributions on past full salaries as provided in subsection (b) of this
 17 section.

18 (5)(A) All new members, including any former active members,
 19 shall not make the member contributions otherwise provided for in this
 20 section.

21 (B)(i) Such members may elect, by written election filed
 22 with the system in accordance with rules and regulations adopted by the board,
 23 to make contributions as provided for in this section.

24 (ii)(a) Such election shall become a binding
 25 agreement upon its effective date, if the election is so filed with the system
 26 before the preparation of the payroll containing his first salary payment.

27 (b) In all other circumstances, the election
 28 shall be effective the July 1 immediately following the filing of the
 29 election.

30 (6)(A) For a new member who files in compliance with subdivisions
 31 (f)(1) or (5), the effective date shall be the date the first paycheck is
 32 received.

33 (B) In all other circumstances, the effective date shall be
 34 July 1."

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36 SECTION 2. All provisions of this act of general and permanent nature

1 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
2 Revision Commission shall incorporate the same in the Code.

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4 SECTION 3. If any provisions of this act or the application thereof to
5 any person or circumstance is held invalid, the invalidity shall not affect
6 other provisions or applications of the act which can be given effect without
7 the invalid provisions or application, and to this end the provisions of this
8 act are declared to be severable.

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

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13 SECTION 5. Emergency. It is hereby found and determined by the
14 Eighty-First General Assembly of the State of Arkansas that this amendment to
15 the Arkansas Teacher Retirement System laws is essential to the equitable
16 administration of the filing of contributory and noncontributory elections for
17 active members of the System and it is essential for this act to be effective
18 immediately as the State's fiscal year begins. Therefore, in order to promote
19 equitable situations in the Teacher Retirement System, an emergency is hereby
20 declared to exist, and this act being necessary for the immediate preservation
21 of the public peace, health, and safety, shall become effective July 1, 1997.

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24 APPROVED:3-06-97

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