

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

A Bill

Act 221 of 1999
SENATE BILL 105

5 By: Senator Hopkins
6 By: Representative Faris
7

For An Act To Be Entitled

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9
10 "AN ACT TO AMEND ARKANSAS CODE § 24-7-705 TO PROVIDE A
11 MINIMUM BENEFIT FOR MEMBERS OF THE TEACHER RETIREMENT
12 SYSTEM WITH TEN (10) OR MORE YEARS OF SERVICE; TO
13 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."
14

Subtitle

15
16 "TO PROVIDE MINIMUM BENEFITS FOR TEACHER
17 RETIREMENT SYSTEM MEMBERS WITH 10 OR
18 MORE YEARS OF SERVICE."
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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. Arkansas Code § 24-7-705(b), regarding the life annuity for
24 members of the Teacher Retirement System, is amended to read as follows:

25 "(b)(1) The minimum straight life annuity for a member retiring after
26 June 30, 1965, but before July 1, 1986, shall be one hundred fifty dollars
27 (\$150) per month.

28 (2) For a member retiring July 1, 1986, or later, the minimum
29 straight life annuity shall be:

30 (A) One hundred dollars (\$100) per month if the member has
31 no noncontributory credited service of the type specified in subdivision
32 (a)(1) of this section. Effective July 1, 1998, for members with ten (10) or
33 more years of contributory credited service of the type specified in
34 subdivision (a)(1) of this section, the amount shall be one hundred fifty
35 dollars (\$150) per month;

36 (B) Sixty-four dollars (\$64.00) per month if the member has

1 only credited service of the noncontributory type specified in subdivision
 2 (a)(1) of this section. Effective July 1, 1998, for members with ten (10) or
 3 more years of noncontributory credited service of the type specified in
 4 subdivision (a)(1) of this section, the amount shall be ninety-four dollars
 5 (\$94.00) per month; or

6 (C)(i) If the member has a mixture of credited service, the
 7 monthly amount shall be prorated between sixty-four dollars (\$64.00) and one
 8 hundred dollars (\$100) according to the relationship between his
 9 noncontributory credited service and his total credited service. Effective
 10 July 1, 1998, for members with ten (10) or more years of credited service, the
 11 amount shall be prorated between ninety-four dollars (\$94.00) and one-hundred
 12 fifty dollars (\$150) per month, according to the relationship between the
 13 member's noncontributory credited service and total credited service.

14 (ii) Provided, however, if the member has at least
 15 five (5) years of contributory service, regardless of his number of years of
 16 noncontributory service, his monthly amount shall not be less than one hundred
 17 dollars (\$100), or if the member has at least ten (10) years of contributory
 18 service, regardless of his number of years of noncontributory service, his
 19 monthly amount shall not be less than one hundred fifty dollars (\$150)."

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 21 SECTION 2. No benefit enhancement provided for by this act shall be
 22 implemented if it would cause the publicly supported retirement system's
 23 unfunded actuarial accrued liabilities to exceed a thirty (30) year
 24 amortization. No benefit enhancement provided for by this act shall be
 25 implemented by any publicly supported system which has unfunded actuarial
 26 accrued liabilities being amortized over a period exceeding thirty (30) years
 27 until the unfunded actuarial accrued liability is reduced to a level less than
 28 the standards prescribed by Arkansas Code, Title 24.

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 30 SECTION 3. All provisions of this act of a general and permanent nature
 31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 32 Revision Commission shall incorporate the same in the Code.

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 34 SECTION 4. If any provision of this act or the application thereof to
 35 any person or circumstance is held invalid, such invalidity shall not affect
 36 other provisions or applications of the act which can be given effect without

1 the invalid provision or application, and to this end the provisions of this
2 act are declared to be severable.

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4 SECTION 5. All laws and parts of laws in conflict with this act are
5 hereby repealed.

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7 SECTION 6. EMERGENCY CLAUSE. It is hereby found and determined by the
8 Eighty-second General Assembly that members of the Teacher Retirement System
9 who receive the minimum benefits are some of the poorest retirees and are in
10 the most need of having their benefits increased, and that the minimum
11 benefits need adjusting based on the number of years of service to increase
12 the equity of the benefit structure of the retirement system, and therefore
13 this act should have effect immediately with the beginning of the State's
14 fiscal year. Therefore, an emergency is declared to exist and this act being
15 immediately necessary for the preservation of the public peace, health and
16 safety shall become effective on July 1, 1999.

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19 APPROVED: 2/23/1999
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