

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 297 of the Regular Session

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4

*As Engrossed: H2/14/07*

**A Bill**

HOUSE BILL 1189

5 By: Representative Harris  
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**For An Act To Be Entitled**

9 AN ACT CONCERNING THE MONTHLY STIPENDS AWARDED TO  
10 MEMBERS OF THE ARKANSAS TEACHER RETIREMENT  
11 SYSTEM; AND FOR OTHER PURPOSES.  
12

**Subtitle**

13 AN ACT CONCERNING THE MONTHLY STIPENDS  
14 AWARDED TO MEMBERS OF 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 § 24-7-713 is amended to read as follows:  
22 24-7-713. Monthly benefits - Redetermination.

23 (a)(1) Beginning with the July 1 which is at least twelve (12) full  
24 months after the effective date of a monthly benefit, the amount of the  
25 benefit shall be redetermined effective each July 1, and the redetermined  
26 amount shall be payable for the ensuing year.

27 (2) The redetermined amount shall be the base amount multiplied  
28 by the following percent: One hundred percent (100%) plus three percent (3%)  
29 for each full year, but excluding any fraction of a year, in the period from  
30 the effective date of the base amount to the current July 1.

31 (3) In no event shall the redetermined amount be less than the  
32 base amount.

33 (4) As used in this section:

34 (A) "The amount of the benefit otherwise payable" means  
35 the monthly amount of the benefit that would be payable disregarding the



1 provisions of this section redetermining benefit amounts after retirement;

2 (B)(i) "Base amount" means the monthly amount of the  
3 benefit upon which benefit redeterminations after retirement are based, as  
4 provided in this section.

5 (ii) Base amount includes the amount of the benefit  
6 otherwise payable plus any one-time increase or increases granted by  
7 legislative change.

8 (iii) The effective date of the base amount shall be  
9 the effective date of the benefit or, if any, the effective date of the last  
10 increase in base amount, whichever is later.

11 (5) The redetermined amount under this subsection is not  
12 considered a benefit enhancement under the limitations under § 24-1-106.

13 (b)(1)(A) Effective July 1, 1999, subject to the minimum financial  
14 conditions set forth in § 24-7-718, retirees, survivors, and beneficiaries  
15 shall receive an increase in benefits of not less than fifty dollars (\$50.00)  
16 per month.

17 (B) However, the Board of Trustees of the Arkansas Teacher  
18 Retirement System may elect and is granted authority to increase the benefit  
19 to retirees in an amount determined by the board, except that the benefit  
20 increase shall not exceed ~~two hundred dollars (\$200)~~ seventy-five dollars  
21 (\$75.00) per month.

22 (2)(A) Members retiring after July 1, 1999, but before July 1,  
23 2008, and their survivors and beneficiaries, with five (5) or more years of  
24 credited actual service in the Arkansas Teacher Retirement System and their  
25 survivors and beneficiaries, shall receive an additional benefit of not less  
26 than fifty dollars (\$50.00) per month over and above their regular annuity.

27 (B) Members retiring on or after July 1, 2008, with ten  
28 (10) or more years of actual service in the Arkansas Teacher Retirement  
29 System, and their survivors and beneficiaries, shall receive an additional  
30 benefit of not less than fifty dollars (\$50.00) per month over and above  
31 their regular annuity.

32 (B)(C) However, the Board of Trustees may elect and is  
33 granted authority to increase the additional benefit to members retiring in  
34 an amount determined by the board, except that the additional benefit shall  
35 not exceed ~~two hundred dollars (\$200)~~ seventy-five dollars (\$75.00) per  
36 month.

1 (3) In its discretion, the board may prorate the benefits  
2 provided under this subsection for all individuals retiring after June 30,  
3 1999, if the individual is also eligible for an additional monthly benefit as  
4 a result of credited service under one (1) or more of the other reciprocal  
5 systems, as such systems are enumerated in § 24-2-401.

6 (4)(A) For the purpose of determining eligibility for the  
7 increase in benefits provided under this subsection, "actual service" means  
8 service rendered in a position covered by the Arkansas Teacher Retirement  
9 System.

10 (B) "Actual service" does not include purchased or free  
11 credited service or reciprocal service.

12 (c) Nothing contained in this section shall require the Arkansas  
13 Public Employees' Retirement System to pay any portion of the benefits  
14 provided for in this section.

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16 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
17 General Assembly of the State of Arkansas that the current laws applicable to  
18 the Arkansas Teacher Retirement System regarding monthly stipends require  
19 revision; that revisions are necessary to ensure the effective and efficient  
20 operation of the system; and that the most effective time to make changes to  
21 the retirement system is at the beginning of the state's fiscal year.  
22 Therefore, an emergency is declared to exist and this act being immediately  
23 necessary for the preservation of the public peace, health, and safety shall  
24 become effective on July 1, 2007.

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26 /s/ Harris

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28 APPROVED: 3/16/2007  
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