

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

As Engrossed: S2/28/13
A Bill

SENATE BILL 197

5 By: Senator R. Thompson
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8 **For An Act To Be Entitled**

9 AN ACT CONCERNING THE CORRECTION OF ERRORS ON A
10 MEMBER'S ACCOUNT WHEN THE MEMBER OWES A BALANCE TO
11 THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO DECLARE AN
12 EMERGENCY; AND FOR OTHER PURPOSES.
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15 **Subtitle**

16 CONCERNING THE CORRECTION OF ERRORS ON A
17 MEMBER'S ACCOUNT WHEN THE MEMBER OWES A
18 BALANCE TO THE ARKANSAS TEACHER
19 RETIREMENT SYSTEM; TO DECLARE AN
20 EMERGENCY.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 24-7-205(b)(1), concerning the correction
26 of errors, is amended to read as follows:

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

33 (A) Withhold the amount due from any benefit or payment
34 due the benefit participant; ~~or~~

35 (B) Collect the amount in any other manner provided by
36 law; or



1 (C)(i) Cancel any service credit for the fiscal year for
2 which there is a balance due to the system, if the member that owes the
3 balance elects to have the system cancel the service rather than pay the
4 balance due.

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

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9 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
10 General Assembly of the State of Arkansas that provisions of the Arkansas
11 Teacher Retirement System Act are in need of revision to bring them into
12 conformance with sound public pension policy; that members may not be able to
13 retire as they have planned and anticipated because of outstanding
14 underpayments to the system; that current law does not allow for another
15 mechanism to make underpayments to the system; that the provisions of this
16 act allows a member to settle past obligations to the system and retire as
17 they anticipated; and that this act is immediately necessary to have an
18 impact on members who are planning on retiring at the end of the school year
19 and who are otherwise eligible to retire. Therefore, an emergency is
20 declared to exist, and this act being immediately necessary for the
21 preservation of the public peace, health, and safety shall become effective
22 on:

23 (1) The date of its approval by the Governor;

24 (2) If the bill is neither approved nor vetoed by the Governor,
25 the expiration of the period of time during which the Governor may veto the
26 bill; or

27 (3) If the bill is vetoed by the Governor and the veto is
28 overridden, the date the last house overrides the veto.

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30 /s/R. Thompson
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33 **APPROVED: 03/14/2013**
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