

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1305

5 By: Representative Maddox
6

For An Act To Be Entitled

8 AN ACT TO ALLOW MEMBERS OF THE ARKANSAS TEACHER
9 RETIREMENT SYSTEM TO DESIGNATE ONE OR MORE RESIDUAL
10 BENEFICIARIES; TO DECLARE AN EMERGENCY; AND FOR OTHER
11 PURPOSES.
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Subtitle

14 TO ALLOW MEMBERS OF THE ARKANSAS TEACHER
15 RETIREMENT SYSTEM TO DESIGNATE ONE OR
16 MORE RESIDUAL BENEFICIARIES; AND TO
17 DECLARE AN EMERGENCY.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 24-7-710(b)(1)(A)(i), concerning survivor
24 annuity benefits under the Arkansas Teacher Retirement System, is amended to
25 read as follows:

26 (b)(1)(A)(i) ~~The~~ Unless the member otherwise directs an alternative
27 beneficiary by using a beneficiary form approved by the system, a member's
28 surviving spouse, who was married to the member for at least the two (2)
29 years immediately preceding the member's death, shall receive an annuity
30 computed in the same manner in all respects as if the member had retired on
31 the date of the member's death and elected Option A under § 24-7-706 to
32 provide one hundred percent (100%) survivor annuity benefits, including
33 benefits applicable under § 24-7-713, for his or her spouse.
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35 SECTION 2. Arkansas Code § 24-7-710(b)(1), concerning survivor annuity
36 benefits under the Arkansas Teacher Retirement System, is amended to add an



1 additional subdivision to read as follows:

2 (F) If the member directs an alternative beneficiary by
 3 using a beneficiary form approved by the system, the member may designate one
 4 or more residual beneficiaries to receive a lump sum payment of the member's
 5 residue amount under § 24-7-709 in lieu of the member's surviving spouse.

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 7 SECTION 3. Arkansas Code § 24-7-710(b), concerning survivor annuity
 8 benefits under the Arkansas Teacher Retirement System, is amended to add an
 9 additional subdivision to read as follows:

10 (3) The Board of Trustees of the Arkansas Teacher Retirement
 11 System may adopt rules to carry out the provisions of this section.

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 13 SECTION 4. Arkansas Code § 24-7-1310(b), concerning the death of
 14 Teacher Deferred Retirement Option Plan participants, is amended to read as
 15 follows:

16 (b)(1) However, the plan participant's eligible surviving spouse may
 17 choose to receive the plan benefit in a lump sum without affecting the
 18 payment of a monthly retirement benefit ~~payable~~ from the Arkansas Teacher
 19 Retirement System.

20 (2)(A) Subdivision (b)(1) of this section shall not apply if the
 21 member has directed one (1) or more residual beneficiaries under § 24-7-710.

22 (B) If a member has directed one (1) or more residual
 23 beneficiaries, the residual beneficiary shall receive the residual benefits
 24 payable, and the spousal benefit shall not be paid.

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 26 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the
 27 General Assembly of the State of Arkansas that the operations of a state
 28 public retirement system are complex; that the Arkansas Teacher Retirement
 29 System must be able to meet the needs of its members as anticipated by the
 30 General Assembly; that certain provisions of the Arkansas Teacher Retirement
 31 System Act are imminently in need of revision and updating to bring them into
 32 conformance with sound public pension policy and actuarial requirements; that
 33 such revision and updating is of great importance to members of the system
 34 and to other citizens of the State of Arkansas; that the system needs to have
 35 the ability to make immediate changes to maintain and improve its actuarial
 36 status; and that this act is immediately necessary in order to maintain an

1 orderly system of benefits for the members of the Arkansas Teacher Retirement
2 System. Therefore, an emergency is declared to exist, and this act being
3 immediately necessary for the preservation of the public peace, health, and
4 safety shall become effective on:

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

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

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

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14 **APPROVED: 02/21/2017**
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