

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

As Engrossed: H2/14/17

# A Bill

HOUSE BILL 1304

5 By: Representative Maddox  
6

## For An Act To Be Entitled

8 *AN ACT TO AMEND THE DEFINITION OF "ARKANSAS TEACHER*  
9 *RETIREMENT SYSTEM"; TO DEFINE "COVERED EMPLOYER"; TO*  
10 *AMEND THE REQUIREMENTS FOR VOLUNTARY RETIREMENT; TO*  
11 *DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.*

## Subtitle

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15 *TO AMEND THE DEFINITION OF "ARKANSAS*  
16 *TEACHER RETIREMENT SYSTEM"; TO DEFINE*  
17 *"COVERED EMPLOYER"; TO AMEND THE*  
18 *REQUIREMENTS FOR VOLUNTARY RETIREMENT;*  
19 *AND TO DECLARE AN EMERGENCY.*

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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code § 24-7-202(6), concerning the definition of  
25 "Arkansas Retirement Teacher System", is amended to read as follows:

26 (6) "Arkansas Teacher Retirement System" means a governmental  
27 state agency created in 1973 and administered under Acts 1973, No. 427, as  
28 amended, to provide a system of retirement benefits to its members and  
29 includes a limited liability company or other corporate entity solely owned  
30 by the system;

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32 SECTION 2. Arkansas Code § 24-7-202(16), concerning the definition of  
33 "employer" under the Arkansas Teacher Retirement System Act, is amended to  
34 read as follows:

35 (16) "Employer" or "covered employer" means any public school,  
36 public educational agency, or other eligible employer participating in the



1 Arkansas Teacher Retirement System unless the context clearly indicates that  
2 the employer is not a covered employer;

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4 SECTION 3. Arkansas Code § 24-7-702(a)(1), concerning early voluntary  
5 retirement under the Arkansas Teacher Retirement System, is amended to read  
6 as follows:

7 (a)(1)(A) Except as provided under subdivision (a)(2) of this section,  
8 an active or inactive member who has a combined total of twenty-five (25) or  
9 more years of ~~credited~~ actual and reciprocal service, including purchased or  
10 free credited service, but has not attained sixty (60) years of age and is  
11 not eligible for retirement under § 24-7-701 may voluntarily retire early  
12 ~~upon~~ by filing a written application ~~filed~~ with the Board of Trustees of the  
13 Arkansas Teacher Retirement System.

14 (B) If a member fails to submit a complete retirement  
15 application within six (6) calendar months of the effective date of benefits,  
16 including all additional documentation required by the Arkansas Teacher  
17 Retirement System, the application shall be void unless an extension is  
18 granted by the system.

19  
20 SECTION 4. Arkansas Code § 24-7-705(a)(1)(B)(i), concerning life  
21 annuity under the Arkansas Teacher Retirement System, is amended to read as  
22 follows:

23 (a)(1)(B)(i) The ~~percentages~~ multipliers in this section shall be  
24 determined in accordance with this chapter and the, rules, and ~~regulations~~  
25 resolutions of the Board of Trustees of the Arkansas Teacher Retirement  
26 System as is actuarially appropriate for the Arkansas Teacher Retirement  
27 System.

28  
29 SECTION 5. Arkansas Code § 24-7-706(b)(1), concerning annuity options  
30 under the Arkansas Teacher Retirement System, is amended to read as follows:

31 (b)(1)(A) ~~At the written election of the retirant, the death of the~~  
32 ~~beneficiary or divorce or other marriage dissolution after retirement from a~~  
33 ~~spouse designated as beneficiary shall cancel any optional plan elected at~~  
34 ~~retirement and shall return the retirant to his or her single lifetime~~  
35 ~~benefit equivalent, to be effective the month following receipt of his or her~~  
36 ~~election by the system.~~ If a member's marital status changes after retirement

1 due to the death of the member's spouse, or a divorce or marriage dissolution  
2 from the member's spouse who is also the member's designated beneficiary,  
3 then the member may elect to cancel any optional plan designating the former  
4 spouse as a beneficiary.

5 (B) A member's election under subdivision (b)(1)(A) of  
6 this section shall cause the member to return to his or her lifetime benefit  
7 equivalent, to be effective the month following the system's receipt of the  
8 approved form.

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10 SECTION 6. Arkansas Code § 24-7-711(a)(2), concerning refunds of  
11 member contributions upon termination under the Arkansas Teacher Retirement  
12 System, is amended to read as follows:

13 (2) Any contributions remaining on deposit shall accrue regular  
14 interest at the end of each fiscal year as provided by ~~§ 24-7-410(d)~~ law.

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16 SECTION 7. Arkansas Code § 24-7-715(b), concerning benefit rights not  
17 subject to legal process, is amended to read as follows:

18 ~~(b) In the event an individual is no longer an active teacher or~~  
19 ~~employee of any public school district in this state, nor on leave of~~  
20 ~~absence, and If an inactive member is found by any court of competent~~  
21 jurisdiction of this state to be willfully refusing or failing to support  
22 minor dependent children of the individual in violation of a court order  
23 providing for such support, although the individual is financially able to do  
24 so, then the court may, ~~in its discretion,~~ order the accumulated  
25 contributions, annuity or annuity options, or any other funds accruing under  
26 ~~the provisions of this act~~ chapter to be paid into the registry of the court  
27 for such further disposition as the court ~~shall deem~~ deems just and proper.

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29 SECTION 8. Arkansas Code § 24-7-1310(a), concerning the death of  
30 participants under the Teacher Deferred Retirement Option Plan, is amended to  
31 read as follows:

32 (a) In the event that a Teacher Deferred Retirement Option Plan  
33 participant dies, the benefits payable from the plan shall be determined  
34 according to § 24-7-710 and the rules and resolutions of the Arkansas Teacher  
35 Retirement System.

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