

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1308

5 By: Representative M. Gray
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For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE RE-HIRING OF
9 DISABILITY RETIRANTS OF THE ARKANSAS TEACHER
10 RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR
11 OTHER PURPOSES.
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Subtitle

14 TO AMEND THE LAW CONCERNING THE RE-HIRING
15 OF DISABILITY RETIRANTS OF THE ARKANSAS
16 TEACHER RETIREMENT SYSTEM; AND TO DECLARE
17 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 § 24-7-704(c)(1)(A), concerning disability
24 retirement under the Arkansas Teacher Retirement System is amended to read as
25 follows:

26 (A) If a disability ~~retirant~~ retiree returns to covered
27 employment before attaining sixty (60) years of age, his or her disability
28 retirement shall terminate unless the ~~retirant~~ retiree meets the requirements
29 to return to covered employment ~~or obtains a waiver~~ under subsection (e) of
30 this section.
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32 SECTION 2. Arkansas Code § 24-7-704(e), concerning the employment of a
33 disability retirant by a covered employer, is amended to read as follows:

34 (e)(1) A disability ~~retirant~~ retiree may be employed by a covered
35 employer and also receive a monthly disability retirement if the disability
36 retiree provides the covered employer with less than eighty (80) days of



1 actual service during a fiscal year+.

2 ~~(1) The disability retirant provides the covered employer with+~~

3 ~~(A) Less than forty (40) days of actual service during a~~
 4 ~~fiscal year; or~~

5 ~~(B) At least forty (40) days of actual service during the~~
 6 ~~fiscal year and the actual service+~~

7 ~~(i) Is substantially different from the position,~~
 8 ~~job requirements, and work duties from which the disability retirant retired~~
 9 ~~after a determination of disability; and~~

10 ~~(ii) Has a computed yearly salary that is less than~~
 11 ~~the final average salary used to compute the monthly disability benefit; and~~

12 ~~(2)(A)(i)(2)(A) Within three (3) months of a covered employer's~~
 13 ~~employment of a disability retirant under this section, the system grants a~~
 14 ~~waiver of subdivision (a)(4)(A) of this section upon the request of the~~
 15 ~~covered employer.~~

16 ~~(ii) If a covered employer's request for a waiver of~~
 17 ~~subdivision (a)(4)(A) of this section is received by the system, the system~~
 18 ~~shall grant a waiver to permit the covered employer's employment of the~~
 19 ~~disability retirant for less than forty (40) days of actual service in the~~
 20 ~~fiscal year.~~

21 ~~(iii) The system is not required to grant a waiver~~
 22 ~~under subdivision (e)(2)(A)(i) of this section if the disability retirant~~
 23 ~~previously worked at least forty (40) days in the fiscal year as a disability~~
 24 ~~retirant.~~

25 ~~(B) If a covered employer requests a waiver of subdivision~~
 26 ~~(a)(4)(A) of this section in order to employ a disability retirant for forty~~
 27 ~~(40) days or more of actual service during the fiscal year, upon receiving~~
 28 ~~the request and any supporting documentation, the system shall grant the~~
 29 ~~waiver if it determines that the requirements of this subsection are met.~~

30 ~~(3)(A) A disability retirant retiree who meets the requirements~~
 31 ~~of this subsection and whose employer is granted a waiver of subdivision~~
 32 ~~(a)(4)(A) of this section shall continue to receive his or her monthly~~
 33 ~~disability retirement annuity from the system and shall not accrue additional~~
 34 ~~service credit.~~

35 ~~(B) A covered employer who employs a disability retirant~~
 36 ~~retiree under this subsection shall remit contributions on all salary paid to~~

1 the disability ~~retirant~~ retiree in an amount equal to the employer
 2 contribution rate applicable to an active member.

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 4 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
 5 General Assembly of the State of Arkansas that certain provisions of the
 6 Arkansas Teacher Retirement System Act, an act that created a state agency
 7 for the purpose of providing retirement benefits to school employees of the
 8 state, are in need of revision and updating to maintain the teacher
 9 retirement laws in conformance with sound public pension policy; that the
 10 Arkansas Teacher Retirement System operates on a fiscal year of July 1 to
 11 June 30; that a July 1, 2019 effective date is necessary to allow the
 12 provisions within this act to begin on the first day of the fiscal year to
 13 provide proper administration of the procedures referenced in this act; that
 14 the updates and revisions to the Arkansas Teacher Retirement System Act are
 15 of great importance for actuarial purposes and the protection of member
 16 benefits under the Arkansas Teacher Retirement System; and that this act is
 17 necessary in order to maintain an orderly system of benefits for the members
 18 of the Arkansas Teacher Retirement System. Therefore, an emergency is
 19 declared to exist, and this act being necessary for the preservation of the
 20 public peace, health, and safety shall become effective on July 1, 2019.

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 23 **APPROVED: 2/26/19**
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