Stricken language would be deleted from and underlined language would be added to present law. Act 551 of the Regular Session

1 2	State of Arkansas 91st General Assembly	As Engrossed: S3/2/17 $ m A~Bill$		
3	Regular Session, 2017		SENATE BILL 186	
4	,			
5	By: Senator Hester			
6				
7	For An Act To Be Entitled			
8	AN ACT TO AMEND THE LAW CONCERNING THE ADJUSTMENT OF			
9	THE MULTIPLIER RATE UNDER THE ARKANSAS TEACHER			
10	RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR			
11	OTHER PURPOSES.			
12				
13				
14	Subtitle			
15	TO AMEND THE LAW CONCERNING THE			
16	ADJUSTMENT OF THE MULTIPLIER RATE UNDER			
17	THE ARKANSAS TEACHER RETIREMENT SYSTEM;			
18	AND TO DECLARE AN EMERGENCY.			
19				
20				
21	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:			
22				
23	SECTION 1. Arkansas Code § 24-7-705(b)(5), concerning the multiplier			
24	rate used in a life annuity under the Arkansas Teacher Retirement System, is			
25	amended to read as follows:			
26	(5) The board shall not reduce the multiplier rate for			
27	contributory service ear	ned after the first ten (10) yea	rs of service unless	
28	the <u>:</u>			
29	<u>(A)</u> s	ystem's <u>System's</u> actuary certific	es to the board that	
30	the amortization period <u>to pay the unfunded liabilities of the system</u> exceeds			
31	thirty (30) eighteen (18) years; and			
32	(B) that in order to address an amortization period in			
33	excess of thirty (30) years to pay the unfunded liabilities of the system,			
34	the board Board determines that a reduction in the multiplier rate for			
35	contributory service should be reduced is prudent to maintain actuarial			
36	<u>soundness</u> .			

As Engrossed: S3/2/17 SB186

1	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the		
2	General Assembly of the State of Arkansas that the operations of a state		
3	public retirement system are complex; that the Arkansas Teacher Retirement		
4	System must be able to meet the needs of its members as anticipated by the		
5	General Assembly; that certain provisions of the Arkansas Teacher Retirement		
6	System Act are imminently in need of revision and updating to bring them into		
7	conformance with sound public pension policy and actuarial requirements; that		
8	such revision and updating is of great importance to members of the system		
9	and to other citizens of the State of Arkansas; that the system needs to have		
10	the ability to make immediate changes to maintain and improve its actuarial		
11	status; and that this act is immediately necessary in order to maintain an		
12	orderly system of benefits for the members of the Arkansas Teacher Retirement		
13	System. Therefore, an emergency is declared to exist, and this act being		
14	immediately necessary for the preservation of the public peace, health, and		
15	safety shall become effective on:		
16	(1) The date of its approval by the Governor;		
17	(2) If the bill is neither approved nor vetoed by the Governor,		
18	the expiration of the period of time during which the Governor may veto the		
19	bill; or		
20	(3) If the bill is vetoed by the Governor and the veto is		
21	overridden, the date the last house overrides the veto.		
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23	/s/Hester		
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26	APPROVED: 03/21/2017		
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