Stricken language would be deleted from and underlined language would be added to present law. Act 595 of the Regular Session

	d General Assembly A Bill HOUSE BILL 1335
3 Reg	
3 Reg	unar Session, 2017
	Representative Maddox
5 By.	Representative Maddox
7	For An Act To Be Entitled
8	AN ACT TO AMEND THE LAW CONCERNING CREDITED SERVICE
9	AND VOLUNTARY RETIREMENT 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 CREDITED
16	SERVICE AND VOLUNTARY RETIREMENT UNDER
17	THE ARKANSAS TEACHER RETIREMENT SYSTEM;
18	AND TO DECLARE AN EMERGENCY.
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20	
21 BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23	SECTION 1. Arkansas Code § 24-7-601(e)(4), concerning credited service
24 und	er the Arkansas Teacher Retirement System, is amended to read as follows:
25	(4) The final average compensation <u>salary</u> used shall be that of
	reciprocal system that furnishes the highest final <u>average</u> salary at the
	ne of retirement.
28	
29	SECTION 2. Arkansas Code § 24-7-701(d) and (e), concerning voluntary
	rirement under the Arkansas Teacher Retirement System, are amended to read
	follows:
32	(d) A member retiring with an effective date other than July 1 or the
	st day of a calendar quarter within the fiscal year may receive service
	dit for the current year and use the salary for the current year in the
	culation of the member's final average salary with the following

1 fiscal year, the annuity shall not begin earlier than on the July 1 after the 2 fiscal year. 3 (1) Credited service for service within the fiscal year shall not exceed one-quarter (1/2) year for each full calendar quarter elapsed since 4 5 the beginning of the fiscal year; and 6 (2) Service credit to be used in the computation of benefits 7 shall be computed only on the full calendar quarter completed and shall not 8 include service credit for a partial calendar quarter worked. 9 (e)(1) If a member has signed an employment contract for a fiscal 10 school year and been paid in full for that fiscal school year, in no event 11 shall the annuity begin earlier than the July 1 next following that fiscal 12 school year. 13 (2) If a member has signed an employment contract for a fiscal 14 school year and if that contract is not completed, the member shall receive 15 credit for service within the current fiscal year as provided in this 16 section. 17 18 SECTION 3. Arkansas Code § 24-7-702(e) and (f), concerning early 19 voluntary retirement, are amended to read as follows: 20 (e) A member retiring with an effective date other than July 1 or the 21 first day of a calendar quarter within the fiscal year may receive service 22 credit for the current year and use the salary for the current year in the 23 calculation of the member's final average salary with the following restrictions: If a member has accrued a full year of service credit for a 24 25 fiscal year, the annuity shall not begin earlier than on the July 1 after the 26 fiscal year. 27 (1) Credited service for service within the fiscal year shall not exceed one fourth $(\frac{1}{k})$ of a year for each full calendar quarter elapsed 28 29 since the beginning of the fiscal year; and 30 (2) Service credit to be used in the computation of benefits 31 shall be computed only on the full calendar quarter completed and shall not 32 include service credit for a partial calendar quarter worked. 33 (f)(1) If a member has signed an employment contract for a fiscal 34 school year and been paid in full for that fiscal year, in no event shall the annuity begin earlier than the July 1 next following that fiscal school year. 35 36 (2) If a member has signed an employment contract for a fiscal

1	school year and that contract is not completed, the member shall receive
2	credit for service within the current fiscal year as provided in subsection
3	(e) of this section.
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5	SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
6	General Assembly of the State of Arkansas that certain provisions of the
7	Arkansas Teacher Retirement System Act which created the Arkansas Teacher
8	Retirement System as a state agency for the purpose of providing retirement
9	benefits to school employees in Arkansas, are in need of revision and
10	updating to maintain the teacher retirement laws in conformance with sound
11	public pension policy; that the Arkansas Teacher Retirement System operates
12	on a fiscal year of July 1 to June 30; that having a July 1, 2019 effective
13	date is necessary to allow the provisions of this act to take effect on the
14	first day of the fiscal year in order to facilitate the proper administration
15	of the Arkansas Teacher Retirement System; that revisions and updates to the
16	Arkansas Teacher Retirement System Act are of great importance for actuarial
17	purposes and to protect member benefits; and that this act is necessary to
18	maintain an orderly system of managing member benefits offered by the
19	Arkansas Teacher Retirement System. Therefore, an emergency is declared to
20	exist, and this act being necessary for the preservation of the public peace,
21	health, and safety shall become effective on July 1, 2019.
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23	/s/Maddox
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26	APPROVED: 3/29/19
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