

House Bill 1308

Actuarial Cost Study prepared for Joint Committee on Public Retirement and Social Security Programs of the Arkansas 92nd General Assembly

Provisions of the Bill

House Bill 1308 affects the Arkansas Teachers Retirement System (ATRS). Current ATRS law allows a disability retiree to return to work for up to forty days (approximately quarter-time) without restriction. If the employer wants them to serve more than this, there is a rather complex waiver outlined in law. House Bill 1308 streamlines this waiver to any service up to 80 days (approximately half-time) without penalty. The retiree continues to receive their benefit and does not accrue additional service credit; the employer would pay the employer contribution rate on the time served.

Fiscal Impact

The ATRS staff reports that only 10 to 12 retirees have been in this range of additional service during the past couple of years. This House Bill appears to ease the administrative burden, but does not give a member any advantage. The disability rules remain the same and the employers still have to contribute. Therefore, it is our opinion that there is no fiscal impact to the retirement system due to the provisions of this bill.

Sincerely,



Jody Carreiro, A.S.A, M.A.A.A.
Actuary