

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

As Engrossed: H3/26/13

A Bill

HOUSE BILL 1198

5 By: Representative Kizzia
6

For An Act To Be Entitled

8 AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF THE
9 ARKANSAS TEACHER RETIREMENT SYSTEM TO CREATE A TIER
10 II BENEFIT PROGRAM FOR MEMBERS OF THE ARKANSAS
11 TEACHER RETIREMENT SYSTEM HIRED AFTER A CERTAIN DATE;
12 AND FOR OTHER PURPOSES.
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Subtitle

15 TO AUTHORIZE THE BOARD OF TRUSTEES OF THE
16 ARKANSAS TEACHER RETIREMENT SYSTEM TO
17 CREATE A TIER II BENEFIT PROGRAM.
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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 Title 24, Chapter 7, is amended to add an
24 additional subchapter to read as follows:

25 Subchapter 17. Tier II Benefit Plan

26 24-7-1701. Tier II benefit plan authorized. The Board of Trustees of
27 the Arkansas Teacher Retirement System is authorized to establish a Tier II
28 benefit plan for members of the Arkansas Teacher Retirement System.
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30 24-7-1702. Rules.

31 The Board of Trustees of the Arkansas Teacher Retirement System shall
32 promulgate rules for a Tier II benefit plan if the board chooses to establish
33 a Tier II benefit plan.
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35 24-7-1703. Tier II benefit plan provisions.

36 (a) A Tier II benefit plan established by the Board of Trustees of the



1 Arkansas Teacher Retirement System shall become effective on the first day of
2 a fiscal year.

3 (b)(1) A Tier II benefit plan shall:

4 (A) Apply only to members initially hired on or after July
5 1, 2015; and

6 (B) Afford the same benefits and rights to a Tier II
7 benefit plan member as those members not in the Tier II benefit plan except
8 for the benefits and rights under subsection (c) of this section.

9 (2) A member of the Arkansas Teacher Retirement System initially
10 hired after a Tier II benefit plan is established shall be a member of the
11 Tier II benefit plan.

12 (c) A Tier II benefit plan adopted by the board may modify the cost-
13 of-living adjustment.

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15 24-7-1704. Cost-of-living adjustment.

16 (a) The Board of Trustees of the Arkansas Teacher Retirement System
17 may establish and adjust a simple cost-of-living rate adjustment for members
18 of the Tier II benefit plan by resolution at a meeting of the board.

19 (b) A cost-of-living adjustment provided under this section shall not
20 exceed three percent (3%).

21 (c) An established or adjusted cost-of-living adjustment rate may be:

22 (1) A set rate adjusted from time to time by the board;

23 (2) Tied to an inflation index; and

24 (3) Applied to a future fiscal year.

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26 */s/Kizzia*
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