

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017

A Bill

SENATE BILL 185

4
5 By: Senator Hester

For An Act To Be Entitled

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7
8 AN ACT TO MODIFY BUYOUT PLANS FOR INACTIVE MEMBERS OF
9 THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO DECLARE AN
10 EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

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14 TO MODIFY BUYOUT PLANS FOR INACTIVE
15 MEMBERS OF THE ARKANSAS TEACHER
16 RETIREMENT SYSTEM; AND TO DECLARE AN
17 EMERGENCY.

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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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22 SECTION 1. Arkansas Code § 24-7-505(b), concerning buyout plans for
23 inactive members, is amended to add an additional subdivision to read as
24 follows:

25 (3) A buyout plan established by the board may be extended,
26 modified, or expanded by board resolution.

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28 SECTION 2. Arkansas Code § 24-7-505, concerning buyout plans for
29 inactive members, is amended to add an additional subsection to read as
30 follows:

31 (h) The board may designate by resolution the buyout plan benefit as
32 the benefit payable to members who are inactive and vested and have fewer
33 than fifteen (15) years of service credit if the board determines that it is
34 necessary to maintain actuarial soundness based on current and expected
35 future actuarial assumptions, mortality tables, and accounting rules.



1 SECTION 3. 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 management of benefits for the members of the system. Therefore, an
13 emergency is declared to exist, and this act being immediately necessary for
14 the preservation of the public peace, health, and safety shall become
15 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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