

ARKANSAS SENATE
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of Senate Bill No. 161

"TO ALLOW FOR PERIODIC ADJUSTMENTS TO THE TEACHER DEFERRED
RETIREMENT OPTION PLAN."

Amendment No. 1 to Senate Bill No. 161.

Amend Senate Bill No. 161 as originally introduced:

Delete lines 9 through 11 and substitute the following:

AN ACT CONCERNING PARTICIPATION IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN; AND FOR OTHER PURPOSES.

AND

Delete lines 14 and 15 and substitute the following:

AN ACT CONCERNING PARTICIPATION IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN.

AND

Delete everything following the enacting clause and substitute the following:

“SECTION 1. Arkansas Code § 24-7-1301 is amended to read as follows:
24-7-1301. Election to participate - Conditions.

(a) In lieu of terminating employment and accepting a service retirement benefit pursuant to § 24-7-101 et seq., any person who is a member of the Arkansas Teacher Retirement System and who meets the conditions specified in subsection (b) of this section may elect to participate in the Teacher Deferred Retirement Option Plan and to defer the receipt of retirement benefits in accordance with the provisions of this subchapter.

(b) The condition required for participation in the plan is that the member must have at least thirty (30) years of service credit in the system.

(c) An election to participate in the plan shall be irrevocable.

(d) Participation in the plan shall not exceed ten (10) years.

SECTION 2. Arkansas Code § 24-7-1306(a), concerning deposits to the Teacher Deferred Retirement Option Plan, as amended by Act 188 of 2005, is amended to read as follows:

(a)(1) Teacher Deferred Retirement Option Plan deposits shall be a



percentage of the plan benefit.

(2)(A) The percentage is one hundred percent (100%) reduced by the product of one percent (1%) multiplied by the number of years of contributory service credit and fractions thereof, and further reduced by the product of six-tenths percent (0.6%) multiplied by the number of years of noncontributory service credit and fractions thereof.

(B)(i) When a participant whose effective date in the plan is before September 1, 2003, reaches normal retirement age, the plan ~~contributions~~ deposits shall be one hundred percent (100%) with no reduction.

(ii) For any member whose effective date in the plan is September 1, 2003, or after, the plan ~~contributions~~ deposits for a participant who reaches normal retirement age shall continue as reduced under subdivision (a)(2)(A) of this section.

(3)(A) In the event a member whose effective date in the plan is before September 1, 2003, has more than thirty (30) years of service, the years of service above thirty (30) years shall be reduced by one-half percent (0.5%) for contributory years and three-tenths percent (0.3%) for noncontributory years.

(B) For any member whose effective date in the plan is September 1, 2003, or after and who has more than thirty (30) years of service, the plan ~~contributions~~ deposits for the years of service above thirty (30) years shall be reduced under subdivision (a)(2)(A) of this section.

(4) Furthermore, the Board of Trustees of the Arkansas Teacher Retirement System is authorized to make further adjustments on the plan to make it cost-neutral to the Arkansas Teacher Retirement System.

(5) As used in this section, "effective date" means the date determined to be the member's plan date under the policies, rules, and regulations of the board."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Faris

MBM/BKA - 03-10-2005 15:51

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Secretary