

ARKANSAS SENATE
86th General Assembly - Regular Session, 2007
Amendment Form

Subtitle of Senate Bill No. 115

"AN ACT CONCERNING THE ARKANSAS TEACHER RETIREMENT SYSTEM
EARNINGS LIMITATION."

Amendment No. 1 to Senate Bill No. 115.

Amend Senate Bill No. 115 as originally introduced:

Page 1, delete everything following the enacting clause and substitute the following:

“SECTION 1. NOT TO BE CODIFIED. Legislative findings.
The General Assembly finds:

(1) The State of Arkansas suffers from a shortage of qualified classroom teachers;

(2) Many retired classroom teachers would return to the classroom but for an earnings limitation that makes their return cost prohibitive; and

(3) Adjustment to the earnings limitation is necessary to increase the pool of highly qualified teachers available to public school districts throughout the state.

SECTION 2. Arkansas Code § 24-7-708 is amended to read as follows:
24-7-708. Conditions subjecting annuities to limitations.

(a)(1) If a retirant with less than twenty-eight (28) years of service is an employee of a public employer whose employees are covered by the Arkansas Teacher Retirement System, then for each twelve-month period ending June 30 the amount of his or her system annuity shall be subject to the limitations equivalent to twice the limitations imposed by the social security retirement test.

(2) For each year ending June 30, the social security retirement test to be considered shall be the test in effect for the calendar year beginning the January 1 immediately preceding June 30. The retirant's earnings shall be his or her remuneration for the employment for the year ending June 30.

~~(a)(b)(1) Except for a waiver as provided for in subsection (f) of this section, if~~ If a retirant with at least twenty-eight (28) years of service is an employee of a public employer whose employees are covered by the Arkansas Teacher Retirement System, then, ~~for each twelve-month period ending June 30,~~ the amount of his or her system annuity shall not be subject



to the limitations equivalent to twice the limitations imposed by the social security retirement test.

(2) A retirant employed under subsection (b)(1) of this section may be employed by the same public employer for two (2) or more successive employment periods.

(3) The salary of any retirant employed under subsection (b)(1) of this section shall not exceed that of the highest-paid certified classroom teacher in the employing school district.

(4)(A) For any retired member employed under subsection (b)(1) of this section, the employer and employee contribution rate to the system on behalf of the member shall recommence at the rate in effect at the time of the employment.

(B)(i) Except as provided in subdivision (b)(4)(B)(ii) of this section, the employer contribution shall be remitted by the employer and the employee contribution shall be remitted by the employee.

(ii) The employer may elect to remit both the employer and employee contribution.

(c) A retirant employed by the following shall be exempt from the provisions of this section:

(1) The Department of Education; or

(2) Any one (1) of the state-supported universities, colleges, or junior colleges within the State of Arkansas if the employees of the state-supported university, college, or junior college are covered by the Arkansas Teacher Retirement System.

~~(b) For each year ending June 30, the social security retirement test to be considered shall be the test in effect for the calendar year beginning the January 1 immediately preceding June 30. The retirant's earnings shall be his or her remuneration for the employment for the year ending June 30.~~

~~(e)(d)~~ The Board of Trustees of the Arkansas Teacher Retirement System shall establish equivalent limitations by appropriate rules and regulations.

~~(d)(e)~~ Receiving remuneration as an employee from any private employer or as a member of the General Assembly shall not affect payment of an annuity.

~~(e)(f)~~ During any period of employment in a position covered by the system, a retirant shall not accrue additional credited service.

~~(f)(1) In accordance with rules and regulations adopted by the State Board of Education, the Department of Education may request of the board of trustees or its designee a waiver of the conditions subjecting annuities to limitations. If approved by the board of trustees or its designee, the waiver shall be effective for a one year period, with the option to renew annually for up to a total of three (3) years as requested by the department.~~

~~(2) A waiver of the conditions subjecting annuities to limitations may be requested if the retirant is hired by a public school district due to a shortage of certified teachers in a critical academic area in which the retirant is certified.~~

~~(3) The critical academic areas in which there is a shortage of certified teachers shall be determined annually by the State Board of Education.~~

~~(4) School districts shall maintain audit files identifying personnel granted a waiver and documenting the reasons for the waiver.~~

~~(5) Beginning July 1, 2005, for any retired member employed in a position covered by the system pursuant to a waiver, the employer and~~

~~employee contribution rate to the system on behalf of the member shall recommence at the rate in effect at the time of the employment and shall be remitted by the employer.~~

(g) The Teacher Fair Dismissal Act of 1983, § 6-17-1501 et seq., shall not apply to a retirant returning to work for a public employer under this section.”

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

By: Senator J. Jeffress

MBM/GFM - 02-08-2007 09:43

MBM360

Secretary