

ARKANSAS SENATE
87th General Assembly - Regular Session, 2009
Amendment Form

Subtitle of Senate Bill No. 231

"TO AMEND THE DEFINITIONS OF SALARY AND INTEREST IN THE ARKANSAS
TEACHER RETIREMENT SYSTEM ACT TO EXCLUDE NONRECURRING PAYMENTS
FROM THE CALCULATION OF FINAL AVERAGE SALARY."

Amendment No. 4 to Senate Bill No. 231.

Amend Senate Bill No. 231 as engrossed, S3/4/09 (version: 03-04-2009 08:47):

Page 3, line 20, delete "a" and substitute "a(1)"

AND

Page 3, delete lines 29 through 36 and substitute:

~~"(d) An increase in school revenue~~ The applicable number of years used in computing final average salary for retirement benefits shall be set by the board.

(2) Only full service years shall be used in the calculation.

(3) The applicable number of highest salary years shall be ranked from lowest to highest remuneration.

(4) The lowest remuneration year in the ranking shall be the base year.

(5) The next highest ranked remuneration year shall be compared to the base year.

(6) The next highest year's value in the calculation of final average salary shall not exceed one hundred twenty percent (120%) of the base year, unless the difference in value between the next highest year and the base year is five thousand dollars (\$5,000) or less.

(7) After comparison of the base year to the next highest year, any required reduction to the next highest year shall be made.

(8) The next highest year, with any required reduction, becomes the new base year to compare to the next succeeding highest remuneration year in the ranking until all years in the ranking have been compared to its base and reduced as necessary according to the formula.

(9) The total value of the base years shall



then be averaged to determine final average salary.

(b) If full service years of service are not available for the number of applicable years of service required by board rule for the calculation of a member's final average salary for retirement benefits, the board may promulgate rules to establish a fair base year for a member's final average salary for purposes of comparison under subdivision (27)(A)(iii)(a) of this section."

AND

Page 4, delete lines 1 through 3

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

By: Senator J. Jeffress

LMG/LMG - 03-27-2009 15:32

LMG330

Secretary