

ARKANSAS SENATE
92nd General Assembly - Regular Session, 2019
Amendment Form

Subtitle of Senate Bill No. 218

TO AMEND THE LAW CONCERNING DEPOSITS IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN; TO REPEAL CERTAIN PROVISIONS CONCERNING THE TEACHER DEFERRED RETIREMENT OPTION PLAN; AND TO DECLARE AN EMERGENCY.

Amendment No. 1 to Senate Bill 218

Amend Senate Bill No. 218 as originally introduced:

Page 1, delete lines 10 through 12, and substitute the following:
"CERTAIN OBSOLETE PROVISIONS CONCERNING THE TEACHER DEFERRED RETIREMENT OPTION PLAN; TO COMBINE CODE SECTIONS CONCERNING THE CALCULATION OF DEPOSITS FOR BOTH EARLY AND REGULAR PARTICIPATION IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 18 through 21, and substitute the following:
"PLAN; TO REPEAL CERTAIN OBSOLETE PROVISIONS CONCERNING THE TEACHER DEFERRED RETIREMENT OPTION PLAN; TO COMBINE CODE SECTIONS CONCERNING THE CALCULATION OF DEPOSITS FOR BOTH EARLY AND REGULAR PARTICIPATION IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN; AND TO DECLARE AN EMERGENCY."

AND

Delete SECTION 1 in its entirety, and substitute the following:

"SECTION 1. Arkansas Code § 24-7-1306 is amended to read as follows:
24-7-1306. Amount of deposits.

(a) Teacher Deferred Retirement Option Plan deposits shall be a percentage of the plan benefit.

~~(b)(1)(b) The percentage is one hundred percent (100%) reduced by the product of one percent (1%) multiplied by the number of years of reciprocal service and credited service and fractions thereof in the Arkansas Teacher Retirement System~~ If a plan participant has at least thirty (30) years of credited service in the Arkansas Teacher Retirement System, including combined service with a reciprocal system, a plan deposit shall be calculated beginning with the participant's plan benefit minus any applicable stipend under § 24-7-713 and then reduced by one percent (1%) for each year of credited service, including fractions of a year.



~~(2)(A) When a participant whose effective date in the plan is before September 1, 2003, reaches normal retirement age, the plan deposits shall be one hundred percent (100%) with no reduction.~~

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

~~(c)(1)(c) 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 of one percent (0.5%) for contributory years and three tenths of one percent (0.3%) for noncontributory years. If a plan participant has at least twenty-eight (28) years of credited service in the Arkansas Teacher Retirement System, including combined service with a reciprocal system, but fewer than thirty (30) years of credited service, the plan deposit shall be calculated beginning with the Teacher Deferred Retirement Option Plan participant's plan benefit minus any applicable stipend under § 24-7-713, then reduced by one percent (1%) for each year of credited service, including fractions of a year, and then may be further reduced by at least an additional six percent (6%) but no more than twelve percent (12%) for each year of credited service under thirty (30) years.~~

~~(2) 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 deposits for the years of service above thirty (30) years shall be reduced under subdivision (b)(1) of this section.~~

~~(d) The Board of Trustees of the Arkansas Teacher Retirement System is authorized to make further adjustments ~~on~~ to the plan by board resolution to make it cost-neutral to the Arkansas Teacher Retirement System.~~

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

The Amendment was read the first time, rules suspended and read the second time and _____
By: Senator E. Cheatham
JNL/JNL - 02-10-2019 11:53:20
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Secretary