

# Hall of the House of Representatives

## 94th General Assembly - Regular Session, 2023

### Amendment Form

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#### Subtitle of House Bill No. 1186

TO AMEND AND UPDATE THE LAW CONCERNING ANNUITY OPTIONS UNDER THE ARKANSAS  
TEACHER RETIREMENT SYSTEM; AND TO DECLARE AN EMERGENCY.

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#### Amendment No. 1 to House Bill 1186

Amend House Bill No. 1186 as originally introduced:

Page 2, delete lines 1-36, and substitute the following:

"(i) Under Option A, upon the death of a ~~retirant~~ retiree, his or her reduced annuity shall be continued throughout the life of and paid to such person as he or she shall have nominated as provided under subdivision (a)(4) of this subsection to the persons that he or she nominates by written designation executed and filed with the Board of Trustees of the Arkansas Teacher Retirement System before the date the first payment of his or her annuity becomes due.

(ii)(a) ~~The person designated as a beneficiary by the retirant shall be.~~ The designated beneficiary or beneficiaries of a retiree shall be either:

(1) The retiree's spouse;

(2) One (1) or more of the retiree's children who qualify as a dependent child under subdivision (a)(2)(A)(ii)(c) of this section; or

(3) Both the retiree's spouse and one (1) or more of the retiree's children who qualify as a dependent child under subdivision (a)(2)(A)(ii)(c) of this section.

~~(a)(b) The retirant's spouse for not less than one (1) year immediately preceding the first payment due date; or spouse of a retiree may be designated as the retiree's beneficiary if the retiree has been married to the spouse for at least one (1) year immediately preceding the first annuity payment due date.~~

~~(b)(c) A dependent child of the retirant who has been adjudged physically or mentally incapacitated by a court of competent jurisdiction~~ A child of a retiree qualifies as a dependent child and may be designated as an Option A beneficiary of the retiree if the child has been adjudged physically or mentally incapacitated by a court of competent jurisdiction;



SECTION 2. Arkansas Code § 24-7-706(a)(2)(B), concerning the Option B – 50% Survivor Annuity option under the Arkansas Teacher Retirement System, is amended to read as follows:

(B) Option B – 50% Survivor Annuity.

(i) Under Option B, upon the death of a ~~retirant~~ retiree, one-half ( $\frac{1}{2}$ ) of his or her reduced annuity shall be continued throughout the life of and paid ~~to such person as he or she has nominated as provided under subdivision (a)(4) of this subsection to the persons that he or she nominates~~ by written designation executed and filed with the board before the date the first payment of his or her annuity becomes due.

~~(ii)(a) The person designated as a beneficiary by the retirant shall be.~~ The designated beneficiary or beneficiaries of a retiree shall be either:

(1) The retiree's spouse;

(2) One (1) or more of the retiree's children who qualify as a dependent child under subdivision (a)(2)(B)(ii)(c) of this section; or

(3) Both the retiree's spouse and one (1) or more of the retiree's children who qualify as a dependent child under subdivision (a)(2)(B)(ii)(c) of this section.

~~(a)(b) The retirant's spouse for not less than one (1) year immediately preceding the first payment due date; or The spouse of a retiree may be designated as the retiree's beneficiary if the retiree has been married to the spouse for at least one (1) year immediately preceding the first annuity payment due date.~~

~~(b)(c) A dependent child of the retirant who has been adjudged physically or mentally incapacitated by a court of competent jurisdiction~~ A dependent child of a retiree may be designated as an Option B beneficiary of the retiree if the dependent child has been adjudged physically or mentally incapacitated by a court of competent jurisdiction; or

SECTION 3. Arkansas Code § 24-7-706(a), concerning annuity options under the Arkansas Teacher Retirement System, is amended to add new subdivisions to read as follows:

(4)(A)(i) Upon the death of a retiree, if both a spouse and one (1) dependent child are designated as the retiree's Option A beneficiaries, the retiree's reduced annuity shall be paid in equal shares to the spouse and the dependent child.

(ii) Upon the death of a retiree, if both a spouse and more than one (1) dependent child are designated as the retiree's Option A beneficiaries, the spouse shall receive fifty percent (50%) of the retiree's reduced annuity and the remaining fifty percent (50%) of the retiree's reduced annuity shall be paid in equal shares to the dependent children.

(iii) Upon the death of a retiree, if more than one (1) dependent child is designated as the retiree's Option A beneficiary and a spouse is not designated as the retiree's Option A beneficiary, the retiree's reduced annuity shall be paid in equal shares to each dependent child designated as the retiree's Option A beneficiary.

(B)(i) Upon the death of a retiree, if both a spouse and one (1) dependent child are designated as the retiree's Option B

beneficiaries, one-half (1/2) of the retiree's reduced annuity shall be paid in equal shares to the spouse and the dependent child.

(ii) Upon the death of a retiree, if both a spouse and more than one (1) dependent child are designated as the retiree's Option B beneficiaries, the spouse shall receive fifty percent (50%) of one-half (1/2) of the retiree's reduced annuity and the remaining fifty percent (50%) of one-half (1/2) of the retiree's reduced annuity shall be paid in equal shares to the dependent children.

(iii) Upon the death of a retiree, if more than one (1) dependent child is designated as the retiree's Option B beneficiary and a spouse is not designated as the retiree's Option B beneficiary, the retiree's reduced annuity shall be paid in equal shares to each dependent child designated as the retiree's Option B beneficiary.

(5) If both a spouse and one (1) or more dependent children are designated as the Option A or Option B beneficiaries of a retiree and annuity payments to either the spouse or one (1) or more of the dependent children have begun, the following shall apply:

(A) A dependent child's portion of the annuity shall not revert to the spouse or any other dependent children if the dependent child:

(i) Predeceases the spouse or any other dependent children; or

(ii) Otherwise becomes ineligible to continue receiving annuity payments; and

(B) The spouse's portion of the annuity shall not revert to any dependent child if the spouse:

(i) Predeceases one (1) or more dependent children; or

(ii) Otherwise becomes ineligible to continue receiving annuity payments."

AND

Page 3, delete lines 1-27.

AND

Appropriately renumber the sections of the bill.

The Amendment was read  
By: Representative A. Collins  
LHR/LHR - 02-15-2023 15:20:46  
LHR153

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Chief Clerk