

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

INTERIM STUDY PROPOSAL 2007-023

State of Arkansas

As Engrossed: H3/20/07

86th General Assembly

A Bill

Regular Session, 2007

HOUSE BILL 1201

By: Representatives Harrelson, Stewart, Blount, T. Bradford, Breedlove, Burris, Cash, Cheatham, Cook, Cornwell, L. Cowling, D. Creekmore, Dunn, George, Glidewell, R. Green, Greenberg, Hawkins, Hoyt, D. Hutchinson, J. Johnson, Key, King, Maxwell, Overbey, Pierce, Powers, S. Prater, Ragland, J. Roebuck, Rosenbaum, Shelby, L. Smith, Wells, Wood, Woods

Referred to

Public Retirement & Social Security Programs-joint

by the House of Representatives

on 04/02/2007

For An Act To Be Entitled

AN ACT TO EQUALIZE RETIREE GROUP HEALTH INSURANCE PREMIUM COSTS UNDER THE ARKANSAS TEACHER RETIREMENT SYSTEM FOR RETIRED STATE EMPLOYEES AND RETIRED PUBLIC SCHOOL EMPLOYEES; TO PERMIT STATE CONTRIBUTIONS TO GROUP HEALTH INSURANCE PREMIUM COSTS FOR PARTICIPANTS IN THE ARKANSAS TEACHER RETIREMENT SYSTEM WHO ARE NOT STATE EMPLOYEES; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO EQUALIZE RETIREE GROUP HEALTH INSURANCE PREMIUM COSTS AND TO PERMIT STATE CONTRIBUTIONS TO GROUP HEALTH INSURANCE PREMIUM COSTS FOR PARTICIPANTS IN THE ARKANSAS TEACHER RETIREMENT SYSTEM WHO ARE NOT STATE EMPLOYEES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

1 SECTION 1. Arkansas Code Section 6-17-1112 is amended to read as
2 follows:

3 6-17-1112. Life and disability insurance - Members of retirement
4 systems.

5 (a) Members of the Arkansas Teacher Retirement System and the Arkansas
6 Public Employees' Retirement System who have rendered, or shall render,
7 service as employees of the public schools who hereafter retire and receive
8 retirement benefits under such systems shall be eligible to participate in
9 the group insurance program ~~instituted~~ administered by the Employee Benefits
10 Division of the Department of Finance and Administration pursuant to the
11 provisions of this subchapter and other laws enacted to implement such
12 programs, provided that such persons are participating in the group insurance
13 program at the time of retirement.

14 (b)(1) In addition, upon the death of an active member ~~or a retired~~
15 member of the Arkansas Teacher Retirement System, the survivors of such
16 member who are eligible for or are receiving an annuity under the system and
17 who were covered on the active member's health insurance policy at the time
18 of death shall have the option of continuing to be a member of such insurance
19 group at the prevailing rates established for members of the Arkansas Teacher
20 Retirement System, upon application for such coverage.

21 (2) Upon the death of a retired member of the Arkansas Teacher
22 Retirement System, a survivor of a member who was receiving an annuity under
23 the system and who was covered on the member's health insurance policy at the
24 time of the member's death shall have the option of continuing to be a member
25 of the insurance group at the prevailing rates established for the members of
26 the Arkansas Teacher Retirement System upon application for the coverage.

27 (c)(1) However, ~~persons~~ A person drawing retirement benefits under the
28 Arkansas Teacher Retirement System and the Arkansas Public Employees'
29 Retirement System who ~~will~~ elects to participate or continue to participate
30 in the group insurance program provided ~~for herein~~ by the Employee Benefits
31 Division of the Department of Finance and Administration shall pay the full
32 amount retiree portion of the premium or cost of the policy, ~~and such~~

33 (2) The retiree portion of the premium or cost shall be deducted
34 from the retirement benefit ~~checks~~ check of such ~~participants~~ the
35 participant.

36 (d) The retiree portion of the premium or cost of the policy shall not

1 be greater than that required to be paid by a state-employee retiree in the
2 Arkansas Teacher Retirement System or the Arkansas Public Employees'
3 Retirement System under § 21-5-411(b).

4 (e)(1) The state may make a monthly contribution on behalf of the
5 members who participate in the Arkansas Teacher Retirement System and the
6 Arkansas Public Employees' Retirement System group insurance program provided
7 by the Employee Benefits Division of the Management Services Division of the
8 Department of Finance and Administration multiplied by the amount necessary
9 to meet the requirement of subsection (d) of this section.

10 (2) The state contribution amount shall not exceed the state
11 contribution amount permitted by law for state contributions for members and
12 retirees of the Arkansas Teacher Retirement System and the Arkansas Public
13 Employees' Retirement System to the Employee Benefits Division of the
14 Department of Finance and Administration for the benefit of state employees
15 as provided in § 21-5-414.

16 (3) The Department of Finance and Administration may make a
17 monthly contribution to partially defray the cost of the group insurance
18 provided in this section utilizing funds made available for that purpose, not
19 to exceed the amount authorized by law.

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21 /s/ Harrelson, et al
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