

State of Arkansas
76th General Assembly
Regular Session, 1987
By: Senator Canada

SENATE BILL 26

"AN ACT TO AMEND PARAGRAPH (b) OF SUBSECTION 5.04 OF SECTION 5 OF ACT 793 OF 1977 AS AMENDED, [ARK. STATS. 12-3305 5.04 (b)] TO PERMIT A RETIRANT WHO HAS ELECTED OPTION A60 OR A120 AND NAMED A SPOUSE AS BENEFICIARY TO RESCIND SUCH OPTION IN THE EVENT THE DESIGNATED SPOUSE PREDECEASES THE RETIRANT; AND FOR OTHER PURPOSES."

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

SECTION 1. Paragraph (b) of subsection 5.04 of Section 5 of Act 793 of 1977 as amended, the same being Arkansas Statutes 12-3305 5.04(b), is hereby amended to read as follows:

"(b) Provided, however, that a death of a spouse or divorce or other marriage dissolution or the death of a person forty (40) years of age or older who is the designated beneficiary under Option B50 or B75 following retirement shall, at the written election of the retirant, cancel Option B50 or B75 elected at retirement to provide continuing lifetime benefits to such designated person and return the retirant to his straight life or Option A60 or A120 Annuity, to be effective the month following receipt of his election by the system. Provided further, a retirant who is receiving a straight life or Option A60 or A120 Annuity and who marries after retirement or within the one (1) year immediately preceding retirement may elect to cancel his straight life or Option A60 or A120 Annuity and to elect Option B50 or B75 providing continuing lifetime benefits to his spouse, provided such election is on a form approved by the system and is received by the system not earlier than one (1) year after the date of such marriage and not later than eighteen (18) months after such date. Such election shall be effective the first day of the month following such receipt. Provided further, if a retirant elects Option A60 or A120 and if the only person designated by the retirant to receive the

reduced annuity for the designated period in the event of the retirant's death is at the time of the designation the spouse of the retirant and such spouse predeceases the retirant, the retirant may by notification in writing to the governing body of his or her named plan rescind the option. Upon rescinding an option as authorized herein, the retirant shall beginning with the first day of the month next after the expiration of twenty (20) days from the date of filing such notification be entitled to receive a full straight life annuity computed in the manner prescribed by his or her named plan."

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

