

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 1496

4
5 By: Representatives R. Smith, Faris
6
7

For An Act To Be Entitled

8
9 "AN ACT TO AMEND ARKANSAS CODE § 24-7-708 TO PROVIDE A
10 WAIVER OF THE EARNINGS LIMITATIONS UNDER THE TEACHER
11 RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR
12 OTHER PURPOSES. "
13

Subtitle

14
15 "TO PROVIDE A WAIVER OF THE EARNINGS
16 LIMITATIONS UNDER THE TEACHER RETIREMENT
17 SYSTEM. "
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 24-7-708 is amended to read as follows:

23 "24-7-708. Conditions subjecting annuities to limitations.

24 (a) ~~If~~ Except for a waiver as provided for in subsection (f) of this
25 section, if a retirant is an employee of a public employer whose employees are
26 covered by the Arkansas Teacher Retirement System, then, for each twelve-month
27 period ending June 30, the amount of his system annuity shall be subject to
28 the limitations equivalent to twice the limitations imposed by the social
29 security retirement test.

30 (b) For each year ending June 30, the social security retirement test
31 to be considered shall be the test in effect for the calendar year beginning
32 the January 1 immediately preceding June 30. The retirant's earnings shall be
33 his remuneration for such employment for the year ending June 30.

34 (c) The board, by appropriate rules and regulations, shall establish
35 equivalent limitations.

36 (d) Receiving remuneration as an employee from any private employer or

1 as a member of the General Assembly shall not affect payment of an annuity.

2 (e) During any period of employment in a position covered by the
3 system, a retirant shall not accrue additional credited service nor shall he
4 contribute to the system.

5 (f) In accordance with rules and regulations adopted by the State Board
6 of Education, the Arkansas Department of Education may request of the Teacher
7 Retirement System Board of Trustees, or its designee, a waiver of the
8 conditions subjecting annuities to limitations. If approved by the Board of
9 Trustees, or its designee, the waiver shall be effective for a one (1) year
10 period."

11
12 SECTION 2. No benefit enhancement provided for by this act shall be
13 implemented if it would cause the publicly supported retirement system's
14 unfunded actuarial accrued liabilities to exceed a thirty (30) year
15 amortization. No benefit enhancement provided for by this act shall be
16 implemented by any publicly supported system which has unfunded actuarial
17 accrued liabilities being amortized over a period exceeding thirty (30) years
18 until the unfunded actuarial accrued liability is reduced to a level less than
19 the standards prescribed by Arkansas Code, Title 24.

20
21 SECTION 3. All provisions of this act of a general and permanent nature
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
23 Revision Commission shall incorporate the same in the Code.

24
25 SECTION 4. If any provision of this act or the application thereof to
26 any person or circumstance is held invalid, such invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provision or application, and to this end the provisions of this
29 act are declared to be severable.

30
31 SECTION 5. All laws and parts of laws in conflict with this act are
32 hereby repealed.

33
34 SECTION 6. EMERGENCY CLAUSE. It is hereby found and determined by the
35 Eighty-second General Assembly that certain Teacher Retirement System
36 retirants are sometimes needed by the Arkansas Department of Education to

1 ful fill vital positions within the educational system of Arkansas, that
2 current retirement law limits the amount of salaries which can be paid to
3 System retirees and the law needs to provide a method by which the System can
4 waive those earning limitations, and that the most effective time to make
5 changes to the retirement system is at the beginning of the State's fiscal
6 year and therefore this act should take effect immediately at that time.
7 Therefore, an emergency is declared to exist and this act being immediately
8 necessary for the preservation of the public peace, health and safety shall
9 become effective on July 1, 1999.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36