

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

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

A Bill

SENATE BILL 265

4
5 By: Senator Hopkins
6 By: Representative Faris

For An Act To Be Entitled

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10 "AN ACT TO PROVIDE AUTHORITY FOR THE BOARD OF TRUSTEES
11 OF THE TEACHER RETIREMENT SYSTEM (TRS), WHEN
12 ACTUARIALLY APPROPRIATE, TO COMPOUND THE COST-OF-
13 LIVING ADJUSTMENT FOR RETIRANTS, BENEFICIARIES, AND
14 TEACHER DEFERRED RETIREMENT OPTION PLAN PARTICIPANTS;
15 AND FOR OTHER PURPOSES. "

Subtitle

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18 "TO PROVIDE AUTHORITY FOR THE TRS-BOARD
19 OF TRUSTEES, WHEN ACTUARIALLY
20 APPROPRIATE, TO COMPOUND THE COST-OF-
21 LIVING ADJUSTMENT FOR RETIRANTS AND
22 OTHER BENEFICIARIES. "

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

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27 SECTION 1. Compounded cost of living adjustments.

28 (a) After July 1, 1999, beginning with the July 1 which is at least
29 twelve (12) months after the effective date of a monthly benefit, the amount
30 of the benefit shall be redetermined effective each July 1, and the
31 redetermined amount shall be payable for the ensuing year.

32 (b) The redetermined amount shall be the amount of the benefit payable
33 as of the immediately preceding June 30 increased by three percent (3%).

34 (c) The benefit provisions provided in subsections (a) and (b) of this
35 section shall be implemented according to rules and regulations of the Teacher
36 Retirement System's Board of Trustees as is actuarially appropriate for the

1 system. Prior to increasing a benefit as provided in this section, the Board
2 of Trustees shall file relevant information concerning the actuarial
3 appropriateness of the action with the Joint Interim Committee on Public
4 Retirement and Social Security Programs.

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

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15 SECTION 3. All provisions of this act of general and permanent nature
16 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
17 Revision Commission shall incorporate the same in the Code.

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19 SECTION 4. If any provisions of this act or the application thereof to
20 any person or circumstance is held invalid, the invalidity shall not affect
21 other provisions or applications of the act which can be given effect without
22 the invalid provisions or application, and to this end the provisions of this
23 act are declared to be severable.

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25 SECTION 5. All laws and parts of laws in conflict with this act are
26 hereby repealed.

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