

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.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001

A Bill

SENATE BILL 172

4
5 By: Senator Faris
6 By: Representative R. Smith

For An Act To Be Entitled

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10 AN ACT TO AMEND ARKANSAS CODE 24-7-708 TO PROVIDE A
11 TIMEFRAME UNDER WHICH RETIREES OF THE ARKANSAS TEACHER
12 RETIREMENT SYSTEM MAY RETURN TO WORK FOR THEIR
13 PREVIOUS EMPLOYER COVERED BY THE SYSTEM AND NOT BE
14 SUBJECT TO THE TEACHER RETIREMENT EARNINGS LIMITATION;
15 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

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18 TO AMEND THE EARNINGS LIMITATION FOR
19 RETIREES OF THE ARKANSAS TEACHER
20 RETIREMENT SYSTEM.

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

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

26 24-7-708. Conditions subjecting annuities to limitations.

27 (a) (1) Except for a waiver as provided for in subsection (f) of this
28 section, if a retirant under the age of sixty-five (65) is an employee of a
29 public employer whose employees are covered by the Arkansas Teacher Retirement
30 System, then, for each twelve-month period ending June 30, the amount of his
31 or her system annuity shall be subject to the limitations equivalent to twice
32 the limitations imposed by the social security retirement test.

33 (2) However, in addition to the waiver under subsection (f) of
34 this section, the earnings limitation under subdivision (a)(1) of this section
35 shall not apply to a retirant who returns to work in a full-time position
36 covered by the Arkansas Teacher Retirement System after one (1) year from the

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1 effective date of the retirant's retirement.

2 (3) Further, the earnings limitation under subdivision (a)(1) of
 3 this section shall not apply to any retirant after three (3) years from the
 4 effective date of the retirant's retirement.

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

9 (c) The Board of Trustees of the Arkansas Teacher Retirement System
 10 shall establish equivalent limitations by appropriate rules and regulations.

11 (d) Receiving remuneration as an employee from any private employer or
 12 as a member of the General Assembly shall not affect payment of an annuity.

13 (e) During any period of employment in a position covered by the
 14 system, a retirant shall not accrue additional credited service nor shall he
 15 or she contribute to the system.

16 (f) In accordance with rules and regulations adopted by the State Board
 17 of Education, the Department of Education may request of the board of
 18 trustees, or its designee, a waiver of the conditions subjecting annuities to
 19 limitations. If approved by the board of trustees, or its designee, the waiver
 20 shall be effective for a one-year period, with the option to review annually
 21 as requested by the Department of Education.

22
 23 SECTION 2. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO
 24 CODIFY THIS SECTION.] No benefit enhancement provided for by this act shall
 25 be implemented if it would cause the publicly supported retirement system's
 26 unfunded actuarial accrued liabilities to exceed a thirty (30) year
 27 amortization. No benefit enhancement provided for by this act shall be
 28 implemented by any publicly supported system which has unfunded actuarial
 29 accrued liabilities being amortized over a period exceeding thirty (30) years
 30 until the unfunded actuarial accrued liability is reduced to a level less than
 31 the standards prescribed by Arkansas Code, Title 24.

32
 33 SECTION 3. Emergency Clause. It is found and determined by the Eighty-
 34 third General Assembly of the State of Arkansas that retirants are sometimes
 35 needed by the Arkansas Department of Education and the public schools to
 36 fulfill vital positions within the educational system of Arkansas; that

1 current retirement laws limit the amount of salaries which can be paid to
2 retirees and the law needs to provide a method by which the system can waive
3 those earnings limitations; and that the most effective time to make changes
4 to the retirement system is at the beginning of the state's fiscal year.
5 Therefore an emergency is declared to exist and this act being immediately
6 necessary for the preservation of the public peace, health and safety shall
7 become effective on July 1, 2001.

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