

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 194

4  
5 By: Senators Faris, Hunter  
6 By: Representative R. Smith

## For An Act To Be Entitled

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10 AN ACT TO AMEND ARKANSAS CODE 24-7-717 TO PROVIDE AN  
11 OPPORTUNITY FOR RETIRANTS OF THE ARKANSAS TEACHER  
12 RETIREMENT SYSTEM TO BECOME AN ACTIVE MEMBER IN ORDER  
13 TO PARTICIPATE IN THE TEACHER DEFERRED RETIREMENT  
14 OPTION PLAN; TO DECLARE AN EMERGENCY; AND FOR OTHER  
15 PURPOSES.

## Subtitle

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18 TO ALLOW RETIRANTS OF THE TEACHER  
19 RETIREMENT SYSTEM TO BECOME AN ACTIVE  
20 MEMBER IN ORDER TO PARTICIPATE IN T-  
21 DROP.

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

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26 SECTION 1. Arkansas Code 24-7-717, concerning the rescission of  
27 termination of active membership in the Teacher Retirement System, is amended  
28 to add an additional subsection to read as follows:

29 (g)(1) A retirant under § 24-7-702 may rescind the decision to  
30 terminate active membership and may become an active member upon reemployment  
31 for the purpose of participation in the Teacher Deferred Retirement Option  
32 Plan.

33 (2) Upon reemployment and completion of credited service required  
34 to meet the minimum conditions of participation in the Teacher Deferred  
35 Retirement Option Plan, the reemployed retirant may elect to participate in  
36 the Teacher Deferred Retirement Option Plan.

\*VJF368\*

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1           (3) If reemployment terminates before the end of the fiscal year  
2 in which a former retirant has worked at least three (3) years, then the  
3 former retirant shall:

4                   (A) Become a retired member, and the payment of the annuity  
5 at the time of recission shall resume upon the termination;

6                   (B) Be entitled to receive any member contributions, which  
7 may have been made during the reemployment period; and

8                   (C) Forfeit any accumulated funds in the Teacher Deferred  
9 Retirement Option Plan.

10           (4) If the former retirant's reemployment terminates after the  
11 end of the fiscal year in which the former retirant has accumulated at least  
12 three (3) years of credited service, then upon termination of reemployment,  
13 the former retirant shall become a retired member and receive an annuity along  
14 with any funds accumulated while participating in the Teacher Deferred  
15 Retirement Option Plan.

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

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27           SECTION 3. Emergency Clause. It is found and determined by the Eighty-  
28 third General Assembly of the State of Arkansas that retirants are sometimes  
29 needed by the Arkansas Department of Education and the public schools to  
30 fulfill vital positions within the educational system of Arkansas; that by  
31 allowing them to participate in the Teacher Deferred Retirement Option Plan,  
32 their motivation to return to active teaching service will be enhanced; that  
33 the law needs to provide a method by which the system can permit them to  
34 return and earn T-DROP benefits; and that the most effective time to make  
35 these changes to the retirement system is at the beginning of the state's  
36 fiscal year. Therefore an emergency is declared to exist and this act being

1 immediately necessary for the preservation of the public peace, health and  
2 safety shall become effective on July 1, 2001.

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