

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.

State of Arkansas
85th General Assembly
Regular Session, 2005

A Bill

HOUSE BILL 1207

By: Representative Mahony

For An Act To Be Entitled

AN ACT CONCERNING THE TEACHER DEFERRED RETIREMENT
OPTION PLAN; AND FOR OTHER PURPOSES.

Subtitle

AN ACT CONCERNING THE TEACHER DEFERRED
RETIREMENT OPTION PLAN.

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

SECTION 1. Arkansas Code § 24-7-1306(a)(1), concerning Teacher
Deferred Retirement Option Plan contributions, is amended to read as follows:

(a)(1) Teacher Deferred Retirement Option Plan ~~contributions~~ deposits
shall be a percentage of the plan benefit.

SECTION 2. Arkansas Code § 24-7-1306(b), concerning contributions to
the Teacher Deferred Retirement Option Plan, is amended to read as follows:

(b) For the purpose of § 24-7-709 related to disposition of residue,
~~plan contributions shall be considered to be annuity payments~~ any amounts
received from the Teacher Deferred Retirement Option Plan account either in
the form of a lump sum or annuity payments shall be considered to be annuity
payments received by the member or his or her designated beneficiary and
shall offset any disposition of residue payable under § 24-7-709.

SECTION 3. Arkansas Code § 24-7-1307(a), concerning Teacher Deferred
Retirement Option Plan accounts, is amended to read as follows:

(a) The member's Teacher Deferred Retirement Option Plan account shall
be the account in which shall be accumulated at plan interest the member's



plan ~~contributions~~ deposits.

SECTION 4. Arkansas Code § 24-7-1314(b), concerning early participation in the Teacher Deferred Retirement Option Plan, is amended to read as follows:

(b) If the board authorizes early participation, the plan ~~contribution~~ deposit under § 24-7-1306 shall be based upon the ~~contribution~~ deposit percent payable for a participant with thirty (30) years of service, reduced by at least an additional one-half of one percent (0.5%) of the plan benefit for each month the member begins participating in the plan prior to having thirty (30) years of credited service. The board may increase the percentage required as an early participation reduction in order to provide a fair and just and reasonable benefit for all members of the Arkansas Teacher Retirement System and to provide for appropriate actuary considerations.

SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that current Arkansas laws concerning the Teacher Retirement Deferred Option plan require clarity; that the nature of existing laws concerning the Teacher Retirement Deferred Option Plan complicates the operation of the Arkansas Teacher Retirement System and hinders the system in its efforts to serve its members; and that the most effective time to make change to the system is at the beginning of the state's fiscal year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2005.