

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 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 1189

5 By: Representative Harris
6
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For An Act To Be Entitled

8
9 AN ACT CONCERNING THE MONTHLY STIPENDS AWARDED TO
10 MEMBERS OF THE ARKANSAS TEACHER RETIREMENT
11 SYSTEM; AND FOR OTHER PURPOSES.
12

Subtitle

13
14 AN ACT CONCERNING THE MONTHLY STIPENDS
15 AWARDED TO MEMBERS OF THE ARKANSAS
16 TEACHER RETIREMENT SYSTEM.
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 24-7-713 is amended to read as follows:
22 24-7-713. Monthly benefits - Redetermination.

23 (a)(1) Beginning with the July 1 which is at least twelve (12) full
24 months after the effective date of a monthly benefit, the amount of the
25 benefit shall be redetermined effective each July 1, and the redetermined
26 amount shall be payable for the ensuing year.

27 (2) The redetermined amount shall be the base amount multiplied
28 by the following percent: One hundred percent (100%) plus three percent (3%)
29 for each full year, but excluding any fraction of a year, in the period from
30 the effective date of the base amount to the current July 1.

31 (3) In no event shall the redetermined amount be less than the
32 base amount.

33 (4) As used in this section:

34 (A) "The amount of the benefit otherwise payable" means
35 the monthly amount of the benefit that would be payable disregarding the
36 provisions of this section redetermining benefit amounts after retirement;



1 (B)(i) "Base amount" means the monthly amount of the
 2 benefit upon which benefit redeterminations after retirement are based, as
 3 provided in this section.

4 (ii) Base amount includes the amount of the benefit
 5 otherwise payable plus any one-time increase or increases granted by
 6 legislative change.

7 (iii) The effective date of the base amount shall be
 8 the effective date of the benefit or, if any, the effective date of the last
 9 increase in base amount, whichever is later.

10 (5) The redetermined amount under this subsection is not
 11 considered a benefit enhancement under the limitations under § 24-1-106.

12 (b)(1)(A) Effective July 1, 1999, subject to the minimum financial
 13 conditions set forth in § 24-7-718, retirees, survivors, and beneficiaries
 14 shall receive an increase in benefits of not less than fifty dollars (\$50.00)
 15 per month.

16 (B) However, the Board of Trustees of the Arkansas Teacher
 17 Retirement System may elect and is granted authority to increase the benefit
 18 to retirees in an amount determined by the board, except that the benefit
 19 increase shall not exceed ~~two hundred dollars (\$200)~~ seventy-five dollars
 20 (\$75.00) per month.

21 (2)(A) Members retiring after July 1, 1999, but before July 1,
 22 2007, and their survivors and beneficiaries, with five (5) or more years of
 23 ~~credited~~ actual service in the Arkansas Teacher Retirement System and their
 24 survivors and beneficiaries, shall receive an additional benefit of not less
 25 than fifty dollars (\$50.00) per month over and above their regular annuity.

26 (B) Members retiring on or after July 1, 2007, with ten
 27 (10) or more years of actual service in the Arkansas Teacher Retirement
 28 System, and their survivors and beneficiaries, shall receive an additional
 29 benefit of not less than fifty dollars (\$50.00) per month over and above
 30 their regular annuity.

31 (B)(C) However, the Board of Trustees may elect and is
 32 granted authority to increase the additional benefit to members retiring in
 33 an amount determined by the board, except that the additional benefit shall
 34 not exceed ~~two hundred dollars (\$200)~~ seventy-five dollars (\$75.00) per
 35 month.

36 (3) In its discretion, the board may prorate the benefits

1 provided under this subsection for all individuals retiring after June 30,
 2 1999, if the individual is also eligible for an additional monthly benefit as
 3 a result of credited service under one (1) or more of the other reciprocal
 4 systems, as such systems are enumerated in § 24-2-401.

5 (4)(A) For the purpose of determining eligibility for the
 6 increase in benefits provided under this subsection, “actual service” means
 7 service rendered in a position covered by the Arkansas Teacher Retirement
 8 System.

9 (B) “Actual service” does not include purchased or free
 10 credited service or reciprocal service.

11 (c) Nothing contained in this section shall require the Arkansas
 12 Public Employees’ Retirement System to pay any portion of the benefits
 13 provided for in this section.
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15 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
 16 General Assembly of the State of Arkansas that the current laws applicable to
 17 the Arkansas Teacher Retirement System regarding monthly stipends require
 18 revision; that revisions are necessary to ensure the effective and efficient
 19 operation of the system; and that the most effective time to make changes to
 20 the retirement system is at the beginning of the state’s fiscal year.
 21 Therefore, an emergency is declared to exist and this act being immediately
 22 necessary for the preservation of the public peace, health, and safety shall
 23 become effective on July 1, 2007.

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