

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4
5 By: Senator J. Jeffress

A Bill

SENATE BILL 64

For An Act To Be Entitled

8 AN ACT TO ALLOW A MEMBER TO BE ELIGIBLE FOR
9 DISABILITY BENEFITS, SURVIVOR BENEFITS, AND LUMP-SUM
10 DEATH BENEFITS UNDER THE ARKANSAS TEACHER RETIREMENT
11 SYSTEM FOR AN ADDITIONAL FISCAL YEAR AFTER THE LAST
12 FISCAL YEAR OF ACTUAL SERVICE; TO DECLARE AN
13 EMERGENCY; TO AUTHORIZE THE BOARD OF TRUSTEES OF THE
14 ARKANSAS TEACHER RETIREMENT SYSTEM TO PROMULGATE
15 RULES CONCERNING ANNUITY OPTIONS; AND FOR OTHER
16 PURPOSES.

Subtitle

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19 CONCERNING CERTAIN BENEFITS UNDER THE
20 ARKANSAS TEACHER RETIREMENT SYSTEM; TO
21 AUTHORIZE THE BOARD TO PROMULGATE RULES
22 CONCERNING ANNUITY OPTIONS; TO DECLARE AN
23 EMERGENCY.
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27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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29 SECTION 1. Arkansas Code § 24-7-704(a)(1)(B), concerning eligibility
30 for disability retirement in the Arkansas Teacher Retirement System, is
31 amended to read as follows:

32 (B)(i) An active member who has met the eligibility
33 requirement of subdivision (a)(1)(A) of this section shall meet the
34 termination of covered employment requirements under § 24-7-502 to be
35 eligible for disability retirement benefits.

36 (ii) For eligibility under this section, a member is



1 considered active for an additional fiscal year following the last fiscal
2 year that the member renders actual service to a covered employer and obtains
3 at least one-fourth (1/4) year of service credit.

4 (iii) Service credit used in calculating any
5 benefits paid under this section means days of service, including paid sick
6 leave covered by the employer.

7
8 SECTION 2. Arkansas Code § 24-7-706, concerning Arkansas Teacher
9 Retirement System annuity options, is amended to add an additional subsection
10 to read as follows:

11 (f) The Board of Trustees of the Arkansas Teacher Retirement System
12 shall:

13 (1) Promulgate rules as necessary to administer this section;
14 and

15 (2) Institute fair procedures for members of the system,
16 including without limitation:

17 (A) Requirements for designating a beneficiary; and

18 (B) Spousal election.

19
20 SECTION 3. Arkansas Code § 24-7-710, concerning the eligibility for
21 survivor benefits under the Arkansas Teacher Retirement System, is amended to
22 add an additional subsection to read as follows:

23 (g)(1) For eligibility under this section, a member is considered
24 active for an additional fiscal year following the last fiscal year that the
25 member renders actual service to a covered employer and obtains at least one-
26 fourth (1/4) year of service credit.

27 (2) Service credit used in calculating any benefits paid under
28 this section means days of service, including paid sick leave covered by the
29 employer.

30
31 SECTION 4. Arkansas Code § 24-7-720, concerning the eligibility for a
32 lump-sum benefit under the Arkansas Teacher Retirement System, is amended to
33 add an additional subsection to read as follows:

34 (i) For eligibility under this section, a member is considered active
35 for an additional fiscal year following the last fiscal year that the member
36 renders actual service to a covered employer and obtains at least one-fourth

1 (1/4) year of service credit.

2
3 SECTION 5. EMERGENCY CLAUSE. It is found and determined by the
4 General Assembly of the State of Arkansas that certain provisions of the
5 Arkansas Teacher Retirement System Act are in urgent need of revision to
6 bring them into conformance with sound public pension policy; that this
7 revision is of great importance to members of the Arkansas Teacher Retirement
8 System and to other citizens of the State of Arkansas; that the policy of the
9 system historically has been to calculate deposits and benefits for an
10 additional fiscal year following the last fiscal year that the member renders
11 actual service to a covered employer; that the system's policy needs to be
12 codified into Arkansas law; that this act is necessary in order to maintain
13 an orderly system of benefits for the members of the Arkansas Teacher
14 Retirement System. Therefore, an emergency is declared to exist and this act
15 being necessary for the preservation of the public peace, health, and safety
16 shall become effective on July 1, 2011.