| 1  | State of Arkansas                | As Engrossed: H2/18/13             |                                   |
|----|----------------------------------|------------------------------------|-----------------------------------|
| 2  | 89th General Assembly            | A Bill                             |                                   |
| 3  | Regular Session, 2013            |                                    | HOUSE BILL 1135                   |
| 4  |                                  |                                    |                                   |
| 5  | By: Representative Lenderm       | nan                                |                                   |
| 6  |                                  |                                    |                                   |
| 7  |                                  | For An Act To Be Entitled          |                                   |
| 8  | AN ACT TO                        | ALLOW ELIGIBLE SURVIVORS TO REC    | EIVE                              |
| 9  | BENEFITS                         | FROM THE ARKANSAS TEACHER RETIRE   | MENT SYSTEM                       |
| 10 | FROM THE                         | DATE THAT AN APPLICATION FOR SUR   | VIVOR                             |
| 11 | BENEFITS                         | IS FILED WITH THE SYSTEM; TO CLA   | RIFY THE                          |
| 12 | DATE ON W                        | THICH A SURVIVING SPOUSE MAY BEGI  | N RECEIVING                       |
| 13 | BENEFITS;                        | TO DECLARE AN EMERGENCY; AND FO    | R OTHER                           |
| 14 | PURPOSES.                        |                                    |                                   |
| 15 |                                  |                                    |                                   |
| 16 |                                  |                                    |                                   |
| 17 |                                  | Subtitle                           |                                   |
| 18 | TO A                             | ALLOW ELIGIBLE SURVIVORS TO RECEI  | LVE                               |
| 19 | BENI                             | EFITS FROM THE DATE AN APPLICATION | ON FOR                            |
| 20 | SUR                              | VIVOR BENEFITS IS FILED; TO CLARI  | IFY                               |
| 21 | SUR                              | VIVING SPOUSE BENEFITS; AND TO DE  | ECLARE                            |
| 22 | AN I                             | EMERGENCY.                         |                                   |
| 23 |                                  |                                    |                                   |
| 24 |                                  |                                    |                                   |
| 25 | BE IT ENACTED BY THE             | GENERAL ASSEMBLY OF THE STATE OF   | ARKANSAS:                         |
| 26 |                                  |                                    |                                   |
| 27 | SECTION 1. Ark                   | kansas Code § 24-7-710(a), concer  | ning survivor annuity             |
| 28 | benefits, is amended             | to read as follows:                |                                   |
| 29 | (a) <u>(l)</u>                   | active member with five (5) or mo  | re years of actual <del>and</del> |
| 30 | <del>reciprocal</del> service, 1 | including credited service for th  | e year immediately                |
| 31 | preceding his or her             | death, dies before the receipt o   | f retirement benefits             |
| 32 | from the Arkansas Tea            | acher Retirement System, then the  | benefits provided in              |
| 33 | this section shall be            | e paid to eligible survivors.      |                                   |
| 34 | <u>(2) An e</u>                  | eligible survivor is entitled to   | receive benefits from             |
| 35 | the date that an appl            | ication for survivor benefits fo   | r the eligible survivor           |
| 36 | is filed with the sys            | tem.                               |                                   |

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| 2  | SECTION 2. Arkansas Code § 24-7-710(b)(1)(B) and (C), concerning                               |
| 3  | survivor annuity benefits, is amended to read as follows:                                      |
| 4  | (B) The surviving spouse's benefits shall begin in the   |
| 5  | month following the month of the member's death the system receives a                          |
| 6  | completed application for the surviving spouse's benefits if at the time of                    |
| 7  | the member's death the member had:   |
| 8  | (i) Accumulated twenty-five (25) years or more of  |
| 9  | credited service and qualified as eligible to receive a retirement annuity                     |
| 10 | under §§ 24-7-701 and 24-7-702; or   |
| 11 | (ii) Reached sixty (60) years of age and qualified   |
| 12 | as eligible to receive a retirement annuity under § 24-7-707.                                  |
| 13 | (C) If the surviving spouse is not eligible to receive   |
| 14 | benefits under subdivision (b)(1)(B) of this section, the surviving spouse's                   |
| 15 | benefits shall begin $\frac{1}{1}$ the <u>later of either the</u> month following the date the |
| 16 | member would have been eligible to receive benefits had the member survived                    |
| 17 | or the date that an application for a surviving spouse's benefits is filed                     |
| 18 | with the system.   |
| 19 |  |
| 20 | SECTION 3. Arkansas Code § 24-7-710(e), concerning survivor annuity                            |
| 21 | benefits, is repealed.   |
| 22 | (e) Annuities payable under this section shall begin the first day of                          |
| 23 | the calendar month following the date the survivor annuity is payable as                       |
| 24 | provided in this section.  |
| 25 |  |
| 26 | SECTION 4. EMERGENCY CLAUSE. It is found and determined by the                                 |
| 27 | General Assembly of the State of Arkansas that provisions of the Arkansas                      |
| 28 | Teacher Retirement System Act are in need of revision and updating to                          |
| 29 | maintain the act in conformance with sound public pension policy; that the                     |
| 30 | Arkansas Teacher Retirement System operates on a July 1 to June 30 fiscal                      |
| 31 | year; and that these provisions are necessary to provide proper                                |
| 32 | administration to benefits to begin on the first day of the fiscal year; that                  |
| 33 | such revisions and updating are of great importance for actuarial purposes                     |
| 34 | and to protect the benefits for members of the Arkansas Teacher Retirement                     |

System. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall

| 1  | become effective on July 1, 2013. |
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| 3  | /s/Lenderman                      |
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