

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

*As Engrossed: S1/31/13*

# A Bill

SENATE BILL 130

5 By: Senator J. Hutchinson  
6

## For An Act To Be Entitled

8 AN ACT TO ALLOW THE BOARD OF TRUSTEES OF THE ARKANSAS  
9 TEACHER RETIREMENT SYSTEM TO INCREASE OR DECREASE THE  
10 STIPEND BENEFIT FOR MEMBERS AS ACTUARIALLY  
11 APPROPRIATE; TO DECLARE AN EMERGENCY; AND FOR OTHER  
12 PURPOSES.  
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## Subtitle

15 TO ALLOW THE BOARD OF TRUSTEES OF THE  
16 ARKANSAS TEACHER RETIREMENT SYSTEM TO  
17 INCREASE OR DECREASE THE STIPEND BENEFIT  
18 FOR MEMBERS AS ACTUARIALLY APPROPRIATE  
19 AND TO DECLARE AN EMERGENCY.  
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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25 SECTION 1. Arkansas Code § 24-7-713(b), concerning the monthly benefit  
26 stipend, is amended to read as follows:

27 (b)(1)~~(A)~~ Effective July 1, ~~1999~~ 2013, ~~subject to the minimum~~  
28 ~~financial conditions set forth in § 24-7-718, retirees, survivors, and~~  
29 ~~beneficiaries shall receive an increase in benefits of~~ the Board of Trustees  
30 of the Arkansas Teacher Retirement System may modify the amount of the  
31 benefit stipend from a maximum of seventy-five dollars (\$75.00) per month to  
32 not less than fifty dollars (\$50.00) one dollar (\$1.00) per month for  
33 eligible benefit participants as a benefit supplement in addition to the  
34 cost-of-living adjustment under subsection (a) of this section.

35 ~~(B) However, the Board of Trustees of the Arkansas Teacher~~  
36 ~~Retirement System may elect and is granted authority to increase the benefit~~



1 ~~to retirees in an amount determined by the board, except that the benefit~~  
2 ~~increase shall not exceed seventy five dollars (\$75.00) per month.~~

3 (2)(A) ~~Members retiring after July 1, 1999, but before July 1,~~  
4 ~~2008, with five (5) or more years of actual service in the Arkansas Teacher~~  
5 ~~Retirement System and their survivors and beneficiaries shall receive an~~  
6 ~~additional benefit of not less than fifty dollars (\$50.00) per month over and~~  
7 ~~above their regular annuity~~ A benefit stipend increase or decrease adopted by  
8 the board shall apply to a complete fiscal year and shall remain in effect  
9 until adjusted by the board subject to the limitations under subdivision  
10 (b)(4) of this section.

11 (B) ~~Members retiring on or after July 1, 2008, with ten~~  
12 ~~(10) or more years of actual service in the Arkansas Teacher Retirement~~  
13 ~~System and their survivors and beneficiaries shall receive an additional~~  
14 ~~benefit of not less than fifty dollars (\$50.00) per month over and above~~  
15 ~~their regular annuity.~~

16 (C) ~~However, the board may elect and is granted authority~~  
17 ~~to increase the additional benefit to members retiring in an amount~~  
18 ~~determined by the board, except that the additional benefit shall not exceed~~  
19 ~~seventy five dollars (\$75.00) per month.~~

20 (3) ~~The board may prorate the benefits provided under this~~  
21 ~~subsection for all members retiring after June 30, 1999, if the member is~~  
22 ~~also eligible for an additional monthly benefit as a result of credited~~  
23 ~~service under one (1) or more of the other reciprocal systems, as such~~  
24 ~~systems are enumerated in § 24-2-401~~ adjust the benefit stipend amount by  
25 resolution at a meeting of the board.

26 (4) The board shall not reduce the benefit stipend unless the  
27 system's actuary recommends a reduction to the board in order to address an  
28 amortization period in excess of thirty (30) years to pay the unfunded  
29 liabilities of the system.

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31 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
32 General Assembly of the State of Arkansas that provisions of the Arkansas  
33 Teacher Retirement System Act are in need of revision to maintain the teacher  
34 retirement laws in conformance with sound public pension policy; that the  
35 Arkansas Teacher Retirement System operates on a July 1 to June 30 fiscal  
36 year; that having a July 1, 2013, effective date is necessary to allow the

1 provisions of this act to begin on the first day of the fiscal year and to  
2 provide proper administration of the system; and that this act is necessary  
3 to maintain an orderly system of benefits for the members of the Arkansas  
4 Teacher Retirement System. Therefore, an emergency is declared to exist, and  
5 this act being necessary for the preservation of the public peace, health,  
6 and safety shall become effective on July 1, 2013.

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8 */s/J. Hutchinson*  
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