

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

# A Bill

SENATE BILL 197

5 By: Senator R. Thompson  
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## For An Act To Be Entitled

9 AN ACT CONCERNING THE CORRECTION OF ERRORS ON A  
10 MEMBER'S ACCOUNT WHEN THE MEMBER OWES A BALANCE TO  
11 THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO DECLARE AN  
12 EMERGENCY; AND FOR OTHER PURPOSES.  
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## Subtitle

15 CONCERNING THE CORRECTION OF ERRORS ON A  
16 MEMBER'S ACCOUNT WHEN THE MEMBER OWES A  
17 BALANCE TO THE ARKANSAS TEACHER  
18 RETIREMENT SYSTEM; TO DECLARE AN  
19 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 § 24-7-205(b)(1), concerning the correction  
26 of errors, is amended to read as follows:

27 (b)(1) If a benefit participant ~~is paid~~ has a balance due to the  
28 system or receives any benefit or other distribution by the system to which  
29 the benefit participant is not entitled or the benefit participant or  
30 employer has an unpaid obligation to the system, the system or its designee,  
31 under rules adopted by the Board of Trustees of the Arkansas Teacher  
32 Retirement System, may:

33 (A) Withhold the amount due from any benefit or payment  
34 due the benefit participant; ~~or~~

35 (B) Collect the amount in any other manner provided by  
36 law; or



1                   (C)(i) Cancel any service credit for the fiscal year for  
2 which there is a balance due to the system.

3                   (ii) If service credit is canceled under subdivision  
4 (b)(1)(C)(i) of this section, the system shall return any member  
5 contributions for the affected fiscal year without interest.

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7           SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
8 General Assembly of the State of Arkansas that provisions of the Arkansas  
9 Teacher Retirement System Act are in need of revision to bring them into  
10 conformance with sound public pension policy; that members may not be able to  
11 retire as they have planned and anticipated because of outstanding  
12 underpayments to the system; that current law does not allow for another  
13 mechanism to make underpayments to the system; that the provisions of this  
14 act allows a member to settle past obligations to the system and retire as  
15 they anticipated; and that this act is immediately necessary to have an  
16 impact on members who are planning on retiring at the end of the school year  
17 and who are otherwise eligible to retire. Therefore, an emergency is  
18 declared to exist, and this act being immediately necessary for the  
19 preservation of the public peace, health, and safety shall become effective  
20 on:

21                   (1) The date of its approval by the Governor;

22                   (2) If the bill is neither approved nor vetoed by the Governor,  
23 the expiration of the period of time during which the Governor may veto the  
24 bill; or

25                   (3) If the bill is vetoed by the Governor and the veto is  
26 overridden, the date the last house overrides the veto.