

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1184

5 By: Representative Maddox
6 By: Senator K. Hammer
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE MEMBERSHIP
10 STATUS OF CERTAIN MEMBERS OF THE ARKANSAS TEACHER
11 RETIREMENT SYSTEM; TO CLARIFY THE CONTRIBUTORY OR
12 NONCONTRIBUTORY STATUS OF CERTAIN MEMBERS OF THE
13 ARKANSAS TEACHER RETIREMENT SYSTEM WHO ENTER INTO AN
14 EMPLOYMENT CONTRACT WITH A COVERED EMPLOYER AFTER THE
15 START OF THE FISCAL YEAR; TO DECLARE AN EMERGENCY;
16 AND FOR OTHER PURPOSES.

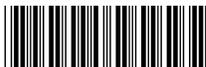
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19 TO AMEND THE LAW CONCERNING THE
20 MEMBERSHIP STATUS OF CERTAIN MEMBERS OF
21 THE ARKANSAS TEACHER RETIREMENT SYSTEM;
22 AND TO DECLARE AN EMERGENCY.
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 24-7-406(e)(3)(E), concerning when a member
29 under contract with a covered employer becomes a contributory member of the
30 Arkansas Teacher Retirement System, is amended to add an additional
31 subdivision to read as follows:

32 (iii) If a member enters into a contract with a covered
33 employer after the start of the fiscal year, the system may prorate the
34 number of contracted days in order to determine whether the member should be
35 classified as a contributory member or a noncontributory member who may make
36 an election under subdivision (e)(3)(E)(ii) of this section.



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2 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
3 General Assembly of the State of Arkansas that the operations of a state
4 public retirement system are complex; that the Arkansas Teacher Retirement
5 System must be able to meet the needs of its members as anticipated by the
6 General Assembly; that certain provisions of the Arkansas Teacher Retirement
7 System Act need revision and updating to bring them into conformance with
8 sound public pension policy and actuarial requirements; that additional
9 clarity is necessary concerning the contributory or noncontributory
10 membership status of certain members who enter into an employment contract
11 with a covered employer after the start of the fiscal year; that the
12 revisions and updates are of great importance to members of the Arkansas
13 Teacher Retirement System and to other citizens of the State of Arkansas;
14 that as the Arkansas Teacher Retirement System operates on a fiscal year of
15 July 1 to June 30, a July 1, 2023, effective date is necessary in order to
16 allow the provisions within this act to begin on the first day of the fiscal
17 year and to allow for a structured and proper administration of the
18 procedures referenced in this act; that the updates and revisions to the
19 Arkansas Teacher Retirement System Act are of great importance for actuarial
20 purposes and for the improvement and protection of member benefits under the
21 Arkansas Teacher Retirement System; and that this act is necessary in order
22 to maintain an orderly system of benefits for the members of the Arkansas
23 Teacher Retirement System. Therefore, an emergency is declared to exist, and
24 this act being necessary for the preservation of the public peace, health,
25 and safety shall become effective on July 1, 2023.