

Stricken language would be deleted from and underlined language would be added to present law.
Act 551 of the Regular Session

State of Arkansas
91st General Assembly
Regular Session, 2017

As Engrossed: S3/2/17
A Bill

SENATE BILL 186

By: Senator Hester

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE ADJUSTMENT OF
THE MULTIPLIER RATE UNDER THE ARKANSAS TEACHER
RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR
OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE
ADJUSTMENT OF THE MULTIPLIER RATE UNDER
THE ARKANSAS TEACHER RETIREMENT SYSTEM;
AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 24-7-705(b)(5), concerning the multiplier rate used in a life annuity under the Arkansas Teacher Retirement System, is amended to read as follows:

(5) *The board shall not reduce the multiplier rate for contributory service earned after the first ten (10) years of service unless the:*

(A) ~~system's~~ System's actuary certifies to the board that the amortization period to pay the unfunded liabilities of the system exceeds ~~thirty (30)~~ eighteen (18) years; and

(B) ~~that in order to address an amortization period in excess of thirty (30) years to pay the unfunded liabilities of the system,~~ the board Board determines that a reduction in the multiplier rate for contributory service ~~should be reduced~~ is prudent to maintain actuarial soundness.



SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the operations of a state public retirement system are complex; that the Arkansas Teacher Retirement System must be able to meet the needs of its members as anticipated by the General Assembly; that certain provisions of the Arkansas Teacher Retirement System Act are imminently in need of revision and updating to bring them into conformance with sound public pension policy and actuarial requirements; that such revision and updating is of great importance to members of the system and to other citizens of the State of Arkansas; that the system needs to have the ability to make immediate changes to maintain and improve its actuarial status; and that this act is immediately necessary in order to maintain an orderly system of benefits for the members of the Arkansas Teacher Retirement System. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

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

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

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

/s/Hester

APPROVED: 03/21/2017