

State of Arkansas

A Bill

Regular Session, 2025

HOUSE BILL 1158

By: Representative Perry

By: Senator F. Love

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE ELECTION OF A DISTRIBUTION OPTION UNDER THE TEACHER DEFERRED RETIREMENT OPTION PLAN; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE ELECTION OF A DISTRIBUTION OPTION UNDER THE TEACHER DEFERRED RETIREMENT OPTION PLAN; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 24-7-1308(b), concerning distribution options under the Teacher Deferred Retirement Option, is amended to add an additional subdivision to read as follows:

(3) A member may cancel his or her original election and elect another distribution option under subdivision (b)(1) of this section if the member:

(A) Did not elect to receive all or a part of the balance in the plan account as a lump sum payable through an Internal Revenue Code eligible rollover transaction;

(B) Has not previously changed his or her election;

(C) Cancels his or her election before the end of the second full calendar month immediately following his or her effective retirement date;

(D) Files with the system a new distribution election form



approved by the system; and

(E) Repays the system any amount that he or she is no longer entitled to have received as a result of changing his or her election.

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, § 24-7-201 et seq., need immediate revision and updating to address administrative complexities caused by these provisions and to bring these provisions into conformance with sound public pension policy and actuarial requirements; that the revisions and updates are of great importance to members of the Arkansas Teacher Retirement System and to other citizens of the State of Arkansas; that as the Arkansas Teacher Retirement System operates on a fiscal year of July 1 to June 30, an effective date of July 1, 2025, is necessary in order to allow the provisions within this act to begin on the first day of the fiscal year and to allow for a structured and proper administration of the procedures referenced in this act; that the updates and revisions to the Arkansas Teacher Retirement System Act are of great importance and necessary for protecting member benefits and clarifying the reporting and contribution requirements of employers participating in the Arkansas Teacher Retirement System; and that this act is 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 necessary for the preservation of the public peace, health, and safety, shall become effective on July 1, 2025.

APPROVED: 2/27/25