

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

SENATE BILL 163

By: Senator E. Cheatham

For An Act To Be Entitled

AN ACT TO TREAT THE PERCENTAGE OF PLAN BENEFIT FOR CONTRIBUTORY, NONCONTRIBUTORY, AND RECIPROCAL CREDITED SERVICE EQUALLY IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN UNDER THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO TREAT THE PERCENTAGE OF PLAN BENEFIT EQUALLY IN THE TEACHER DEFERRED RETIREMENT OPTION PLAN UNDER THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 24-7-1306(b), concerning amount of deposits, is amended to read as follows:

(b)(1) The percentage is one hundred percent (100%) reduced by the product of one percent (1%) multiplied by the number of years of ~~contributory and reciprocal service credit and credited service~~ and fractions thereof in the Arkansas Teacher Retirement System ~~and further reduced by the product of six tenths percent (0.6%) multiplied by the number of years of noncontributory service credit and fractions thereof in the system.~~

(2)(A) When a participant whose effective date in the plan is before September 1, 2003, reaches normal retirement age, the plan deposits shall be one hundred percent (100%) with no reduction.



(B) For any ~~member~~ participant whose effective date in the plan is September 1, 2003, or after, the plan deposits for a participant who reaches normal retirement age shall continue as reduced under subdivision (b)(1) of this section.

SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that provisions of the Arkansas Teacher Retirement System Act are in need of revision to maintain the teacher retirement laws in conformance with sound public pension policy; that the Arkansas Teacher Retirement System operates on a July 1 to June 30 fiscal year; that a July 1, 2013, effective date is necessary to allow the provisions of this act to begin on the first day of the fiscal year and to provide proper administration of the system; that the revision helps clarify the law for the member's understanding and for the ease of administration; and that this act is necessary to maintain actuarial soundness and 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, 2013.