

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: S2/28/13
A Bill

SENATE BILL 197

By: Senator R. Thompson

For An Act To Be Entitled

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

Subtitle

CONCERNING THE CORRECTION OF ERRORS ON A MEMBER'S ACCOUNT WHEN THE MEMBER OWES A BALANCE TO 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 § 24-7-205(b)(1), concerning the correction of errors, is amended to read as follows:

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

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

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



(C)(i) Cancel any service credit for the fiscal year for which there is a balance due to the system, if the member that owes the balance elects to have the system cancel the service rather than pay the balance due.

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

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 bring them into conformance with sound public pension policy; that members may not be able to retire as they have planned and anticipated because of outstanding underpayments to the system; that current law does not allow for another mechanism to make underpayments to the system; that the provisions of this act allows a member to settle past obligations to the system and retire as they anticipated; and that this act is immediately necessary to have an impact on members who are planning on retiring at the end of the school year and who are otherwise eligible to retire. 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/R. Thompson