

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

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

HOUSE BILL 1184

By: Representative Maddox

By: Senator K. Hammer

## For An Act To Be Entitled

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

## Subtitle

TO AMEND THE LAW CONCERNING THE MEMBERSHIP STATUS OF CERTAIN MEMBERS OF 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 § 24-7-406(e)(3)(E), concerning when a member under contract with a covered employer becomes a contributory member of the Arkansas Teacher Retirement System, is amended to add an additional subdivision to read as follows:

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



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 need revision and updating to bring them into conformance with sound public pension policy and actuarial requirements; that additional clarity is necessary concerning the contributory or noncontributory membership status of certain members who enter into an employment contract with a covered employer after the start of the fiscal year; 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, a July 1, 2023, effective date 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 for actuarial purposes and for the improvement and protection of member benefits under 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, 2023.