Stricken language would be deleted from and underlined language would be added to present law. Act 137 of the Regular Session

1	State of Arkansas	As Engrossed: H2/17/11	
2	88th General Assembly	A Bill	
3	Regular Session, 2011		HOUSE BILL 1143
4			
5	By: Representatives Lenderm	an, B. Wilkins	
6			
7		For An Act To Be Entitled	
8	AN ACT TO	ALLOW A MEMBER TO BE ELIGIBLE FOR	
9	DISABILITY	BENEFITS, SURVIVOR BENEFITS, AND L	UMP-SUM
10	DEATH BENE	FITS UNDER THE ARKANSAS TEACHER RET	IREMENT
11	SYSTEM FOR	AN ADDITIONAL FISCAL YEAR AFTER TH	E LAST
12	FISCAL YEA	R OF ACTUAL SERVICE; TO DECLARE AN	
13	EMERGENCY;	TO AUTHORIZE THE BOARD OF TRUSTEES	OF THE
14	ARKANSAS T	EACHER RETIREMENT SYSTEM TO PROMULG	ATE
15	RULES CONC	ERNING ANNUITY OPTIONS; AND FOR OTH	ER
16	PURPOSES.		
17			
18			
19		Subtitle	
20	CONCE	ERNING CERTAIN BENEFITS UNDER THE	
21	ARKAN	NSAS TEACHER RETIREMENT SYSTEM; TO	
22	AUTHO	DRIZE THE BOARD TO PROMULGATE RULES	
23	CONC	ERNING ANNUITY OPTIONS; TO DECLARE A	AN
24	EMERO	GENCY.	
25			
26			
27	BE IT ENACTED BY THE G	ENERAL ASSEMBLY OF THE STATE OF ARK	ANSAS:
28			
29	SECTION 1. Arka	nsas Code § 24-7-704(a)(1)(B), conc	erning eligibility
30	for disability retirement in the Arkansas Teacher Retirement System, is		
31	amended to read as fol	lows:	
32	(B) <u>(</u>	<u>i)</u> An active member who has met th	e eligibility
33	requirement of subdivi	sion (a)(1)(A) of this section shall	1 meet the
34	termination of covered	employment requirements under § 24	-7-502 to be
35	eligible for disabilit	y retirement benefits.	
36		(ii) For eligibility under this	section, a member is

As Engrossed: H2/17/11 HB1143

1	considered active for an additional fiscal year following the last fiscal
2	year that the member renders actual service to a covered employer and obtains
3	at least one-fourth $(1/4)$ year of service credit.
4	(iii) Service credit used in calculating any
5	benefits paid under this section means days of service, including paid sick
6	leave covered by the employer.
7	
8	SECTION 2. Arkansas Code § 24-7-706, concerning Arkansas Teacher
9	Retirement System annuity options, is amended to add an additional subsection
10	to read as follows:
11	(f) The Board of Trustees of the Arkansas Teacher Retirement System
12	shall:
13	(1) Promulgate rules as necessary to administer this section;
14	<u>and</u>
15	(2) Institute fair procedures for members of the system,
16	including without limitation:
17	(A) Requirements for designating a beneficiary; and
18	(B) Spousal election.
19	
20	SECTION 3. Arkansas Code § 24-7-710, concerning the eligibility for
21	survivor benefits under the Arkansas Teacher Retirement System, is amended to
22	add an additional subsection to read as follows:
23	(g)(l) For eligibility under this section, a member is considered
24	active for an additional fiscal year following the last fiscal year that the
25	member renders actual service to a covered employer and obtains at least one-
26	fourth (1/4) year of service credit.
27	(2) In addition, a member is considered active for eligibility
28	under this section if in the fiscal year of a member's death, the member
29	earned at least ten (10) days of service credit in each quarter before and
30	including the quarter of the member's death.
31	(3) Service credit used in calculating any benefits paid under
32	this section means days of service, including paid sick leave covered by the
33	employer.
34	SECTION 4. Arkansas Code § 24-7-720, concerning the eligibility for a
35	lump-sum benefit under the Arkansas Teacher Retirement System, is amended to
36	add an additional subsection to read as follows:

1	(i) For eligibility under this section, a member is considered active		
2	for an additional fiscal year following the last fiscal year that the member		
3	renders actual service to a covered employer and obtains at least one-fourth		
4	(1/4) year of service credit.		
5			
6	SECTION 5. EMERGENCY CLAUSE. It is found and determined by the		
7	General Assembly of the State of Arkansas that certain provisions of the		
8	Arkansas Teacher Retirement System Act are in urgent need of revision to		
9	bring them into conformance with sound public pension policy; that this		
10	revision is of great importance to members of the Arkansas Teacher Retirement		
11	System and to other citizens of the State of Arkansas; that the policy of the		
12	system historically has been to calculate deposits and benefits for an		
13	additional fiscal year following the last fiscal year that the member renders		
14	actual service to a covered employer; that the system's policy needs to be		
15	codified into Arkansas law; that the operational definition should be		
16	codified as soon as possible to prevent confusion; and that this act is		
17	immediately necessary in order to maintain an orderly system of benefits for		
18	the members of the Arkansas Teacher Retirement System. Therefore, an		
19	emergency is declared to exist and this act being immediately necessary for		
20	the preservation of the public peace, health, and safety shall become		
21	effective on:		
22	(1) The date of its approval by the Governor;		
23	(2) If the bill is neither approved nor vetoed by the Governor,		
24	the expiration of the period of time during which the Governor may veto the		
25	bill; or		
26	(3) If the bill is vetoed by the Governor and the veto is		
27	overridden, the date the last house overrides the veto.		
28			
29	/s/Lenderman		
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31			
32	APPROVED: 02/24/2011		
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