

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

# A Bill

HOUSE BILL 1117

5 By: Representative Stewart  
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## For An Act To Be Entitled

8 AN ACT TO PERMIT THE ARKANSAS TEACHER RETIREMENT  
9 SYSTEM TO CREATE APPROPRIATE ACCOUNTS TO PROPERLY  
10 MANAGE THE SYSTEM; TO ACCURATELY REFLECT THE  
11 ACCOUNTING OF THE ASSETS OF THE SYSTEM; TO ALLOW THE  
12 BOARD OF TRUSTEES OF THE ARKANSAS TEACHER RETIREMENT  
13 SYSTEM TO CREATE ADDITIONAL ACCOUNTS AS NEEDED; TO  
14 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.  
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## Subtitle

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18 TO PERMIT THE ARKANSAS TEACHER RETIREMENT  
19 SYSTEM TO CREATE APPROPRIATE ACCOUNTS TO  
20 PROPERLY MANAGE THE SYSTEM; TO DECLARE AN  
21 EMERGENCY.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 24-7-405 is amended to read as follows:

27 24-7-405. Retirement fund assets accounts generally.

28 ~~All the~~ The assets of the Arkansas Teacher Retirement System shall be  
29 recorded in ~~five (5) accounts, namely:~~

30 ~~(1) The members' deposit account;~~

31 ~~(2) The employer accumulation account;~~

32 ~~(3) The retirement reserve account;~~

33 ~~(4) The survivor benefit account; and~~

34 ~~(5) The income expense account~~ established by the Board of

35 Trustees of the Arkansas Teacher Retirement System, as necessary, to manage  
36 the system's fund assets.



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2 SECTION 2. Arkansas Code § 24-7-406(a)(1), concerning the member's  
3 deposit account, is amended to read as follows:

4 (a)(1) The members' deposit account is the account:

5 (A) In which member contributions are accumulated ~~with~~  
6 ~~regular interest;~~

7 (B) From which member refunds of contributions are paid;  
8 and

9 (C) From which transfers are made as provided in this act.  
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11 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
12 General Assembly of the State of Arkansas that certain provisions of the  
13 Arkansas Teacher Retirement System statutes are badly in need of revision and  
14 updating to bring them into conformance with sound public pension policy;  
15 that this and updating is of great importance to members of the Arkansas  
16 Teacher Retirement System and to other citizens of the State of Arkansas;  
17 that the Arkansas Teacher Retirement System assets and accounting are complex  
18 and the system must be able to create accounts as needed to appropriately  
19 manage the system's funds; that the members' contributions are received in  
20 the members' deposit account and the interest is calculated and credited to  
21 the member from another account; that the law as currently enacted regarding  
22 members' deposit accounts does not accurately reflect the accounting of the  
23 contributions and the calculation of interest due; and that this act is  
24 immediately necessary to maintain an orderly system of benefits for the  
25 members of the Arkansas Teacher Retirement System. Therefore, an emergency is  
26 declared to exist and this act being immediately necessary for the  
27 preservation of the public peace, health, and safety shall become effective  
28 on:

29 (1) The date of its approval by the Governor;

30 (2) If the bill is neither approved nor vetoed by the Governor,  
31 the expiration of the period of time during which the Governor may veto the  
32 bill; or

33 (3) If the bill is vetoed by the Governor and the veto is  
34 overridden, the date the last house overrides the veto.  
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