

1 State of Arkansas

# A Bill

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3 Regular Session, 2025

HOUSE BILL 1161

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5 By: Representative K. Moore

6 By: Senator J. Boyd

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## For An Act To Be Entitled

9 AN ACT TO CLARIFY THE LAW CONCERNING AN ELECTION TO  
10 CHANGE ANNUITY OPTIONS WITHIN ONE YEAR OF RETIREMENT  
11 UNDER THE ARKANSAS TEACHER RETIREMENT SYSTEM; TO  
12 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

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## Subtitle

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

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SECTION 1. Arkansas Code § 24-7-706(e), concerning an election to  
change annuity options within one (1) year of retirement under the Arkansas  
Teacher Retirement System, is amended to read as follows:

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(e)(1) Notwithstanding anything in this section to the contrary, a  
retiree who retired on or after July 1, 1994, may elect to cancel his or her  
election made at retirement for receiving an annuity and elect another  
option, provided that he or she does the following within one (1) year of  
retirement:

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~~(A) Does so within one (1) year after July 1, 1995, or  
within one (1) year of retirement;~~

~~(B)~~ Files with the system a new election form approved by  
the system; and

~~(C)(i)~~(B)(i) Repays to the system the difference between



1 the amount of the annuity received when he or she retired and the new annuity  
 2 due as a result of the election change, plus interest from ~~July 1, 1994, or~~  
 3 his or her retirement date, ~~whichever is later,~~ to the date of payment in  
 4 full.

5 (ii) The difference shall be calculated retroactively  
 6 to ~~July 1, 1994, or his or her~~ the retiree's retirement date, ~~whichever is~~  
 7 ~~later.~~

8 (2) The election to change shall be made only one (1) time.

9 (3) The election change shall be effective ~~retroactively to the~~  
 10 ~~effective date of his or her annuity~~ the month following the retiree's  
 11 fulfillment of the requirements specified under subdivision (e)(1) of this  
 12 section.

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 14 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
 15 General Assembly of the State of Arkansas that the operations of a state  
 16 public retirement system are complex; that the Arkansas Teacher Retirement  
 17 System must be able to meet the needs of its members as anticipated by the  
 18 General Assembly; that certain provisions of the Arkansas Teacher Retirement  
 19 System Act, § 24-7-201 et seq., need immediate revision and updating to  
 20 address administrative complexities caused by these provisions and to bring  
 21 these provisions into conformance with sound public pension policy and  
 22 actuarial requirements; that the revisions and updates are of great  
 23 importance to members of the Arkansas Teacher Retirement System and to other  
 24 citizens of the State of Arkansas; that as the Arkansas Teacher Retirement  
 25 System operates on a fiscal year of July 1 to June 30, an effective date of  
 26 July 1, 2025, is necessary in order to allow the provisions within this act  
 27 to begin on the first day of the fiscal year and to allow for a structured  
 28 and proper administration of the procedures referenced in this act; that the  
 29 updates and revisions to the Arkansas Teacher Retirement System Act are of  
 30 great importance and necessary for protecting member benefits and clarifying  
 31 the reporting and contribution requirements of employers participating in the  
 32 Arkansas Teacher Retirement System; and that this act is necessary in order  
 33 to maintain an orderly system of benefits for the members of the Arkansas  
 34 Teacher Retirement System. Therefore, an emergency is declared to exist, and  
 35 this act being necessary for the preservation of the public peace, health,  
 36 and safety, shall become effective on July 1, 2025. APPROVED: 2/27/25