

Hall of the House of Representatives
95th General Assembly - Regular Session, 2025
Amendment Form

Subtitle of House Bill 1347

TO AMEND THE LAW CONCERNING ANNUITIES AND BENEFITS UNDER THE
ARKANSAS TEACHER RETIREMENT SYSTEM.

Amendment No. 1 to House Bill 1347

Amend House Bill 1347 as originally introduced:

Page 1, delete line 11, and substitute the following:

"SYSTEM; TO ALLOW THE ARKANSAS TEACHER
RETIREMENT SYSTEM TO PAY AN ANNUITY OR
BENEFIT OWED TO A PERSON TO A SPECIAL
NEEDS TRUST ESTABLISHED FOR THE BENEFIT
OF THE PERSON; AND FOR OTHER PURPOSES."

AND

Delete the subtitle in its entirety, and substitute the following:

"TO ALLOW THE ARKANSAS TEACHER RETIREMENT
SYSTEM TO PAY AN ANNUITY OR BENEFIT OWED
TO A PERSON TO A SPECIAL NEEDS TRUST
ESTABLISHED FOR THE BENEFIT OF THE
PERSON."

Page 1, delete everything after the enacting clause, and substitute the following:

SECTION 1. Arkansas Code Title 24, Chapter 7, Subchapter 7, is amended



to add an additional section to read as follows:

24-7-739. Annuity payments owed to beneficiary of a special needs trust.

(a) A member who designates a person or the parent or legal guardian of a person who is designated as a beneficiary of an annuity or benefit under § 24-7-706, § 24-7-709, § 24-7-711, or § 24-7-720 may elect to have the annuity or benefit paid to a special needs trust that is established for the benefit of the person under 42 U.S.C. § 1396p(d)(4)(A), as it existed on January 1, 2025, or 42 U.S.C. § 1396p(d)(4)(C), as it existed on January 1, 2025.

(b) The parent or legal guardian of a person who is eligible to receive an annuity under § 24-7-710 may elect to have the annuity paid to a special needs trust that is established for the benefit of the person under 42 U.S.C. § 1396p(d)(4)(A), as it existed on January 1, 2025, or 42 U.S.C. § 1396p(d)(4)(C), as it existed on January 1, 2025.

(c)(1) The Arkansas Teacher Retirement System shall pay an annuity or benefit directly to a person if at the time that the person is entitled to receive an annuity or a benefit payment under § 24-7-706, § 24-7-709, § 24-7-710, § 24-7-711, or § 24-7-720:

(A) A special needs trust has not been established for the benefit of the person under 42 U.S.C. § 1396p(d)(4)(A), as it existed on January 1, 2025, or 42 U.S.C. § 1396p(d)(4)(C), as it existed on January 1, 2025; or

(B) A special needs trust established for the person under 42 U.S.C. § 1396p(d)(4)(A), as it existed on January 1, 2025, or 42 U.S.C. § 1396p(d)(4)(C), as it existed on January 1, 2025, cannot be identified by the system or ceases to exist.

(2) Subdivision (c)(1) of this section shall not prohibit the system from paying an annuity or benefit to a special needs trust that is later established for the person under 42 U.S.C. § 1396p(d)(4)(A), as it existed on January 1, 2025, or 42 U.S.C. § 1396p(d)(4)(C), as it existed on January 1, 2025, if the special needs trust can be identified by the system and an election is made under subsection (a) or subsection (b) of this section.

(d) Nothing in this section shall be construed to require the system to:

(1) Establish a trust;
(2) Act as trustee; or
(3) Verify the compliance of a trust with Arkansas law or
federal law.

(e) The Board of Trustees of the Arkansas Teacher Retirement System
may promulgate rules to administer this section.

SECTION 2. EFFECTIVE DATE. This act is effective on and after July 1,
2026.

The Amendment was read
By: Representative Warren
LJH/LJH - 02-20-2025 12:19:48
LJH159

Chief Clerk