

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

A Bill

HOUSE BILL 1166

5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE ARKANSAS PUBLIC
10 EMPLOYEES RETIREMENT SYSTEM FOR THE FISCAL YEAR
11 ENDING JUNE 30, 2016; AND FOR OTHER PURPOSES.
12
13

Subtitle

14 AN ACT FOR THE ARKANSAS PUBLIC EMPLOYEES
15 RETIREMENT SYSTEM APPROPRIATION FOR THE
16 2015-2016 FISCAL YEAR.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. REGULAR SALARIES. There is hereby established for the
23 Arkansas Public Employees Retirement System for the 2015-2016 fiscal year,
24 the following maximum number of regular employees.
25

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2015-2016
30	(1) U014U	APERS DIRECTOR	1	\$176,560
31	(2) U078U	APERS DEPUTY DIRECTOR	1	\$112,900
32	(3) A003N	SENIOR INVESTMENT ANALYST	1	GRADE N910
33	(4) D006N	STATE SYSTEMS ARCHITECT	1	GRADE N907
34	(5) N096N	APERS ASST DIRECTOR OF FINANCE	1	GRADE N906
35	(6) G038N	APERS CHIEF COUNSEL/LEGISLATIVE LIAISON	1	GRADE N906
36	(7) R003N	APERS DIRECTOR OF BENEFITS ADMIN	1	GRADE N906



1	(8)	D015N	APERS DIRECTOR OF INFO TECHNOLOGY	1	GRADE N906
2	(9)	G037N	APERS DIRECTOR OF OPERATIONS	1	GRADE N906
3	(10)	N159N	APERS INVESTMENT OPERATIONS MANAGER	1	GRADE N901
4	(11)	G047C	ATTORNEY SPECIALIST	1	GRADE C126
5	(12)	A027C	ACCOUNTING OPERATIONS MANAGER	1	GRADE C125
6	(13)	D030C	INFORMATION SYSTEMS COORDINATOR	1	GRADE C124
7	(14)	A034C	RETIREMENT SECTION MANAGER	3	GRADE C123
8	(15)	D044C	SYSTEMS ANALYST	1	GRADE C122
9	(16)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
10	(17)	A066C	INTERNAL AUDITOR	1	GRADE C119
11	(18)	A062C	RETIREMENT COORDINATOR	5	GRADE C119
12	(19)	R024C	ASSISTANT PERSONNEL MANAGER	1	GRADE C118
13	(20)	A082C	ACCOUNTANT II	9	GRADE C117
14	(21)	A079C	INVESTMENT ANALYST	4	GRADE C117
15	(22)	A078C	RETIREMENT COUNSELOR	15	GRADE C117
16	(23)	C022C	BUSINESS OPERATIONS SPECIALIST	1	GRADE C116
17	(24)	P031C	MEDIA SPECIALIST	1	GRADE C116
18	(25)	P027C	PUBLIC INFORMATION SPECIALIST	1	GRADE C116
19	(26)	A083C	RETIREMENT ANALYST	6	GRADE C116
20	(27)	X115C	SOCIAL SECURITY ANALYST	1	GRADE C116
21	(28)	R033C	BENEFITS ANALYST	1	GRADE C115
22	(29)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
23	(30)	C056C	ADMINISTRATIVE SPECIALIST III	2	GRADE C112
24	(31)	A098C	FISCAL SUPPORT SPECIALIST	13	GRADE C112
25	(32)	C073C	ADMINISTRATIVE SPECIALIST II	<u>4</u>	GRADE C109
26			MAX. NO. OF EMPLOYEES	84	

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28 SECTION 2. EXTRA HELP - PUBLIC EMPLOYEES RETIREMENT SYSTEM. There is
 29 hereby authorized, for the Arkansas Public Employees Retirement System for
 30 the 2015-2016 fiscal year, the following maximum number of part-time or
 31 temporary employees, to be known as "Extra Help", payable from funds
 32 appropriated herein for such purposes: six (6) temporary or part-time
 33 employees, when needed, at rates of pay not to exceed those provided in the
 34 Uniform Classification and Compensation Act, or its successor, or this act
 35 for the appropriate classification.

36

SECTION 3. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT OPERATIONS.

There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the Arkansas Public Employees' Retirement System Fund, for personal services and operating expenses of the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) REGULAR SALARIES	\$3,942,632
(02) EXTRA HELP	75,000
(03) PERSONAL SERVICES MATCHING	1,321,273
(04) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	1,607,473
(B) CONF. & TRAVEL	42,500
(C) PROF. FEES	10,583,645
(D) CAP. OUTLAY	15,000
(E) DATA PROC.	0
(05) BENEFITS-NON EMPLOYEE	40,000,000
(06) REFUNDS/REIMBURSEMENTS	<u>85,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$142,587,523</u>

SECTION 4. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT CASH. There is

hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from cash funds as defined by Arkansas Code 19-4-801 of the Arkansas Public Employees Retirement System, for payment to beneficiaries by check or wired transfer by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2016, the following:

ITEM NO.	FISCAL YEAR 2015-2016
(01) BENEFITS	<u>\$500,000,000</u>

SECTION 5. APPROPRIATION - STATE POLICE RETIREMENT OPERATIONS. There

is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the State Police Retirement Fund, for operating expenses

1 of the State Police Retirement System by the Arkansas Public Employees
 2 Retirement System for the fiscal year ending June 30, 2016, the following:

4 ITEM	FISCAL YEAR
5 <u>NO.</u>	<u>2015-2016</u>
6 (01) MAINT. & GEN. OPERATION	
7 (A) OPER. EXPENSE	\$77,610
8 (B) CONF. & TRAVEL	0
9 (C) PROF. FEES	265,950
10 (D) CAP. OUTLAY	0
11 (E) DATA PROC.	0
12 (02) BENEFITS-NON EMPLOYEE	10,000,000
13 (03) REFUNDS/REIMBURSEMENTS	<u>25,000,000</u>
14 TOTAL AMOUNT APPROPRIATED	<u><u>\$35,343,560</u></u>

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 16 SECTION 6. APPROPRIATION - STATE POLICE RETIREMENT CASH. There is
 17 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 18 be payable from cash funds as defined by Arkansas Code 19-4-801 of the
 19 Arkansas Public Employees Retirement System, for payment to beneficiaries of
 20 the State Police Retirement System by check or wired transfer by the Arkansas
 21 Public Employees Retirement System for the fiscal year ending June 30, 2016,
 22 the following:

24 ITEM	FISCAL YEAR
25 <u>NO.</u>	<u>2015-2016</u>
26 (01) BENEFITS	<u><u>\$35,000,000</u></u>

27
 28 SECTION 7. APPROPRIATION - JUDICIAL RETIREMENT OPERATIONS. There is
 29 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 30 be payable from the Judges Retirement Fund, for operating expenses of the
 31 Judicial Retirement System by the Arkansas Public Employees Retirement System
 32 for the fiscal year ending June 30, 2016, the following:

34 ITEM	FISCAL YEAR
35 <u>NO.</u>	<u>2015-2016</u>
36 (01) MAINT. & GEN. OPERATION	

1	(A) OPER. EXPENSE	\$40,510
2	(B) CONF. & TRAVEL	0
3	(C) PROF. FEES	122,879
4	(D) CAP. OUTLAY	0
5	(E) DATA PROC.	0
6	(02) BENEFITS-NON EMPLOYEE	4,250,000
7	(03) REFUNDS/REIMBURSEMENTS	<u>6,250,000</u>
8	TOTAL AMOUNT APPROPRIATED	<u><u>\$10,663,389</u></u>

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10 SECTION 8. APPROPRIATION - JUDICIAL RETIREMENT CASH. There is hereby

11 appropriated, to the Arkansas Public Employees Retirement System, to be

12 payable from cash funds as defined by Arkansas Code 19-4-801 of the Arkansas

13 Public Employees Retirement System, for payment to beneficiaries of the

14 Judicial Retirement System by check or wired transfer by the Arkansas Public

15 Employees Retirement System for the fiscal year ending June 30, 2016, the

16 following:

17		
18	ITEM	FISCAL YEAR
19	<u>NO.</u>	<u>2015-2016</u>
20	(01) BENEFITS	<u><u>\$21,000,000</u></u>

21

22 SECTION 9. APPROPRIATION - APERS PENSION ADMINISTRATION SYSTEM. There

23 is hereby appropriated, to the Arkansas Public Employees Retirement System,

24 to be payable from the Arkansas Public Employees' Retirement System Fund, for

25 the operational expenses, capital outlay, and professional fees and services

26 relating to the development, acquisition, and implementation of a new APERS

27 Pension Administration System of the Arkansas Public Employees Retirement

28 System for the fiscal year ending June 30, 2016, the following:

29		
30	ITEM	FISCAL YEAR
31	<u>NO.</u>	<u>2015-2016</u>
32	(01) COMPASS PENSION PROJECT	<u><u>\$21,000,000</u></u>

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34 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

35 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. JUDICIAL

36 RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$56,603~~ \$58,301 in the ~~2014-~~

1 ~~2015~~ 2015-2016 fiscal year may be transferred from the Judges Retirement Fund
2 to the Arkansas Public Employees Retirement System Fund for costs incurred by
3 the Arkansas Public Employees Retirement System in administering the Judicial
4 Retirement System. Such transfer request shall be made to the Chief Fiscal
5 Officer of the State, and upon his approval, said transfer shall be made on
6 his books and those of the Treasurer of the State and the Auditor of the
7 State.

8 The provisions of this section shall be in effect only from July 1, ~~2014~~
9 2015 through June 30, ~~2015~~ 2016.

10
11 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE
13 POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$104,333~~ \$107,463 in
14 the ~~2014-2015~~ 2015-2016 fiscal year may be transferred from the State Police
15 Retirement Fund to the Arkansas Public Employees Retirement System Fund for
16 costs incurred by the Arkansas Public Employees Retirement System in
17 administering the State Police Retirement System. Such transfer request
18 shall be made to the Chief Fiscal Officer of the State, and upon his
19 approval, said transfer shall be made on his books and those of the Treasurer
20 of the State and the Auditor of the State.

21 The provisions of this section shall be in effect only from July 1, ~~2014~~
22 2015 through June 30, ~~2015~~ 2016.

23
24 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
25 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
26 EXEMPTION FROM PRIOR REVIEW. The Arkansas Public Employees Retirement System
27 is hereby exempted from seeking prior review by the Arkansas Legislative
28 Council with regard to transfers between the Benefits line item in the Cash
29 Fund Appropriation and the Benefits-Non-Employee line item in the Operations
30 Appropriation which are specifically related to transfers necessitated by the
31 changes in retirees' selection of the method of payment of retirement
32 benefits. All other provisions of Arkansas Code §19-4-522 shall be
33 applicable.

34 The provisions of this section shall be in effect only from July 1, ~~2014~~
35 2015 through June 30, ~~2015~~ 2016.

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1 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
2 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
3 STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
4 transferred from the State Police Retirement Fund to the Arkansas Public
5 Employees Retirement Fund to share in the costs incurred by the Arkansas
6 Public Employees Retirement System in the purchase and implementation of a
7 new pension administration system, which will be utilized to administer State
8 Police pension transactions for members and retirees. Said transfer shall
9 sunset at the end of fiscal year 2017. Such transfer request shall be made
10 to the Chief Fiscal officer of the State, and upon his approval, said
11 transfer shall be made on his books and those of the Treasurer of the State
12 and the Auditor of the State.

13 The provisions of this section shall be in full effect only from July
14 1, ~~2014~~ 2015 through June 30, ~~2015~~ 2016.

15
16 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
17 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
18 JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
19 transferred from the Judicial Retirement Fund to the Arkansas Public
20 Employees Retirement Fund to share in the costs incurred by the Arkansas
21 Public Employees Retirement System in the purchase and implementation of a
22 new pension administration system, which will be utilized to administer
23 Judicial pension transactions for members and retirees. Said transfer shall
24 sunset at the end of fiscal year 2017. Such transfer request shall be made to
25 the Chief Fiscal Officer of the State, and upon his approval, said transfer
26 shall be made on his books and those of the Treasurer of State and the
27 Auditor of the State.

28 The provisions of this section shall be in effect only from July 1,
29 ~~2014~~ 2015 through June 30, ~~2015~~ 2016.

30
31 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
32 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

33 ESTABLISHMENT OF A TEMPORARY "POSITION POOL"

34 (a) To address temporary staffing needs during the 16-17 biennium due
35 to the (1) implementing a new pension administration system (COMPASS) and (2)
36 meeting the new Governmental Accounting Standards Board (GASB) #67 (Financial

1 Reporting for Pension Plans) and #68 (Accounting and Financial Reporting for
2 Pensions) statements, the Arkansas Public Employees Retirement System is
3 authorized for the 2015-2016 fiscal year, a pool of no more than ten (10)
4 classified grade C117 level positions at base level pay of \$32,249 each.
5 Positions established during the 2015-2016 fiscal year would be continued
6 into the 2016-2017 fiscal year, along with the remainder of the available
7 positions in the pool. All positions would sunset as of 6/30/17. All
8 position advertisements shall clearly state the temporary employment period
9 and hired individuals shall sign a disclosure form acknowledging the 6/30/17
10 end date.

11 (b) The Arkansas Public Employees Retirement System is authorized to
12 access the pool positions authorized in this Section at any time it is
13 determined by the Executive Director that the need exists to provide for
14 continuity of services during those implementation heavy periods of time.
15 The Executive Director shall provide a quarterly report of the number of
16 positions utilized and associated salaries to the Chief Fiscal Officer of the
17 State and to the Arkansas Legislative Council for review.

18 (c) Determining the number of personnel to be employed by a state
19 agency is the prerogative of the General Assembly and is usually accompanied
20 by delineating the maximum number of personnel by identifying job titles and
21 the maximum grade or salary attached to those titles. The General Assembly
22 has determined that the Arkansas Public Employees Retirement System could
23 utilize these positions to better accomplish the major initiatives faced by
24 the Agency during the 16-17 biennium by providing the temporary position pool
25 in Subsection (a) of this Section. The General Assembly shall maintain
26 oversight of the utilization of the position pool by requiring review of the
27 Legislative Council. Therefore, the requirement of review by the Legislative
28 Council is not a severable part of this Section. If the requirement of
29 review is ruled unconstitutional by a court of competent jurisdiction, this
30 entire section is void.

31 The provisions of this section shall be in effect only from July 1,
32 2015 through June 30, 2016.

33
34 SECTION 16. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
35 authorized by this act shall be limited to the appropriation for such agency
36 and funds made available by law for the support of such appropriations; and

1 the restrictions of the State Procurement Law, the General Accounting and
2 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
3 Procedures and Restrictions Act, or their successors, and other fiscal
4 control laws of this State, where applicable, and regulations promulgated by
5 the Department of Finance and Administration, as authorized by law, shall be
6 strictly complied with in disbursement of said funds.

7
8 SECTION 17. LEGISLATIVE INTENT. It is the intent of the General
9 Assembly that any funds disbursed under the authority of the appropriations
10 contained in this act shall be in compliance with the stated reasons for
11 which this act was adopted, as evidenced by the Agency Requests, Executive
12 Recommendations and Legislative Recommendations contained in the budget
13 manuals prepared by the Department of Finance and Administration, letters, or
14 summarized oral testimony in the official minutes of the Arkansas Legislative
15 Council or Joint Budget Committee which relate to its passage and adoption.

16
17 SECTION 18. EMERGENCY CLAUSE. It is found and determined by the
18 General Assembly, that the Constitution of the State of Arkansas prohibits
19 the appropriation of funds for more than a one (1) year period; that the
20 effectiveness of this Act on July 1, 2015 is essential to the operation of
21 the agency for which the appropriations in this Act are provided, and that in
22 the event of an extension of the legislative session, the delay in the
23 effective date of this Act beyond July 1, 2015 could work irreparable harm
24 upon the proper administration and provision of essential governmental
25 programs. Therefore, an emergency is hereby declared to exist and this Act
26 being necessary for the immediate preservation of the public peace, health
27 and safety shall be in full force and effect from and after July 1, 2015.