

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1159

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, 2020; AND FOR OTHER PURPOSES.
12
13

Subtitle

14 AN ACT FOR THE ARKANSAS PUBLIC EMPLOYEES
15 RETIREMENT SYSTEM APPROPRIATION FOR THE
16 2019-2020 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 2019-2020 fiscal year,
24 the following maximum number of regular employees.
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| Item No. | Class Code | Title | Maximum No. of Employees | Maximum Annual Salary Rate Fiscal Year 2019-2020 |
|----------|------------|-----------------------------------|--------------------------|--|
| 30 | (1) U014U | APERS DIRECTOR | 1 | GRADE SE04 |
| 31 | (2) U078U | APERS DEPUTY DIRECTOR | 1 | GRADE SE01 |
| 32 | (3) D015N | APERS DIRECTOR OF INFO TECHNOLOGY | 1 | GRADE IT10 |
| 33 | (4) D006N | STATE SYSTEMS ARCHITECT | 1 | GRADE IT10 |
| 34 | (5) D030C | INFORMATION SYSTEMS COORDINATOR | 1 | GRADE IT07 |
| 35 | (6) D044C | SYSTEMS ANALYST | 1 | GRADE IT05 |
| 36 | (7) G042N | APERS CHIEF LEGAL COUNSEL | 1 | GRADE GS14 |



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|----|------|--|----------|------------|
| 1 | (8) | A003N SENIOR INVESTMENT ANALYST | 1 | GRADE GS14 |
| 2 | (9) | N096N APERS ASST DIRECTOR OF FINANCE | 1 | GRADE GS13 |
| 3 | (10) | R003N APERS DIRECTOR OF BENEFITS ADMIN | 1 | GRADE GS13 |
| 4 | (11) | G037N APERS DIRECTOR OF OPERATIONS | 1 | GRADE GS13 |
| 5 | (12) | A027C ACCOUNTING OPERATIONS MANAGER | 1 | GRADE GS11 |
| 6 | (13) | A052C ACCOUNTING COORDINATOR | 1 | GRADE GS09 |
| 7 | (14) | A034C RETIREMENT SECTION MANAGER | 3 | GRADE GS09 |
| 8 | (15) | A082C ACCOUNTANT II | 10 | GRADE GS08 |
| 9 | (16) | A066C INTERNAL AUDITOR | 1 | GRADE GS08 |
| 10 | (17) | A062C RETIREMENT COORDINATOR | 5 | GRADE GS08 |
| 11 | (18) | R024C ASSISTANT PERSONNEL MANAGER | 1 | GRADE GS07 |
| 12 | (19) | A079C INVESTMENT ANALYST | 3 | GRADE GS07 |
| 13 | (20) | A078C RETIREMENT COUNSELOR | 15 | GRADE GS07 |
| 14 | (21) | P031C MEDIA SPECIALIST | 1 | GRADE GS06 |
| 15 | (22) | P027C PUBLIC INFORMATION SPECIALIST | 1 | GRADE GS06 |
| 16 | (23) | A083C RETIREMENT ANALYST | 6 | GRADE GS06 |
| 17 | (24) | X115C SOCIAL SECURITY ANALYST | 1 | GRADE GS06 |
| 18 | (25) | C022C BUSINESS OPERATIONS SPECIALIST | 1 | GRADE GS05 |
| 19 | (26) | A091C FISCAL SUPPORT ANALYST | 2 | GRADE GS05 |
| 20 | (27) | C056C ADMINISTRATIVE SPECIALIST III | 2 | GRADE GS04 |
| 21 | (28) | A098C FISCAL SUPPORT SPECIALIST | 13 | GRADE GS04 |
| 22 | (29) | C073C ADMINISTRATIVE SPECIALIST II | <u>4</u> | GRADE GS03 |
| 23 | | MAX. NO. OF EMPLOYEES | 82 | |

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25 SECTION 2. EXTRA HELP. There is hereby authorized, for the Arkansas
 26 Public Employees Retirement System for the 2019-2020 fiscal year, the
 27 following maximum number of part-time or temporary employees, to be known as
 28 "Extra Help", payable from funds appropriated herein for such purposes: six
 29 (6) temporary or part-time employees, when needed, at rates of pay not to
 30 exceed those provided in the Uniform Classification and Compensation Act, or
 31 its successor, or this act for the appropriate classification.

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33 SECTION 3. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT OPERATIONS.
 34 There is hereby appropriated, to the Arkansas Public Employees Retirement
 35 System, to be payable from the Arkansas Public Employees' Retirement System
 36 Fund, for personal services and operating expenses of the Arkansas Public

1 Employees Retirement System for the fiscal year ending June 30, 2020, the
 2 following:

| 4 ITEM | FISCAL YEAR |
|-----------------------------------|----------------------|
| 5 <u>NO.</u> | <u>2019-2020</u> |
| 6 (01) REGULAR SALARIES | \$4,072,871 |
| 7 (02) EXTRA HELP | 75,000 |
| 8 (03) PERSONAL SERVICES MATCHING | 1,362,026 |
| 9 (04) MAINT. & GEN. OPERATION | |
| 10 (A) OPER. EXPENSE | 2,107,473 |
| 11 (B) CONF. & TRAVEL | 42,500 |
| 12 (C) PROF. FEES | 5,000,000 |
| 13 (D) CAP. OUTLAY | 41,000 |
| 14 (E) DATA PROC. | 0 |
| 15 (05) BENEFITS-NON EMPLOYEE | 40,000,000 |
| 16 (06) REFUNDS/REIMBURSEMENTS | 85,000,000 |
| 17 (07) DATA PROCESSING SERVICES | <u>4,000,000</u> |
| 18 TOTAL AMOUNT APPROPRIATED | <u>\$141,700,870</u> |

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 20 SECTION 4. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT CASH. There is
 21 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 22 be payable from cash funds as defined by Arkansas Code 19-4-801 of the
 23 Arkansas Public Employees Retirement System, for payment to beneficiaries by
 24 check or wired transfer by the Arkansas Public Employees Retirement System
 25 for the fiscal year ending June 30, 2020, the following:

| 27 ITEM | FISCAL YEAR |
|--------------------------------|----------------------|
| 28 <u>NO.</u> | <u>2019-2020</u> |
| 29 (01) BENEFITS | \$775,000,000 |
| 30 (02) REFUNDS/REIMBURSEMENTS | <u>50,000,000</u> |
| 31 TOTAL AMOUNT APPROPRIATED | <u>\$825,000,000</u> |

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 33 SECTION 5. APPROPRIATION - STATE POLICE RETIREMENT OPERATIONS. There
 34 is hereby appropriated, to the Arkansas Public Employees Retirement System,
 35 to be payable from the State Police Retirement Fund, for operating expenses
 36 of the State Police Retirement System by the Arkansas Public Employees

1 Retirement System for the fiscal year ending June 30, 2020, the following:

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| 3 ITEM | FISCAL YEAR |
|--------------------------------|----------------------------|
| 4 <u>NO.</u> | <u>2019-2020</u> |
| 5 (01) MAINT. & GEN. OPERATION | |
| 6 (A) OPER. EXPENSE | \$20,000 |
| 7 (B) CONF. & TRAVEL | 0 |
| 8 (C) PROF. FEES | 265,950 |
| 9 (D) CAP. OUTLAY | 0 |
| 10 (E) DATA PROC. | 0 |
| 11 (02) BENEFITS-NON EMPLOYEE | 5,000,000 |
| 12 (03) REFUNDS/REIMBURSEMENTS | <u>25,000,000</u> |
| 13 TOTAL AMOUNT APPROPRIATED | <u><u>\$30,285,950</u></u> |

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15 SECTION 6. APPROPRIATION - STATE POLICE RETIREMENT CASH. There is
 16 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 17 be payable from cash funds as defined by Arkansas Code 19-4-801 of the
 18 Arkansas Public Employees Retirement System, for payment to beneficiaries of
 19 the State Police Retirement System by check or wired transfer by the Arkansas
 20 Public Employees Retirement System for the fiscal year ending June 30, 2020,
 21 the following:

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| 23 ITEM | FISCAL YEAR |
|------------------|----------------------------|
| 24 <u>NO.</u> | <u>2019-2020</u> |
| 25 (01) BENEFITS | <u><u>\$32,500,000</u></u> |

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27 SECTION 7. APPROPRIATION - JUDICIAL RETIREMENT OPERATIONS. There is
 28 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 29 be payable from the Judges Retirement Fund, for operating expenses of the
 30 Judicial Retirement System by the Arkansas Public Employees Retirement System
 31 for the fiscal year ending June 30, 2020, the following:

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| 33 ITEM | FISCAL YEAR |
|---------------------------------|------------------|
| 34 <u>NO.</u> | <u>2019-2020</u> |
| 35 (01) MAINT. & GEN. OPERATION | |
| 36 (A) OPER. EXPENSE | \$30,000 |

| | | |
|---|-----------------------------|---------------------------|
| 1 | (B) CONF. & TRAVEL | 0 |
| 2 | (C) PROF. FEES | 122,879 |
| 3 | (D) CAP. OUTLAY | 0 |
| 4 | (E) DATA PROC. | 0 |
| 5 | (02) BENEFITS-NON EMPLOYEE | 1,250,000 |
| 6 | (03) REFUNDS/REIMBURSEMENTS | <u>7,250,000</u> |
| 7 | TOTAL AMOUNT APPROPRIATED | <u><u>\$8,652,879</u></u> |

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

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

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

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

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

14 Employees Retirement System for the fiscal year ending June 30, 2020, the

15 following:

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| 16 | | |
| 17 | ITEM | FISCAL YEAR |
| 18 | <u>NO.</u> | <u>2019-2020</u> |
| 19 | (01) BENEFITS | <u><u>\$21,000,000</u></u> |

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21 SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS

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

23 RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$60,050~~ \$61,852 in the ~~2018-~~

24 ~~2019~~ 2019-2020 fiscal year may be transferred from the Judges Retirement Fund

25 to the Arkansas Public Employees' Retirement System Fund for costs incurred

26 by the Arkansas Public Employees Retirement System in administering the

27 Judicial Retirement System. Such transfer request shall be made to the Chief

28 Fiscal Officer of the State, and upon his approval, said transfer shall be

29 made on his books and those of the Treasurer of the State and the Auditor of

30 the State.

31 The provisions of this section shall be in effect only from July 1, ~~2018~~

32 2019 through June 30, ~~2019~~ 2020.

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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. STATE

36 POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$110,687~~ \$114,008 in

1 the ~~2018-2019~~ 2019-2020 fiscal year may be transferred from the State Police
2 Retirement Fund to the Arkansas Public Employees' Retirement System Fund for
3 costs incurred by the Arkansas Public Employees Retirement System in
4 administering the State Police Retirement System. Such transfer request
5 shall be made to the Chief Fiscal Officer of the State, and upon his
6 approval, said transfer shall be made on his books and those of the Treasurer
7 of the State and the Auditor of the State.

8 The provisions of this section shall be in effect only from July 1, ~~2018~~
9 2019 through June 30, ~~2019~~ 2020.

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11 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
12 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXEMPTION
13 FROM PRIOR REVIEW. The Arkansas Public Employees Retirement System is hereby
14 exempted from seeking prior review by the Arkansas Legislative Council or
15 Joint Budget Committee with regard to transfers between the Benefits and
16 Refund line items in the Public Employees Retirement Cash appropriation
17 section and the Benefits-Non Employee line item in the Public Employees
18 Retirement Operations appropriation section which are specifically related to
19 transfers necessitated by the changes in retirees' selection of the method of
20 payment of retirement benefits. All other provisions of Arkansas Code §19-4-
21 522 shall be applicable.

22 The provisions of this section shall be in effect only from July 1, ~~2018~~
23 2019 through June 30, ~~2019~~ 2020.

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25 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
26 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
27 STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
28 transferred from the State Police Retirement Fund to the Arkansas Public
29 Employees' Retirement System Fund to share in the costs incurred by the
30 Arkansas Public Employees Retirement System in the purchase and
31 implementation of a new pension administration system, which will be utilized
32 to administer State Police pension transactions for members and retirees.
33 Said transfer shall sunset at the end of fiscal year ~~2019~~ 2020. Such
34 transfer request shall be made to the Chief Fiscal officer of the State, and
35 upon his approval, said transfer shall be made on his books and those of the
36 Treasurer of the State and the Auditor of the State.

1 The provisions of this section shall be in effect only from July 1, ~~2018~~
2 2019 through June 30, ~~2019~~ 2020.

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4 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
5 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
6 JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
7 transferred from the Judicial Retirement Fund to the Arkansas Public
8 Employees' Retirement System Fund to share in the costs incurred by the
9 Arkansas Public Employees Retirement System in the purchase and
10 implementation of a new pension administration system, which will be utilized
11 to administer Judicial pension transactions for members and retirees. Said
12 transfer shall sunset at the end of fiscal year ~~2019~~ 2020. Such transfer
13 request shall be made to the Chief Fiscal Officer of the State, and upon his
14 approval, said transfer shall be made on his books and those of the Treasurer
15 of State and the Auditor of the State.

16 The provisions of this section shall be in effect only from July 1, ~~2018~~
17 2019 through June 30, ~~2019~~ 2020.

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19 SECTION 14. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
20 authorized by this act shall be limited to the appropriation for such agency
21 and funds made available by law for the support of such appropriations; and
22 the restrictions of the State Procurement Law, the General Accounting and
23 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
24 Procedures and Restrictions Act, or their successors, and other fiscal
25 control laws of this State, where applicable, and regulations promulgated by
26 the Department of Finance and Administration, as authorized by law, shall be
27 strictly complied with in disbursement of said funds.

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29 SECTION 15. LEGISLATIVE INTENT. It is the intent of the General
30 Assembly that any funds disbursed under the authority of the appropriations
31 contained in this act shall be in compliance with the stated reasons for
32 which this act was adopted, as evidenced by the Agency Requests, Executive
33 Recommendations and Legislative Recommendations contained in the budget
34 manuals prepared by the Department of Finance and Administration, letters, or
35 summarized oral testimony in the official minutes of the Arkansas Legislative
36 Council or Joint Budget Committee which relate to its passage and adoption.

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2 SECTION 16. EMERGENCY CLAUSE. It is found and determined by the
3 General Assembly, that the Constitution of the State of Arkansas prohibits
4 the appropriation of funds for more than a one (1) year period; that the
5 effectiveness of this Act on July 1, 2019 is essential to the operation of
6 the agency for which the appropriations in this Act are provided, and that in
7 the event of an extension of the legislative session, the delay in the
8 effective date of this Act beyond July 1, 2019 could work irreparable harm
9 upon the proper administration and provision of essential governmental
10 programs. Therefore, an emergency is hereby declared to exist and this Act
11 being necessary for the immediate preservation of the public peace, health
12 and safety shall be in full force and effect from and after July 1, 2019.

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