

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997
4 By: Senator Hopkins

A Bill

ACT 93 OF 1997
SENATE BILL 44

For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT NO RETIREMENT BILL WHICH WOULD
9 ENHANCE BENEFITS MAY BE FAVORABLY REPORTED OUT BY THE
10 JOINT COMMITTEE ON PUBLIC RETIREMENT AND SOCIAL SECURITY
11 PROGRAMS WITHOUT LANGUAGE ASSURING THAT IT WILL NOT CAUSE
12 UNFUNDED ACTUARIAL ACCRUED LIABILITY TO EXCEED A THIRTY
13 (30) YEAR AMORTIZATION; AND FOR OTHER PURPOSES."

Subtitle

16 "TO PROVIDE THAT NO ENHANCED BENEFITS
17 RETIREMENT BILL BE FAVORABLY REPORTED
18 OUT BY RETIREMENT COMMITTEE WITHOUT
19 LANGUAGE ASSURING THAT IT WILL NOT CAUSE
20 UNFUNDED LIABILITY TO EXCEED A 30 YEAR
21 AMORTIZATION."

22
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24
25 SECTION 1. Ark. Code 10-3-702 is amended to read as follows:

26 "§ 10-3-702. Bills referred to committee - Fiscal note.

27 (a) All bills introduced in either house of the General Assembly to
28 amend any of the existing publicly supported retirement systems laws of this
29 state or to establish new or expanded public retirement or social security
30 programs shall be referred to the Joint Committee on Public Retirement and
31 Social Security Programs.

32 (b)(1) The joint committee shall cause a fiscal note to be prepared and
33 attached to each bill reflecting estimated cost or fiscal impact of the bill
34 upon the revenues of the State of Arkansas and its various agencies and upon
35 the actuarial soundness of the retirement systems.

36 (2) In connection with the preparation of the fiscal notes, the

1 committee is authorized to request the respective retirement systems to review
 2 proposed retirement bills and to furnish the committee with an evaluation
 3 thereof in writing. If the committee deems it necessary, the services of
 4 actuaries may be obtained in evaluating the respective bills, provided that
 5 funds have been provided for that purpose.

6 (3) No bill amending an existing publicly supported retirement
 7 system by increasing the multiplier, changing terms of or allowing the
 8 purchase of credited service, shortening vesting periods or shortening the
 9 years of service required for standard retirement without penalty, or which
 10 would establish a new or expanded public retirement program, shall be acted
 11 upon in either house until the fiscal note provided for in subsection (a) of
 12 this section has been attached to the bill, two-thirds (2/3) of the committee
 13 has recommended the passage of the bill, and the committee has reported its
 14 recommendations in regard to the bill. However, upon suspension of the Joint
 15 Rules of the House and Senate, a retirement system bill may be withdrawn from
 16 further consideration by the Joint Committee on Public Retirement and Social
 17 Security Programs and may be acted upon without a report of the joint
 18 committee being attached thereto.

19 (4) No bill identified in subdivision (b)(3) shall be reported
 20 out by the committee with a do pass recommendation unless the bill contains
 21 the following or similar language: No benefit enhancement provided for by
 22 this act shall be implemented if it would cause the publicly supported
 23 retirement systems unfunded actuarial accrued liabilities to exceed a thirty
 24 (30) year amortization. No benefit enhancement provided for by this act shall
 25 be implemented by any publicly supported system which has unfunded actuarial
 26 accrued liabilities being amortized over a period exceeding thirty (30) years
 27 until the unfunded actuarial accrued liability is reduced to a level less
 28 than the standards prescribed by 24-1-101, et seq.

29 (5) A bill identified in subdivision (b)(3) which does not
 30 contain the language required by subdivision (b)(4) may be reported out by the
 31 committee with a do pass as amended recommendation if the bill has attached
 32 thereto an amendment containing the language prescribed in subdivision
 33 (b)(4)."

34
 35 SECTION 2. All provisions of this act of a general and permanent nature
 36 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

2

3 SECTION 3. If any provision of this act or the application thereof to
4 any person or circumstance is held invalid, such invalidity shall not affect
5 other provisions or applications of the act which can be given effect without
6 the invalid provision or application, and to this end the provisions of this
7 act are declared to be severable.

8

9 SECTION 4. All laws and parts of laws in conflict with this act are
10 hereby repealed.

11

12

13 APPROVED:2-05-97

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35