Stricken language will be deleted and underlined language will be added.
Act 180 of the Regular Session

State of Arkansas
91st General Assembly
Regular Session, 2017

By: Joint Budget Committee

A Bill

For An Act To Be Entitled
AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
AND OPERATING EXPENSES FOR THE ARKANSAS PUBLIC
EMPLOYEES RETIREMENT SYSTEM FOR THE FISCAL YEAR
ENDING JUNE 30, 2018; AND FOR OTHER PURPOSES.

Subtitle
AN ACT FOR THE ARKANSAS PUBLIC EMPLOYEES
RETIREMENT SYSTEM APPROPRIATION FOR THE
2017-2018 FISCAL YEAR.

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

SECTION 1. REGULAR SALARIES. There is hereby established for the
Arkansas Public Employees Retirement System for the 2017-2018 fiscal year,
the following maximum number of regular employees.

<table>
<thead>
<tr>
<th>Item</th>
<th>Class</th>
<th>No. of Employees</th>
<th>Max Salary Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>U014U</td>
<td>1</td>
<td>$178,325</td>
</tr>
<tr>
<td>2</td>
<td>U078U</td>
<td>1</td>
<td>$114,029</td>
</tr>
<tr>
<td>3</td>
<td>A003N</td>
<td>1</td>
<td>GRADE N910</td>
</tr>
<tr>
<td>4</td>
<td>N096N</td>
<td>1</td>
<td>GRADE N906</td>
</tr>
<tr>
<td>5</td>
<td>G042N</td>
<td>1</td>
<td>GRADE N906</td>
</tr>
<tr>
<td>6</td>
<td>R003N</td>
<td>1</td>
<td>GRADE N906</td>
</tr>
<tr>
<td>7</td>
<td>D015N</td>
<td>1</td>
<td>GRADE N906</td>
</tr>
</tbody>
</table>
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1 (8) G037N APERS DIRECTOR OF OPERATIONS 1 GRADE N906
2 (9) N159N APERS INVESTMENT OPERATIONS MANAGER 1 GRADE N901
3 (10) A027C ACCOUNTING OPERATIONS MANAGER 1 GRADE C125
4 (11) D030C INFORMATION SYSTEMS COORDINATOR 1 GRADE C124
5 (12) A034C RETIREMENT SECTION MANAGER 3 GRADE C123
6 (13) D044C SYSTEMS ANALYST 1 GRADE C122
7 (14) A052C ACCOUNTING COORDINATOR 1 GRADE C121
8 (15) A066C INTERNAL AUDITOR 1 GRADE C119
9 (16) A062C RETIREMENT COORDINATOR 5 GRADE C119
10 (17) R024C ASSISTANT PERSONNEL MANAGER 1 GRADE C118
11 (18) A082C ACCOUNTANT II 10 GRADE C117
12 (19) A079C INVESTMENT ANALYST 3 GRADE C117
13 (20) A078C RETIREMENT COUNSELOR 15 GRADE C117
14 (21) C022C BUSINESS OPERATIONS SPECIALIST 1 GRADE C116
15 (22) P031C MEDIA SPECIALIST 1 GRADE C116
16 (23) P027C PUBLIC INFORMATION SPECIALIST 1 GRADE C116
17 (24) A083C RETIREMENT ANALYST 6 GRADE C116
18 (25) X115C SOCIAL SECURITY ANALYST 1 GRADE C116
19 (26) R033C BENEFITS ANALYST 1 GRADE C115
20 (27) A091C FISCAL SUPPORT ANALYST 1 GRADE C115
21 (28) C056C ADMINISTRATIVE SPECIALIST III 2 GRADE C112
22 (29) A098C FISCAL SUPPORT SPECIALIST 13 GRADE C112
23 (30) C073C ADMINISTRATIVE SPECIALIST II 4 GRADE C109
24 MAX. NO. OF EMPLOYEES 82

SECTION 2. EXTRA HELP. There is hereby authorized, for the Arkansas Public Employees Retirement System for the 2017-2018 fiscal year, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: six (6) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate classification.

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, 2018, the following:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO.</td>
<td>2017-2018</td>
</tr>
<tr>
<td>(01) REGULAR SALARIES</td>
<td>$3,488,918</td>
</tr>
<tr>
<td>(02) EXTRA HELP</td>
<td>75,000</td>
</tr>
<tr>
<td>(03) PERSONAL SERVICES MATCHING</td>
<td>1,220,249</td>
</tr>
<tr>
<td>(04) MAINT. &amp; GEN. OPERATION</td>
<td></td>
</tr>
<tr>
<td>(A) OPER. EXPENSE</td>
<td>1,607,473</td>
</tr>
<tr>
<td>(B) CONF. &amp; TRAVEL</td>
<td>42,500</td>
</tr>
<tr>
<td>(C) PROF. FEES</td>
<td>10,583,645</td>
</tr>
<tr>
<td>(D) CAP. OUTLAY</td>
<td>32,500</td>
</tr>
<tr>
<td>(E) DATA PROC.</td>
<td>0</td>
</tr>
<tr>
<td>(05) BENEFITS-NON EMPLOYEE</td>
<td>40,000,000</td>
</tr>
<tr>
<td>(06) REFUNDS/REIMBURSEMENTS</td>
<td>85,000,000</td>
</tr>
<tr>
<td>TOTAL AMOUNT APPROPRIATED</td>
<td>$142,050,285</td>
</tr>
</tbody>
</table>

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, 2018, the following:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO.</td>
<td>2017-2018</td>
</tr>
<tr>
<td>(01) BENEFITS</td>
<td>$650,000,000</td>
</tr>
</tbody>
</table>

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 of the State Police Retirement System by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2018, the following:
ITEM              FISCAL YEAR
NO.                    2017-2018

(01) MAINT. & GEN. OPERATION
   (A) OPER. EXPENSE $77,610
   (B) CONF. & TRAVEL  0
   (C) PROF. FEES     265,950
   (D) CAP. OUTLAY    0
   (E) DATA PROC.    0

(02) BENEFITS-NON EMPLOYEE  10,000,000

(03) REFUNDS/REIMBURSEMENTS  25,000,000

TOTAL AMOUNT APPROPRIATED $35,343,560

SECTION 6. APPROPRIATION - STATE POLICE 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 of the State Police Retirement System by check or wired transfer by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2018, the following:

ITEM              FISCAL YEAR
NO.                    2017-2018

(01) BENEFITS $35,000,000

SECTION 7. APPROPRIATION - JUDICIAL RETIREMENT OPERATIONS. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the Judges Retirement Fund, for operating expenses of the Judicial Retirement System by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2018, the following:

ITEM              FISCAL YEAR
NO.                    2017-2018

(01) MAINT. & GEN. OPERATION
   (A) OPER. EXPENSE $40,510
   (B) CONF. & TRAVEL  0
   (C) PROF. FEES     122,879
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(D) CAP. OUTLAY 0
(E) DATA PROC. 0
(02) BENEFITS-NON EMPLOYEE 4,250,000
(03) REFUNDS/REIMBURSEMENTS 6,250,000
TOTAL AMOUNT APPROPRIATED $10,663,389

SECTION 8. APPROPRIATION - JUDICIAL 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 of the Judicial Retirement System by check or wired transfer by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2018, the following:

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>(01) BENEFITS</td>
<td>$21,000,000</td>
</tr>
</tbody>
</table>

SECTION 9. APPROPRIATION - APERS PENSION ADMINISTRATION SYSTEM. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the Arkansas Public Employees’ Retirement System Fund, for the operational expenses, capital outlay, and professional fees and services relating to the development, acquisition, and implementation of a new APERS Pension Administration System of the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2018, the following:

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>FISCAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>(01) COMPASS PENSION PROJECT</td>
<td>$21,000,000</td>
</tr>
</tbody>
</table>

SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed $58,301 $60,050 in the 2016-2017 2017-2018 fiscal year may be transferred from the Judges Retirement Fund to the Arkansas Public Employees’ Retirement System Fund for costs incurred by the Arkansas Public Employees Retirement System in administering the
Judicial Retirement System. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, 2016 through June 30, 2017.

SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed $107,463 $110,687 in the 2016-2017 2017-2018 fiscal year may be transferred from the State Police Retirement Fund to the Arkansas Public Employees’ Retirement System Fund for costs incurred by the Arkansas Public Employees Retirement System in administering the State Police Retirement System. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, 2016 through June 30, 2017.

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

The provisions of this section shall be in effect only from July 1, 2016 through June 30, 2017.

SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed $50,000 may be transferred from the State Police Retirement Fund to the Arkansas Public Employees’ Retirement System Fund to share in the costs incurred by the Arkansas Public Employees Retirement System in the purchase and implementation of a new pension administration system, which will be utilized to administer State Police pension transactions for members and retirees. Said transfer shall sunset at the end of fiscal year 2017 2018. Such transfer request shall be made to the Chief Fiscal officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in full effect only from July 1, 2016 2017 through June 30, 2017 2018.

SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed $50,000 may be transferred from the Judicial Retirement Fund to the Arkansas Public Employees’ Retirement System Fund to share in the costs incurred by the Arkansas Public Employees Retirement System in the purchase and implementation of a new pension administration system, which will be utilized to administer Judicial pension transactions for members and retirees. Said transfer shall sunset at the end of fiscal year 2017 2018. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, 2016 2017 through June 30, 2017 2018.

SECTION 15. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be
strictly complied with in disbursement of said funds.

SECTION 16. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 17. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2017 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2017 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2017.

APPROVED: 02/15/2017