

House Bill 1188

Actuarial Cost Study prepared for
Joint Committee on Public Retirement and Social Security Programs
of the Arkansas 89th General Assembly

Provisions of the Bill


House Bill 1188 affects the Arkansas Teacher Retirement System (ATRS). This is a technical corrections bill proposed by ATRS staff.

The bill makes a variety of technical corrections and cleans up language in several places. Section one makes current a reference date related to the IRS code. Section two clarifies the definition of salary. Section three removes redundant language, as the group referred to in the repealed section is already covered elsewhere. Section four codifies current system practice, ensuring active members who enter the armed forces receive service credits. Section five clarifies that a member or survivor who elects to receive a refund of contributions also forfeits all his or her membership rights and beneficiary designations in the system. Sections six and seven clean up language. Section eight amends a section to clarify the hierarchy of recipients to be paid when a lost payee is involved; the system informed us that this language matches current practice. Section nine makes a pair of grammatical changes.

Fiscal Impact

As the changes in this bill are technical in nature or codifications of current practice, we would expect that there is **no fiscal impact** to the system. The language added in section four could create a perceived cost to the system, but, the system attested that active members were already covered in the way suggested by the new language.

Sincerely,


Jody Carreiro, A.S.A., M.A.A.A.
Actuary