

Senate Bill 154

(As Engrossed January 25, 2017)

Actuarial Cost Study prepared for
Joint Committee on Public Retirement and Social Security Programs
of the Arkansas 91st General Assembly

Provisions of the Bill

Senate Bill 154 affects the Arkansas State Highway Employees' Retirement System (ASHERS).

Arkansas Code Annotated §24-5-104 describes the Board of Trustees of ASHERS and its duties. Included in these duties is the designation of an executive secretary of the board. Under current law, the executive secretary must be an accountant in the Highway Department's Accounting Division. Senate Bill 154 would amend the code so that the board would not have to restrict itself to accountants already employed by the Highway Department when appointing an executive secretary. The Bill also removes language in 104(e) that says the executive secretary shall serve without additional compensation other than as an employee of the department.

Fiscal Impact

There would be no actuarial cost associated with this bill. We do not believe that there would be any additional administrative cost resulting from the passage of Senate Bill 154 – we believe the removal of the “additional compensation” language is simply to avoid confusion; the executive secretary is already a titled position within the Highway Department.

Other

ASHERS is unique among the State's major retirement systems in that the associated staff is paid directly by the department rather than from the assets of the retirement trust.

Sincerely,



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