

Senate Bill 80

Actuarial Cost Study prepared for Joint Committee on Public Retirement and Social Security Programs of the Arkansas 90th General Assembly

Provisions of the Bill

Senate Bill 80 affects the Arkansas Public Employees Retirement System (APERS).

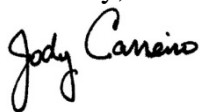
Arkansas Code Annotated §24-4-202 details how contributions are made to APERS from both state agencies and participating public employers. Currently, participating employers or agencies are allowed to pay through state warrant, bank check, or electronic transfer. Senate Bill 80 would require that contributions made on or after July 1, 2017 be paid by electronic transfer. The bill also clarifies that state employer contributions made by state agencies must be reported electronically through the APERS portal. There is also language which allows for temporary waivers to be granted to participating employers that cannot make electronic transfers by the July 1, 2017 deadline.

APERS currently receives paper reporting and payment mainly from cities and counties. Senate Bill 80 will make all participating employers electronically report.

Fiscal Impact

This bill is primarily administrative in nature and could even create some administrative savings through increased efficiency in collecting payroll withholdings. There would not be much of a cost impact on the system otherwise—although increased adoption of electronic transfers should result in contributions being received earlier, which would slightly increase expected future investment income for the system by putting money to work more quickly.

Sincerely,



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Actuary