

February 19, 2015

Sen. David Johnson, Co-Chair  
Rep. David Meeks, Co-Chair  
Joint Public Retirement & Social Security Programs Committee  
State Capitol Building  
Little Rock AR 72201

RE: Retirement Bills

Gentlemen:

On February 18, 2013 the APERS Board of Trustees considered filed bills that would affect this retirement system. They took the following positions:

**Oppose**

HB1209(Bell/Gonzales) An Act to Amend the Credited Service Received by Certain Officials – The board opposes this bill for several reasons. It injects unnecessary uncertainty into the fiscal projections for the system. it would effectively create two statuses for cities and counties who can/cannot afford to pay the additional contribution. The bill also has likely constitutional issues and federal tax code problems.

HB1215 (House) An Act Amend the Law Concerning Public Employee Retirement Plans; To Specify the Reporting Requirements – The board opposes this bill because it is contrary to the reporting requirements of GASB. It would impose additional, burdensome cost on plan sponsors. If the 4% valuations were held as the “more realistic” calculation, state and local governments would be immediately obligated to pay in dramatically higher annual contributions than are currently established.

At such time that any of the current “shell bills” become active, the APERS board will consider their position on the bills’ content.

Please let me know if you have any questions or comments.

Sincerely,

A handwritten signature in blue ink that reads "Gail H. Stone". The signature is written in a cursive style with a large initial "G".

Gail H. Stone  
Executive Director

cc: Karen Holliday