

Senate Bill 115

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

Provisions of the Bill

Senate Bill 115 affects all of the state supported retirement systems in Arkansas. The current definition of “property” in the Unclaimed Property Act could be construed to include unclaimed pension benefits. Senate Bill 115 changes this definition so that it is clear that benefits from the state supported retirement systems are not considered property under the Unclaimed Property Act.

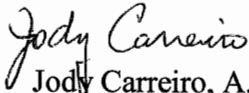
Fiscal Impact

There would be no measurable fiscal impact from Senate Bill 115. The rare situations where this would come into play would increase assets for the system. We checked with the APERS staff and they know of only one incidence in the past 20 years where this issue has come into question. This only becomes an issue if there is a benefit due to a named beneficiary that cannot be found, and the deceased does not have an estate established.

Related Legislation

Senate Bill 115 would make sure that state law is consistent with exclusive benefit provisions of federal pension law found in IRC 401(a)(2).

Sincerely,



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

Actuary