

House Bill 1304

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

Provisions of the Bill

House Bill 1304 affects the Arkansas Teacher Retirement System (ATRS).

House Bill 1304 makes wording changes in nine sections to various sections of the ATRS code. Based on our research and discussion with ATRS staff, none of these changes would change the actual operation of the system. Each change clarifies or details certain definitions in the Code. For example, in Section 4 of the Bill, the types of service needed for early retirement eligibility are detailed instead of relying on the definition of credited service elsewhere in the Code. There is no practical change to the eligibility requirement.

Fiscal Impact

We would consider this a bill of technical corrections. In our opinion, there are no practical or operational changes to the system, based on our discussions with ATRS staff. 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 this bill.

Other

Section 8 of House Bill 1304 amends the same section of code, §24-7-715(b), as Senate Bill 233 which is also being considered by this committee. The changes do not appear to us to be overlapping.

Sincerely,



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