

House Bill 1352

(As Engrossed February 25, 2021)

Actuarial Cost Study prepared for
Joint Committee on Public Retirement and Social Security Programs
of the Arkansas 93rd General Assembly

Provisions of the Bill

House Bill 1352 affects the Arkansas Public Employees Retirement System (APERS). This bill will amend Arkansas Tax Code (Chapter 26) by adding APERS as a claimant agency eligible to offset a taxpayer's state income tax refund to satisfy a debt owed to APERS. A taxpayer that owes a debt to APERS and is due a refund from the Department of Finance and Administration (DFA) for individual income taxes would be subject to a refund offset to satisfy the debt.

Fiscal Impact

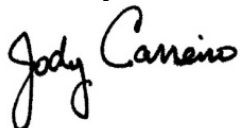
We have reviewed the proposed changes in House Bill 1352 and have discussed how they might change the administration of benefits at APERS with their staff. It is our understanding that none of these changes would cause a change in the benefits of the participants. This bill would only help in administration of APERS by giving them another tool to recapture overpayments to members at times. It is our opinion that there will be no significant cost impact to APERS due to the passage of House Bill 1352.

Related Legislation

There were several items that were requested by the APERS board to be considered by the legislature. This has resulted in the filing of this bill as well as House Bills 1346, 1347, and 1348. House Bill 1352 does not have overlapping cost effects on APERS with the other three bills.

The analysis of this bill depends in part on the Legislative Impact Statement from DFA.

Sincerely,



Jody Carreiro, EA, ASA, MAAA, FCA
Actuary