

Senate Bill 126

(As Engrossed February 21, 2023)

Actuarial Cost Study prepared for

Joint Committee on Public Retirement and Social Security Programs
of the Arkansas 94th General Assembly

Provisions of the Bill

Senate Bill 126 affects the Arkansas Public Employees' Retirement System (APERS). This bill amends the language in the sections of law dealing with the survivor annuity options for a survivor of a member or retiree who dies. The language in Sections 1 and 2 has changes that provide clearer or more consistent wording. The language in Section 3 makes a clear statement about the effective start date for survivor annuities.

Fiscal Impact

After review and discussion with APERS staff, it would appear that Sections 1 and 2 are just wording changes and will have no impact on the amount or administration of benefits. Section 3 is also a clearer restatement of current law and is consistent with the assumptions contained in the actuarial valuations. Therefore, it is our opinion that Senate Bill 126 would not have a fiscal impact to APERS if enacted.

Related Legislation

Senate Bill 126, Section 3 has a direct statement about the beginning date for survivors annuity benefits of APERS to clarify that benefits are effective on the first of the month after the member's death. This same language is repeated in House Bill 1246 and House Bill 1247 for the Judicial and State Police systems respectively. If all become law, those three systems will have consistent language on this subject.

Sincerely,



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Actuary