

1 INTERIM STUDY PROPOSAL 2011-196

2
3 REQUESTING THAT THE INTERIM JOINT COMMITTEE ON PUBLIC RETIREMENT
4 & SOCIAL SECURITY PROGRAMS STUDY THE EFFECT OF AUTOMATICALLY
5 ENROLLING NEW STATE EMPLOYEES IN A DEFERRED COMPENSATION PLAN
6 SUBJECT TO CERTAIN OPT-OUT PROVISIONS.
7

8 WHEREAS, the life expectancy for males and females continues to
9 increase; and
10

11 WHEREAS, the average life expectancy in the United States is seventy-
12 eight (78) years; and
13

14 WHEREAS, the average retirement age in the United States is sixty-four
15 (64) for men and sixty-two (62) for women; and
16

17 WHEREAS, longer life spans increase the need for income during the
18 retirement years; and
19

20 WHEREAS, Arkansans should be encouraged to begin saving for their
21 retirement early; and
22

23 WHEREAS, deferred compensation plans are an important component of a
24 total retirement benefits package; and
25

26 WHEREAS, participation in a deferred compensation plan is important for
27 Arkansans' financial security in retirement; and
28

29 WHEREAS, the General Assembly should encourage public employees to make
30 a deferred compensation plan part of their retirement benefits package,
31 supplemental to the benefits public employees receive under the Arkansas
32 Public Employees' Retirement System,
33

34 NOW THEREFORE,

35 BE IT PROPOSED BY THE INTERIM JOINT COMMITTEE ON PUBLIC RETIREMENT & SOCIAL
36 SECURITY PROGRAMS OF THE EIGHTY-EIGHTH GENERAL ASSEMBLY OF THE STATE OF

1 ARKANSAS:

2

3 THAT the Interim Joint Committee on Public Retirement & Social Security
4 Programs study the effect of automatically enrolling new state employees in a
5 deferred compensation plan that would require contributions of at least three
6 percent (3%) of the employee's annual compensation subject to certain opt-out
7 provisions.

8

9 Respectfully submitted,

10

11

12

13 Senator Johnny Key

14 District 1

15

16

17

18

19 By: JLL/JLL

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34