

INTERIM STUDY PROPOSAL 2023-106

1
2
3 REQUESTING THAT THE JOINT COMMITTEE ON PUBLIC RETIREMENT AND
4 SOCIAL SECURITY PROGRAMS STUDY THE VARIOUS METHODS AVAILABLE TO
5 ESTABLISH FUNDING FOR THE UNFUNDED LIABILITY OF EACH OF THE
6 PUBLICLY SUPPORTED RETIREMENT SYSTEMS OF THE STATE AND THE
7 POSSIBILITY OF PROVIDING DEATH BENEFITS FOR MEMBERS OF THE
8 PUBLICLY SUPPORTED RETIREMENT SYSTEMS OF THE STATE.

9
10 WHEREAS, there is a need to provide a funding resource for the unfunded
11 liabilities that exist within the state's public retirement systems, namely
12 the Arkansas Public Employees' Retirement System, the Arkansas State Highway
13 Employees' Retirement System, the State Police Retirement System, the
14 Arkansas Teacher Retirement System, the Arkansas Judicial Retirement System,
15 and the Local Police and Fire Retirement System; and

16
17 WHEREAS, failure to address the unfunded liabilities of the state's
18 public retirement systems may pose a dire threat to the solvency of the
19 public retirement systems in the future; and

20
21 WHEREAS, although the state's public retirement systems offer death
22 benefits to survivors of members in the form of an annuity election by the
23 member, there is no death benefit in the form of a life insurance payment the
24 beneficiary of a deceased member of a public retirement system; and

25
26 WHEREAS, other states have pension-owned life insurance provided to the
27 members of their public retirement systems; and

28
29 WHEREAS, the provision of further death benefits for the members of the
30 state's public retirement systems could be used to bolster the financial
31 welfare of the public retirement systems and help reduce the state retirement
32 systems' unfunded liability,

33
34 NOW THEREFORE,

1 BE IT PROPOSED BY THE JOINT COMMITTEE ON PUBLIC RETIREMENT AND SOCIAL
2 SECURITY PROGRAMS OF THE NINETY-FOURTH GENERAL ASSEMBLY OF THE STATE OF
3 ARKANSAS:

4
5 THAT the Joint Committee on Public Retirement and Social Security
6 Programs study the:

7 (1) Various methods available to establish funding for the unfunded
8 liability of each of the publicly supported retirement systems of the state;
9 and

10 (2) Possibility of providing death benefits for members of the
11 publicly supported retirement systems of the state other than annuities
12 elected by the systems' members.

13
14 Respectfully submitted,

15
16
17
18 Representative Mark Perry
19 District 66

20
21 Prepared by: LHR/LHR
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36