

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4 By: Senator Hopkins

# A Bill

SENATE BILL 44

## For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT NO RETIREMENT BILL WHICH WOULD  
9 ENHANCE BENEFITS MAY BE FAVORABLY REPORTED OUT BY THE  
10 JOINT COMMITTEE ON PUBLIC RETIREMENT AND SOCIAL SECURITY  
11 PROGRAMS WITHOUT LANGUAGE ASSURING THAT IT WILL NOT CAUSE  
12 UNFUNDED ACTUARIAL ACCRUED LIABILITY TO EXCEED A THIRTY  
13 (30) YEAR AMORTIZATION; AND FOR OTHER PURPOSES."

## Subtitle

16 "TO PROVIDE THAT NO ENHANCED BENEFITS  
17 RETIREMENT BILL BE FAVORABLY REPORTED  
18 OUT BY RETIREMENT COMMITTEE WITHOUT  
19 LANGUAGE ASSURING THAT IT WILL NOT CAUSE  
20 UNFUNDED LIABILITY TO EXCEED A 30 YEAR  
21 AMORTIZATION."

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

25 SECTION 1. Ark. Code 10-3-702 is amended to read as follows:

26 "§ 10-3-702. Bills referred to committee - Fiscal note.

27 (a) All bills introduced in either house of the General Assembly to  
28 amend any of the existing publicly supported retirement systems laws of this  
29 state or to establish new or expanded public retirement or social security  
30 programs shall be referred to the Joint Committee on Public Retirement and  
31 Social Security Programs.

32 (b)(1) The joint committee shall cause a fiscal note to be prepared and  
33 attached to each bill reflecting estimated cost or fiscal impact of the bill  
34 upon the revenues of the State of Arkansas and its various agencies and upon  
35 the actuarial soundness of the retirement systems.

36 (2) In connection with the preparation of the fiscal notes, the

1 committee is authorized to request the respective retirement systems to review  
 2 proposed retirement bills and to furnish the committee with an evaluation  
 3 thereof in writing. If the committee deems it necessary, the services of  
 4 actuaries may be obtained in evaluating the respective bills, provided that  
 5 funds have been provided for that purpose.

6 (3) No bill amending an existing publicly supported retirement  
 7 system by increasing the multiplier, changing terms of or allowing the  
 8 purchase of credited service, shortening vesting periods or shortening the  
 9 years of service required for standard retirement without penalty, or which  
 10 would establish a new or expanded public retirement program, shall be acted  
 11 upon in either house until the fiscal note provided for in subsection (a) of  
 12 this section has been attached to the bill, two-thirds (2/3) of the committee  
 13 has recommended the passage of the bill, and the committee has reported its  
 14 recommendations in regard to the bill. However, upon suspension of the Joint  
 15 Rules of the House and Senate, a retirement system bill may be withdrawn from  
 16 further consideration by the Joint Committee on Public Retirement and Social  
 17 Security Programs and may be acted upon without a report of the joint  
 18 committee being attached thereto.

19 (4) No bill identified in subdivision (b)(3) shall be reported  
 20 out by the committee with a \_do pass\_ recommendation unless the bill contains  
 21 the following or similar language: \_No benefit enhancement provided for by  
 22 this act shall be implemented if it would cause the publicly supported  
 23 retirement system\_s unfunded actuarial accrued liabilities to exceed a thirty  
 24 (30) year amortization. No benefit enhancement provided for by this act shall  
 25 be implemented by any publicly supported system which has unfunded actuarial  
 26 accrued liabilities being amortized over a period exceeding thirty (30) years  
 27 until the unfunded actuarial accrued liability is reduced to a level less  
 28 than the standards prescribed by 24-1-101, et seq.\_

29 (5) A bill identified in subdivision (b)(3) which does not  
 30 contain the language required by subdivision (b)(4) may be reported out by the  
 31 committee with a \_do pass as amended\_ recommendation if the bill has attached  
 32 thereto an amendment containing the language prescribed in subdivision  
 33 (b)(4)."

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 35 SECTION 2. All provisions of this act of a general and permanent nature  
 36 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code

1 Revision Commission shall incorporate the same in the Code.

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3 SECTION 3. If any provision of this act or the application thereof to  
4 any person or circumstance is held invalid, such invalidity shall not affect  
5 other provisions or applications of the act which can be given effect without  
6 the invalid provision or application, and to this end the provisions of this  
7 act are declared to be severable.

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9 SECTION 4. All laws and parts of laws in conflict with this act are  
10 hereby repealed.

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