

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

A Bill

SENATE BILL 302

5 By: Senator J. Jeffress
6
7

For An Act To Be Entitled

9 AN ACT CONCERNING PROCEDURES OF THE JOINT
10 COMMITTEE ON PUBLIC RETIREMENT AND SOCIAL
11 SECURITY PROGRAMS WHEN CONSIDERING CERTAIN
12 RETIREMENT BILLS; AND FOR OTHER PURPOSES.
13

Subtitle

14 AN ACT CONCERNING PROCEDURES OF THE
15 JOINT COMMITTEE ON PUBLIC RETIREMENT AND
16 SOCIAL SECURITY PROGRAMS WHEN
17 CONSIDERING CERTAIN RETIREMENT BILLS.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 10-3-702 is amended to read as follows:
24 10-3-702. Bills referred to committee - Fiscal note.

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

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

34 (2)(A) In connection with the preparation of the fiscal notes,
35 the joint committee is authorized to request the respective retirement
36 systems to review proposed retirement bills and to furnish the joint



1 committee with an evaluation thereof in writing.

2 (B) If the joint committee deems it necessary, the
3 services of actuaries may be obtained in evaluating the respective bills,
4 provided that funds have been provided for that purpose.

5 (3)(A) No bill amending an existing publicly supported
6 retirement system by increasing the multiplier, changing terms of or allowing
7 the purchase of credited service, shortening vesting periods or shortening
8 the years of service required for standard retirement without penalty, or
9 which would establish a new or expanded public retirement program, shall be
10 acted upon in either house until the fiscal note provided for in subsection
11 (a) of this section has been attached to the bill, two-thirds (2/3) of the
12 joint committee has recommended the passage of the bill, and the joint
13 committee has reported its recommendations in regard to the bill.

14 (B) However, upon suspension of the Joint Rules of the
15 House of Representatives and Senate, a retirement system bill may be
16 withdrawn from further consideration by the joint committee and may be acted
17 upon without a report of the joint committee being attached thereto.

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

29 ~~(5) A bill identified in subdivision (b)(3) of this section~~
30 ~~which does not contain the language required by subdivision (b)(4) of this~~
31 ~~section may be reported out by the joint committee with a "do pass as~~
32 ~~amended" recommendation if the bill has attached thereto an amendment~~
33 ~~containing the language prescribed in subdivision (b)(4) of this section.~~
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35 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
36 General Assembly of the State of Arkansas that the provisions of § 10-3-

1 702(b)(4) and (5) are cumulative to other provisions of Arkansas law, namely
2 §§ 24-1-104, 24-1-105, and 24-1-106, which prevent the enactment of a
3 legislated benefit enhancement which would cause a retirement system's
4 unfunded accrued actuarial liabilities to exceed a thirty-year amortization;
5 and that the provisions of § 10-3-702(b)(4) constitute an impermissible
6 attempt to dictate the procedural rules of the Eighty-Sixth General Assembly
7 as well as any future General Assembly. Therefore, an emergency is declared
8 to exist and this act being immediately necessary for the preservation of the
9 public peace, health, and safety shall become effective on:

10 (1) The date of its approval by the Governor;

11 (2) If the bill is neither approved nor vetoed by the Governor,
12 the expiration of the period of time during which the Governor may veto the
13 bill; or

14 (3) If the bill is vetoed by the Governor and the veto is
15 overridden, the date the last house overrides the veto.