

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4  
5 By: Senator B. Sample

# A Bill

SENATE BILL 155

## For An Act To Be Entitled

8 AN ACT CONCERNING THE REDETERMINATION OF BENEFITS  
9 UNDER THE ARKANSAS STATE HIGHWAY EMPLOYEES'  
10 RETIREMENT SYSTEM; TO INCORPORATE A COST-OF-LIVING  
11 ADJUSTMENT IN THE CALCULATION OF REDETERMINED  
12 BENEFITS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
13 PURPOSES.

## Subtitle

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17 AN ACT CONCERNING THE REDETERMINATION OF  
18 BENEFITS UNDER THE ARKANSAS STATE HIGHWAY  
19 EMPLOYEES' RETIREMENT SYSTEM; TO  
20 INCORPORATE A COST-OF-LIVING ADJUSTMENT  
21 IN THE CALCULATION OF REDETERMINED  
22 BENEFITS; AND TO DECLARE AN EMERGENCY.

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

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27 SECTION 1. Arkansas Code § 24-5-119(b), concerning redetermination of  
28 benefits under the Arkansas State Highway Employees' Retirement System, is  
29 amended to read as follows:

30 (b)(1) The redetermined amount shall be the amount of the benefit  
31 otherwise payable as of the immediately preceding July 1 increased by the  
32 lesser of three percent (3%) or the change in the Consumer Price Index for  
33 Urban Wage Earners and Clerical Workers as determined by the United States  
34 Department of Labor for the December immediately preceding July 1.

35 (2) However, the redetermined amount shall not be less than the  
36 redetermined amount paid in the preceding year.



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SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the law prohibits a publicly supported retirement system from implementing a benefit enhancement if it would cause the publicly supported retirement system's unfunded actuarial accrued liabilities to exceed a thirty-year amortization; that the law prohibits a publicly supported system from implementing a benefit enhancement if it has unfunded actuarial accrued liabilities being amortized over a period exceeding thirty (30) years until the unfunded actuarial accrued liability is reduced to a level less than the standards prescribed by law; that the Arkansas State Highway Employees' Retirement System uses a general life expectancy table; and that the current method of redetermining benefits will cause the retirement system's unfunded actuarial accrued liabilities to exceed a thirty-year amortization if not immediately resolved by increasing the system's assets and reducing its unfunded liabilities. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on and after July 1, 2017.