

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

As Engrossed: S1/25/17

A Bill

SENATE BILL 155

5 By: Senator B. Sample
6 *By: Representative Warren*
7

For An Act To Be Entitled

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

Subtitle

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

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 24-5-119(b), concerning redetermination of
29 benefits under the Arkansas State Highway Employees' Retirement System, is
30 amended to read as follows:

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

36 (2) However, the redetermined amount shall not be less than the



1 redetermined amount paid in the preceding year.

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

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21 /s/B. Sample
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