

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

SENATE BILL 201

5 By: Senator B. Sample  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE CONTRIBUTIONS  
9 OF MEMBERS AND EMPLOYERS UNDER THE ARKANSAS STATE  
10 HIGHWAY EMPLOYEES' RETIREMENT SYSTEM; TO DECLARE AN  
11 EMERGENCY; AND FOR OTHER PURPOSES.  
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## Subtitle

14 TO AMEND THE LAW CONCERNING THE  
15 CONTRIBUTIONS OF MEMBERS AND EMPLOYERS  
16 UNDER THE ARKANSAS STATE HIGHWAY  
17 EMPLOYEES' RETIREMENT SYSTEM; AND TO  
18 DECLARE AN EMERGENCY.  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. Arkansas Code § 24-5-108(a), concerning members'  
25 contributions, is amended to read as follows:

26 (a)(1) ~~All members~~ A member of the Arkansas State Highway Employees'  
27 Retirement System shall be assessed six percent (6%) of ~~their~~ his or her  
28 ~~salaries and~~ salary or wages by payroll deductions, and the Executive  
29 Secretary of the Board of Trustees of the Arkansas State Highway Employees'  
30 Retirement System shall transmit the payroll deductions from the ~~employees'~~  
31 ~~salaries and~~ member's salary or wages to the bank designated as the  
32 depository for the funds of the system or to the Treasurer of State, as  
33 appropriate.

34 (2)(A) Beginning on July 1, 2019, the Board of Trustees of the  
35 Arkansas State Highway Employees' Retirement System shall assess the member  
36 contribution rate after receiving recommendations from the actuary of the



1 system.

2 (B) An assessed member contribution rate shall be:

3 (i) Not more than seven percent (7%) of  
4 compensation; and

5 (ii) Increased by no more than five-tenths of one  
6 percent (0.5%) in a single year.

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8 SECTION 2. Arkansas Code § 24-5-109(a), concerning employer  
9 contributions, is amended to read as follows:

10 (a)(1) The employer shall match all member contributions with a twelve  
11 and nine-tenths percent (12.9%) contribution from the fund from which the  
12 employees are paid their gross earnings, computed on the basis of the payroll  
13 earnings, including overtime and lump-sum payments, of the members of the  
14 Arkansas State Highway Employees' Retirement System contribution shall be a  
15 set percentage rate of the compensation of the employee as defined in § 24-5-  
16 101.

17 (2)(A) The Board of Trustees of the Arkansas State Highway  
18 Employees' Retirement System shall determine the set percentage rate after  
19 receiving recommendations from the actuary for the Arkansas State Highway  
20 Employees' Retirement System.

21 (B) The set percentage rate shall not be:

22 (i) Less than twelve and nine-tenths percent (12.9%)  
23 of compensation; or

24 (ii) Greater than fourteen and nine-tenths percent  
25 (14.9%) of compensation.

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27 SECTION 3. EMERGENCY CLAUSE. It is found and determined by the  
28 General Assembly of the State of Arkansas that the Arkansas State Highway  
29 Employees' Retirement System has an amortization that exceeds the standard  
30 thirty-year amortization of the unfunded actuarial accrued liability  
31 prescribed by law; and that this act is necessary because increasing the  
32 assets of the system will facilitate reducing the system's unfunded  
33 liability. Therefore, an emergency is declared to exist, and this act being  
34 necessary for the preservation of the public peace, health, and safety shall  
35 become effective on July 1, 2019.

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