

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas *As Engrossed: S2/4/19*
2 92nd General Assembly **A Bill**

3 Regular Session, 2019

SENATE BILL 201

4
5 By: Senator B. Sample

6 *By: Representative Warren*

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For An Act To Be Entitled

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

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Subtitle

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

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25 SECTION 1. Arkansas Code § 24-5-108(a), concerning members'
26 contributions, is amended to read as follows:

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

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1 contribution rate after receiving recommendations from the actuary of the
2 system.

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

4 (i) Not more than seven percent (7%) of

5 compensation; and

6 (ii) Increased by no more than five-tenths of one

7 percent (0.5%) in a single year.

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

11 (a)(1) ~~The employer shall match all member contributions with a twelve~~
12 ~~and nine-tenths percent (12.9%) contribution from the fund from which the~~
13 ~~employees are paid their gross earnings, computed on the basis of the payroll~~
14 ~~earnings, including overtime and lump-sum payments, of the members of the~~
15 ~~Arkansas State Highway Employees' Retirement System~~ contribution shall be a
16 set percentage rate of the compensation of the employee as defined in § 24-5-
17 101.

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

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

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

25 (ii) Greater than fourteen and nine-tenths percent
26 (14.9%) of compensation.

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

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/s/B. Sample