

State of Arkansas
95th General Assembly
Fiscal Session, 2026

A Bill

HOUSE BILL 1063

By: Joint Budget Committee

For An Act To Be Entitled

AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
AND OPERATING EXPENSES FOR THE ARKANSAS PUBLIC
EMPLOYEES RETIREMENT SYSTEM FOR THE FISCAL YEAR
ENDING JUNE 30, 2027; AND FOR OTHER PURPOSES.

Subtitle

AN ACT FOR THE ARKANSAS PUBLIC EMPLOYEES
RETIREMENT SYSTEM APPROPRIATION FOR THE
2026-2027 FISCAL YEAR.

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

SECTION 1. REGULAR SALARIES. There is hereby established for the
Arkansas Public Employees Retirement System for the 2026-2027 fiscal year,
the following maximum number of regular employees.

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2026-2027
(1)	EEX36A	RETIREMENT SYSTEM DIRECTOR	1	GRADE EXE03
(2)	PRE06C	RETIREMENT SYSTEM INVESTMENT DIR	1	GRADE SPC10
(3)	LAT06C	ATTORNEY IV	1	GRADE SPC09
(4)	FAC08C	CHIEF FISCAL OFFICER I	1	GRADE SPC09
(5)	PRE03C	RETIREMENT SYSTEM ADMINISTRATOR	2	GRADE SPC08
(6)	PRE05C	RETIREMENT SYSTEM DEPUTY DIRECTOR	2	GRADE SPC08



(7)	CMA02C MARKETING DIRECTOR	1	GRADE SPC05
(8)	LAT04P ATTORNEY II	1	GRADE SPC05
(9)	FAC07P CERTIFIED PUBLIC ACCOUNTANT	1	GRADE SPC05
(10)	FAC05P ACCOUNTING SUPERVISOR/EXPERT	1	GRADE SPC04
(11)	FAC03P ACCOUNTING COORDINATOR	1	GRADE SPC03
(12)	FAC02P ACCOUNTANT II	9	GRADE SPC02
(13)	FAU04P AUDITOR II	1	GRADE SPC02
(14)	FIN04P INVESTMENT ANALYST	1	GRADE SPC01
(15)	CTR03C TRAINING MANAGER	1	GRADE SGS10
(16)	HDH08P HR SUPERVISOR/EXPERT	1	GRADE SGS08
(17)	PRE07P RETIREMENT SYSTEM SUPERVISOR/EXPERT	3	GRADE SGS08
(18)	HDH05P HR COORDINATOR	1	GRADE SGS07
(19)	PRE04P RETIREMENT SYSTEM COORDINATOR	6	GRADE SGS07
(20)	PRE02P RETIREMENT COUNSELOR II	16	GRADE SGS06
(21)	PRE01P RETIREMENT COUNSELOR I	11	GRADE SGS05
(22)	PAS02P ADMINISTRATIVE COORDINATOR	3	GRADE SGS04
(23)	HBE01P BENEFITS ANALYST	1	GRADE SGS04
(24)	FFS04P FISCAL SUPPORT SPECIALIST	5	GRADE SGS04
(25)	IDA01C DATA ARCHITECT	1	GRADE IST13
(26)	IIS05C IT INFRASTRUCTURE ARCHITECT	1	GRADE IST11
(27)	IIA01C CHIEF INFORMATION OFFICER I	1	GRADE IST10
(28)	IIS06P IT INFRASTRUCTURE COORDINATOR	1	GRADE IST08
(29)	IUS01P USER SUPPORT ANALYST	1	GRADE IST04
(30)	FFS02P FISCAL SUPPORT COORDINATOR	<u>1</u>	GRADE SGS06
	MAX. NO. OF EMPLOYEES	78	

SECTION 2. EXTRA HELP. There is hereby authorized, for the Arkansas Public Employees Retirement System for the 2026-2027 fiscal year, the following maximum number of part-time or temporary employees, to be known as "Extra Help", payable from funds appropriated herein for such purposes: six (6) temporary or part-time employees, when needed, at rates of pay not to exceed those provided in the Uniform Classification and Compensation Act, or its successor, or this act for the appropriate classification.

SECTION 3. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT - OPERATIONS. There is hereby appropriated, to the Arkansas Public Employees Retirement

System, to be payable from the Arkansas Public Employees' Retirement System Fund, for personal services and operating expenses of the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM NO.	FISCAL YEAR 2026-2027
(01) REGULAR SALARIES	\$4,773,961
(02) EXTRA HELP	75,000
(03) PERSONAL SERVICES MATCHING	1,686,925
(04) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	2,137,473
(B) CONF. & TRAVEL	67,500
(C) PROF. FEES	2,000,000
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(05) BENEFITS-NON EMPLOYEE	40,000,000
(06) REFUNDS/REIMBURSEMENTS	85,000,000
(07) DATA PROCESSING SERVICES	<u>7,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$142,740,859</u>

SECTION 4. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT - CASH. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from cash funds as defined by Arkansas Code §19-4-801, for payment to beneficiaries by check or wire transfer, by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM NO.	FISCAL YEAR 2026-2027
(01) BENEFITS	\$675,000,000
(02) REFUNDS/REIMBURSEMENTS	<u>50,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u>\$725,000,000</u>

SECTION 5. APPROPRIATION - STATE POLICE RETIREMENT - OPERATIONS. There is hereby appropriated, to the Arkansas Public Employees Retirement System,

to be payable from the State Police Retirement Fund, for operating expenses of the State Police Retirement System, by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2026-2027</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$20,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	265,950
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) BENEFITS-NON EMPLOYEE	5,000,000
(03) REFUNDS/REIMBURSEMENTS	<u>25,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$30,285,950</u></u>

SECTION 6. APPROPRIATION - STATE POLICE RETIREMENT - CASH. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from cash funds as defined by Arkansas Code §19-4-801, for payment to beneficiaries of the State Police Retirement System by check or wire transfer, by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2026-2027</u>
(01) BENEFITS	\$31,000,000
(02) REFUNDS/REIMBURSEMENTS	<u>1,500,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$32,500,000</u></u>

SECTION 7. APPROPRIATION - JUDICIAL RETIREMENT - OPERATIONS. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the Judges Retirement Fund, for operating expenses of the Judicial Retirement System, by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM	FISCAL YEAR
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NO.	2026-2027
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$12,000
(B) CONF. & TRAVEL	0
(C) PROF. FEES	140,879
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) BENEFITS-NON EMPLOYEE	500,000
(03) REFUNDS/REIMBURSEMENTS	<u>8,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$8,652,879</u></u>

SECTION 8. APPROPRIATION - JUDICIAL RETIREMENT - CASH. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from cash funds as defined by Arkansas Code §19-4-801, for payment to beneficiaries of the Judicial Retirement System by check or wire transfer, by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2027, the following:

ITEM	FISCAL YEAR
NO.	2026-2027
(01) BENEFITS	\$20,750,000
(02) REFUNDS/REIMBURSEMENTS	<u>250,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$21,000,000</u></u>

SECTION 9. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed \$150,000 in the ~~2025-2026~~ 2026-2027 fiscal year may be transferred from the Judges Retirement Fund to the Arkansas Public Employees' Retirement System Fund for costs incurred by the Arkansas Public Employees Retirement System in administering the Judicial Retirement System. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed \$250,000 in the ~~2025-~~ ~~2026~~ 2026-2027 fiscal year may be transferred from the State Police Retirement Fund to the Arkansas Public Employees' Retirement System Fund for costs incurred by the Arkansas Public Employees Retirement System in administering the State Police Retirement System. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. EXEMPTION FROM PRIOR REVIEW. The Arkansas Public Employees Retirement System is hereby exempted from seeking prior review by the Arkansas Legislative Council or Joint Budget Committee with regard to transfers between the Benefits and Refund line items in the Public Employees Retirement Cash appropriation section and the Benefits-Non Employee line item in the Public Employees Retirement Operations appropriation section which are specifically related to transfers necessitated by the changes in retirees' selection of the method of payment of retirement benefits. All other provisions of Arkansas Code §19-4-513 shall be applicable.

The provisions of this section shall be in effect only from July 1, ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be transferred from the State Police Retirement Fund to the Arkansas Public Employees' Retirement System Fund to share in the costs incurred by the Arkansas Public Employees Retirement System in the purchase and implementation of a new, and for the ongoing maintenance and operation of the pension administration system, which is utilized to administer State Police

pension transactions for members and retirees. Said transfer shall sunset at the end of fiscal year ~~2026~~ 2027. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of the State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be transferred from the Judicial Retirement Fund to the Arkansas Public Employees' Retirement System Fund to share in the costs incurred by the Arkansas Public Employees Retirement System in the purchase and implementation of a new, and for the ongoing maintenance and operation of the pension administration system, which is utilized to administer Judicial pension transactions for members and retirees. Said transfer shall sunset at the end of fiscal year ~~2026~~ 2027. Such transfer request shall be made to the Chief Fiscal Officer of the State, and upon his approval, said transfer shall be made on his books and those of the Treasurer of State and the Auditor of the State.

The provisions of this section shall be in effect only from July 1, ~~2025~~ 2026 through June 30, ~~2026~~ 2027.

SECTION 14. COMPLIANCE WITH OTHER LAWS. Disbursement of funds authorized by this act shall be limited to the appropriation for such agency and funds made available by law for the support of such appropriations; and the restrictions of the State Procurement Law, the General Accounting and Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary Procedures and Restrictions Act, or their successors, and other fiscal control laws of this State, where applicable, and regulations promulgated by the Department of Finance and Administration, as authorized by law, shall be strictly complied with in disbursement of said funds.

SECTION 15. LEGISLATIVE INTENT. It is the intent of the General Assembly that any funds disbursed under the authority of the appropriations

contained in this act shall be in compliance with the stated reasons for which this act was adopted, as evidenced by the Agency Requests, Executive Recommendations and Legislative Recommendations contained in the budget manuals prepared by the Department of Finance and Administration, letters, or summarized oral testimony in the official minutes of the Arkansas Legislative Council or Joint Budget Committee which relate to its passage and adoption.

SECTION 16. EMERGENCY CLAUSE. It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2026 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2026 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2026.

APPROVED: 4/22/26