

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

State of Arkansas
92nd General Assembly
Regular Session, 2019

As Engrossed: S2/4/19
A Bill

SENATE BILL 201

By: Senator B. Sample

By: Representative Warren

For An Act To Be Entitled

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

Subtitle

TO AMEND THE LAW CONCERNING THE CONTRIBUTIONS OF MEMBERS AND EMPLOYERS UNDER THE ARKANSAS STATE HIGHWAY EMPLOYEES' RETIREMENT SYSTEM; AND TO DECLARE AN EMERGENCY.

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

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

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

(2)(A) Beginning on July 1, 2019, the Board of Trustees of the Arkansas State Highway Employees' Retirement System shall assess the member



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

(B) An assessed member contribution rate shall be:

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

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

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

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

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

(B) The set percentage rate shall not be:

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

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

SECTION 3. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Arkansas State Highway Employees' Retirement System has an amortization that exceeds the standard thirty-year amortization of the unfunded actuarial accrued liability prescribed by law; and that this act is necessary because increasing the assets of the system will facilitate reducing the system's unfunded liability. 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 July 1, 2019.

/s/B. Sample