

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

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H2/5/25

A Bill

HOUSE BILL 1317

By: Representative M. Shepherd

By: Senator Gilmore

For An Act To Be Entitled

AN ACT TO AMEND LAWS CONCERNING FRAUD AGAINST THE GOVERNMENT TO INCLUDE FRAUD AGAINST A STATE SUPPORTED RETIREMENT SYSTEM; TO AMEND THE PENALTY FOR MAKING FALSE STATEMENTS OR FALSIFYING RECORDS IN AN ATTEMPT TO DEFRAUD A STATE SUPPORTED RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND LAWS CONCERNING FRAUD AGAINST THE GOVERNMENT TO INCLUDE FRAUD AGAINST A STATE SUPPORTED RETIREMENT SYSTEM.

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

SECTION 1. Arkansas Code § 5-55-301 is amended to read as follows:

5-55-301. Penalty – Notice – Prosecution.

(a)(1) It is unlawful for ~~any~~ a person to knowingly make any material false statement or representation to the State Department for Social Security Administration Disability Determination or a state supported retirement system for the purpose of:

(A) Obtaining ~~any~~ a benefit or payment;

(B) Defeating or wrongfully increasing or wrongfully decreasing ~~any~~ a claim for benefit or payment; or

(C) Aiding and abetting another person in violation of subdivision (a)(1)(A) or subdivision (a)(1)(B) of this section.

(2) Upon conviction, a person who violates subdivision (a)(1) of this section is guilty of a Class D felony.



(b) A copy of subsection (a) of this section shall be placed on all forms prescribed by the ~~State Department for Social Security Administration Disability Determination~~ department or a state supported retirement system for the use of a person claiming a benefit, a provider participating in the claims process, and any other party involved in the claims process.

(c) When the department finds a violation of subsection (a) of this section, the Director of the State Department for Social Security Administration Disability Determination shall refer the matter for appropriate action to the prosecuting attorney of the district where the original claim was filed.

(d) When a state supported retirement system finds a violation of subsection (a) of this section, the Executive Director of the state supported retirement system may refer the matter for investigation to:

(1) The Attorney General; or

(2) The Sixth Judicial District Prosecuting Attorney.

SECTION 2. Arkansas Code § 24-4-102 is amended to read as follows:

24-4-102. Penalty.

~~Any~~ A person who knowingly makes ~~any a material false statements~~ statement or who materially falsifies or permits to be materially falsified any record in an attempt to defraud the Arkansas Public Employees' Retirement System as the result of such an act upon conviction shall be is guilty of a ~~Class A misdemeanor~~ Class D felony in accordance with § 5-55-301.

SECTION 3. Arkansas Code § 24-6-202 is amended to read as follows:

24-6-202. Penalty.

(a) ~~Any~~ A person who knowingly makes ~~any a material false statements~~ statement or who materially falsifies or permits to be materially falsified any records of the State Police Retirement System or the Division of Arkansas State Police in an attempt to defraud the system as the result of that act upon conviction shall be is guilty of a ~~misdemeanor~~ felony.

(b) Upon conviction by a court, that person shall be guilty of a ~~Class A misdemeanor~~ Class D felony in accordance with § 5-55-301.

SECTION 4. Arkansas Code Title 24, Chapter 8, Subchapter 2, is amended to add an additional section to read as follows:

24-8-230. Penalty.

A person who knowingly makes a material false statement or who materially falsifies or permits to be materially falsified any record in an attempt to defraud the Arkansas Judicial Retirement System as the result of such an act upon conviction is guilty of a Class D felony in accordance with § 5-55-301.

SECTION 5. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the provisions of the Arkansas Code related to fraud against the government by making false statements and falsifying a governmental record need urgent revision to include fraud against a state supported retirement system; to increase the classification of the felony in order to dissuade the fraudster from making false claims or falsifying a governmental record to a state supported retirement system, fraudulent acts whose purpose is to deprive the member or retiree from retirement benefits and divert those benefits unlawfully to the fraudster; and to protect and safeguard the members and beneficiaries of the state supported retirement systems; that the revisions in this act are immediately necessary in order to allow timely referral to the Attorney General or the Sixth Judicial District Prosecuting Attorney so that they may criminally charge the fraudster as appropriate when these cases may otherwise worsen without said referral; and that this act is immediately necessary to preserve public peace and protect the assets of a state supported retirement system from criminal interference. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

/s/M. Shepherd