

House Bill 1119

Actuarial Cost Study prepared for
Joint Committee on Public Retirement and Social Security Programs
of the Arkansas 95th General Assembly

Provisions of the Bill

House Bill 1119 affects the reporting and collection of the employers in the Local Police and Fire Retirement System (LOPFI). A delinquency of payment in current law triggers the Treasurer of the State to withhold all money due to the system until the payment is made. House Bill 1119 adds reporting to the definition of delinquency and reduces the period of time to become delinquent from ten days to five days.

Based on discussion with staff, it is our understanding that since all reporting is now electronic and that the information is now provided to the employers earlier, this reduction in time is not a significant difference and will not create additional burden on the employers in LOPFI.

Fiscal Impact

We have reviewed the provisions of House Bill 1119 and it appears to us that this will increase administrative efficiency in the LOPFI system and not create any change in the benefits due to the participants and will not impact the cost for the employers in LOPFI.

Sincerely,



Jody Carreiro, ASA MAAA, EA, FCA
Actuary