

## House Bill 1210

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

### Provisions of the Bill

House Bill 1210 affects the reimbursement of administrative expenses for the Arkansas State Police Retirement System (ASPRS) and the Arkansas Judicial Retirement System (AJRS). Arkansas Public Employees Retirement System (APERS) provides administrative services for itself as well as ASPRS and AJRS. There is reimbursement to APERS for those services, but it is not included in Arkansas Law. House Bill 1210 defines a reimbursement formula and would amend various sections of code to document it.

### Fiscal Impact

We have reviewed the provisions of House Bill 1210 and the effect it would have on AJRS and ASPRS. Based on our review, the administrative expense reimbursement will increase for both systems. The reimbursement will now better reflect the administrative cost of each system. Current estimates are that the reimbursement will be about \$90,000 and \$150,000 more, respectively, beginning July 1, 2027. Therefore, net administrative expenses for APERS would decrease by the same amount. The provisions of this bill will not have an impact on the benefits paid to the participants in AJRS or ASPRS. The actuarial cost of AJRS and ASPRS will increase to reflect the added administrative expense. The amount of the increase would be about 0.3% of active payroll. A reduction for the APERS system would equivalently be about 0.1% of active payroll.

Sincerely,



Jody Carreiro, ASA MAAA, EA, FCA  
Actuary