

House Bill 1304

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 1304 affects the provisions of the Arkansas Public Employees Retirement System (APERS). The first section of the bill deals with the members' responsibility for updating their contact information. The members' responsibility already exists but this codifies it. It also details how and when the benefit is forfeited when there is no communication from the member. The rest of the bill deals with the correction of errors of information in the calculation of benefits and how they are corrected. It also details how the correction of underpayments or overpayments are handled. A five-year limitation period for the correction of errors is also included.

Fiscal Impact

We have reviewed the provisions of House Bill 1304 and the effect it would have on the benefits paid to participants in APERS. The provisions of the bill will not affect the vast majority of participants. It does provide some administrative ability to more efficiently deal with the issues that can arise and should provide some administrative cost savings. The provisions of this bill will not have an impact on the benefits paid to participants and will not have an impact on actuarial cost of APERS.

Sincerely,



Jody Carreiro, ASA MAAA, EA, FCA
Actuary