

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H2/5/25

A Bill

HOUSE BILL 1317

5 By: Representative M. Shepherd
6 By: Senator Gilmore
7

For An Act To Be Entitled

9 AN ACT TO AMEND LAWS CONCERNING FRAUD AGAINST THE
10 GOVERNMENT TO INCLUDE FRAUD AGAINST A STATE SUPPORTED
11 RETIREMENT SYSTEM; TO AMEND THE PENALTY FOR MAKING
12 FALSE STATEMENTS OR FALSIFYING RECORDS IN AN ATTEMPT
13 TO DEFRAUD A STATE SUPPORTED RETIREMENT SYSTEM; AND
14 FOR OTHER PURPOSES.
15
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Subtitle

17 TO AMEND LAWS CONCERNING FRAUD AGAINST
18 THE GOVERNMENT TO INCLUDE FRAUD AGAINST
19 A STATE SUPPORTED RETIREMENT SYSTEM.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 5-55-301 is amended to read as follows:
25 5-55-301. Penalty – Notice – Prosecution.

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

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

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

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

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



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

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

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

14 (1) The Attorney General; or

15 (2) The Sixth Judicial District Prosecuting Attorney.

16
 17 SECTION 2. Arkansas Code § 24-4-102 is amended to read as follows:

18 24-4-102. Penalty.

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

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

25 24-6-202. Penalty.

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

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

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

36 24-8-230. Penalty.

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

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

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

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

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

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33 /s/M. Shepherd
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