

1 State of Arkansas *As Engrossed: H3/4/15 H3/18/15*

2 90th General Assembly

A Bill

3 Regular Session, 2015

HOUSE BILL 1166

4

5 By: Joint Budget Committee

6

7

For An Act To Be Entitled

8

AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES

9

AND OPERATING EXPENSES FOR THE ARKANSAS PUBLIC

10

EMPLOYEES RETIREMENT SYSTEM FOR THE FISCAL YEAR

11

ENDING JUNE 30, 2016; AND FOR OTHER PURPOSES.

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Subtitle

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AN ACT FOR THE ARKANSAS PUBLIC EMPLOYEES

16

RETIREMENT SYSTEM APPROPRIATION FOR THE

17

2015-2016 FISCAL YEAR.

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

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22

SECTION 1. REGULAR SALARIES. There is hereby established for the
23 Arkansas Public Employees Retirement System for the 2015-2016 fiscal year,
24 the following maximum number of regular employees.

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Maximum Annual

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Maximum

Salary Rate

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Item Class

No. of

Fiscal Year

29

No. Code Title

Employees

2015-2016

30

(1) U014U APERS DIRECTOR

1

\$176,560

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(2) U078U APERS DEPUTY DIRECTOR

1

\$112,900

32

(3) A003N SENIOR INVESTMENT ANALYST

1

GRADE N910

33

(4) N096N APERS ASST DIRECTOR OF FINANCE

1

GRADE N906

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(5) *G042N APERS CHIEF LEGAL COUNSEL*

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GRADE N906

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(6) R003N APERS DIRECTOR OF BENEFITS ADMIN

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GRADE N906

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(7) D015N APERS DIRECTOR OF INFO TECHNOLOGY

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GRADE N906



1	(8)	G037N	APERS DIRECTOR OF OPERATIONS	1	GRADE N906
2	(9)	N159N	APERS INVESTMENT OPERATIONS MANAGER	1	GRADE N901
3	(10)	A027C	ACCOUNTING OPERATIONS MANAGER	1	GRADE C125
4	(11)	D030C	INFORMATION SYSTEMS COORDINATOR	1	GRADE C124
5	(12)	A034C	RETIREMENT SECTION MANAGER	3	GRADE C123
6	(13)	D044C	SYSTEMS ANALYST	1	GRADE C122
7	(14)	A052C	ACCOUNTING COORDINATOR	1	GRADE C121
8	(15)	A066C	INTERNAL AUDITOR	1	GRADE C119
9	(16)	A062C	RETIREMENT COORDINATOR	5	GRADE C119
10	(17)	R024C	ASSISTANT PERSONNEL MANAGER	1	GRADE C118
11	(18)	A082C	ACCOUNTANT II	9	GRADE C117
12	(19)	A079C	INVESTMENT ANALYST	4	GRADE C117
13	(20)	A078C	RETIREMENT COUNSELOR	15	GRADE C117
14	(21)	C022C	BUSINESS OPERATIONS SPECIALIST	1	GRADE C116
15	(22)	P031C	MEDIA SPECIALIST	1	GRADE C116
16	(23)	P027C	PUBLIC INFORMATION SPECIALIST	1	GRADE C116
17	(24)	A083C	RETIREMENT ANALYST	6	GRADE C116
18	(25)	X115C	SOCIAL SECURITY ANALYST	1	GRADE C116
19	(26)	R033C	BENEFITS ANALYST	1	GRADE C115
20	(27)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
21	(28)	C056C	ADMINISTRATIVE SPECIALIST III	2	GRADE C112
22	(29)	A098C	FISCAL SUPPORT SPECIALIST	13	GRADE C112
23	(30)	C073C	ADMINISTRATIVE SPECIALIST II	<u>4</u>	GRADE C109
24			MAX. NO. OF EMPLOYEES	82	

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26 SECTION 2. EXTRA HELP - PUBLIC EMPLOYEES RETIREMENT SYSTEM. There is
 27 hereby authorized, for the Arkansas Public Employees Retirement System for
 28 the 2015-2016 fiscal year, the following maximum number of part-time or
 29 temporary employees, to be known as "Extra Help", payable from funds
 30 appropriated herein for such purposes: six (6) temporary or part-time
 31 employees, when needed, at rates of pay not to exceed those provided in the
 32 Uniform Classification and Compensation Act, or its successor, or this act
 33 for the appropriate classification.

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35 SECTION 3. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT OPERATIONS.
 36 There is hereby appropriated, to the Arkansas Public Employees Retirement

1 System, to be payable from the Arkansas Public Employees' Retirement System
 2 Fund, for personal services and operating expenses of the Arkansas Public
 3 Employees Retirement System for the fiscal year ending June 30, 2016, the
 4 following:

6 ITEM	FISCAL YEAR
7 <u>NO.</u>	<u>2015-2016</u>
8 (01) REGULAR SALARIES	\$3,844,758
9 (02) EXTRA HELP	75,000
10 (03) PERSONAL SERVICES MATCHING	1,299,036
11 (04) MAINT. & GEN. OPERATION	
12 (A) OPER. EXPENSE	1,607,473
13 (B) CONF. & TRAVEL	42,500
14 (C) PROF. FEES	10,583,645
15 (D) CAP. OUTLAY	15,000
16 (E) DATA PROC.	0
17 (05) BENEFITS-NON EMPLOYEE	40,000,000
18 (06) REFUNDS/REIMBURSEMENTS	<u>85,000,000</u>
19 TOTAL AMOUNT APPROPRIATED	<u>\$142,467,412</u>

20
 21 SECTION 4. APPROPRIATION - PUBLIC EMPLOYEES RETIREMENT CASH. There is
 22 hereby appropriated, to the Arkansas Public Employees Retirement System, to
 23 be payable from cash funds as defined by Arkansas Code 19-4-801 of the
 24 Arkansas Public Employees Retirement System, for payment to beneficiaries by
 25 check or wired transfer by the Arkansas Public Employees Retirement System
 26 for the fiscal year ending June 30, 2016, the following:

28 ITEM	FISCAL YEAR
29 <u>NO.</u>	<u>2015-2016</u>
30 (01) BENEFITS	<u>\$500,000,000</u>

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 32 SECTION 5. APPROPRIATION - STATE POLICE RETIREMENT OPERATIONS. There
 33 is hereby appropriated, to the Arkansas Public Employees Retirement System,
 34 to be payable from the State Police Retirement Fund, for operating expenses
 35 of the State Police Retirement System by the Arkansas Public Employees
 36 Retirement System for the fiscal year ending June 30, 2016, the following:

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ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$77,610
(B) CONF. & TRAVEL	0
(C) PROF. FEES	265,950
(D) CAP. OUTLAY	0
(E) DATA PROC.	0
(02) BENEFITS-NON EMPLOYEE	10,000,000
(03) REFUNDS/REIMBURSEMENTS	<u>25,000,000</u>
TOTAL AMOUNT APPROPRIATED	<u><u>\$35,343,560</u></u>

SECTION 6. APPROPRIATION - STATE POLICE RETIREMENT CASH. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from cash funds as defined by Arkansas Code 19-4-801 of the Arkansas Public Employees Retirement System, for payment to beneficiaries of the State Police Retirement System by check or wired transfer by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) BENEFITS	<u><u>\$35,000,000</u></u>

SECTION 7. APPROPRIATION - JUDICIAL RETIREMENT OPERATIONS. There is hereby appropriated, to the Arkansas Public Employees Retirement System, to be payable from the Judges Retirement Fund, for operating expenses of the Judicial Retirement System by the Arkansas Public Employees Retirement System for the fiscal year ending June 30, 2016, the following:

ITEM	FISCAL YEAR
<u>NO.</u>	<u>2015-2016</u>
(01) MAINT. & GEN. OPERATION	
(A) OPER. EXPENSE	\$40,510
(B) CONF. & TRAVEL	0

1	(C) PROF. FEES	122,879
2	(D) CAP. OUTLAY	0
3	(E) DATA PROC.	0
4	(02) BENEFITS-NON EMPLOYEE	4,250,000
5	(03) REFUNDS/REIMBURSEMENTS	<u>6,250,000</u>
6	TOTAL AMOUNT APPROPRIATED	<u><u>\$10,663,389</u></u>

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 8 SECTION 8. APPROPRIATION - JUDICIAL RETIREMENT CASH. There is hereby
 9 appropriated, to the Arkansas Public Employees Retirement System, to be
 10 payable from cash funds as defined by Arkansas Code 19-4-801 of the Arkansas
 11 Public Employees Retirement System, for payment to beneficiaries of the
 12 Judicial Retirement System by check or wired transfer by the Arkansas Public
 13 Employees Retirement System for the fiscal year ending June 30, 2016, the
 14 following:

16	ITEM	FISCAL YEAR
17	<u>NO.</u>	<u>2015-2016</u>
18	(01) BENEFITS	<u><u>\$21,000,000</u></u>

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 20 SECTION 9. APPROPRIATION - APERS PENSION ADMINISTRATION SYSTEM. There
 21 is hereby appropriated, to the Arkansas Public Employees Retirement System,
 22 to be payable from the Arkansas Public Employees' Retirement System Fund, for
 23 the operational expenses, capital outlay, and professional fees and services
 24 relating to the development, acquisition, and implementation of a new APERS
 25 Pension Administration System of the Arkansas Public Employees Retirement
 26 System for the fiscal year ending June 30, 2016, the following:

28	ITEM	FISCAL YEAR
29	<u>NO.</u>	<u>2015-2016</u>
30	(01) COMPASS PENSION PROJECT	<u><u>\$21,000,000</u></u>

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 32 SECTION 10. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
 33 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. JUDICIAL
 34 RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$56,603~~ \$58,301 in the ~~2014-~~
 35 ~~2015~~ 2015-2016 fiscal year may be transferred from the Judges Retirement Fund
 36 to the Arkansas Public Employees Retirement System Fund for costs incurred by

1 the Arkansas Public Employees Retirement System in administering the Judicial
2 Retirement System. Such transfer request shall be made to the Chief Fiscal
3 Officer of the State, and upon his approval, said transfer shall be made on
4 his books and those of the Treasurer of the State and the Auditor of the
5 State.

6 The provisions of this section shall be in effect only from July 1, ~~2014~~
7 2015 through June 30, ~~2015~~ 2016.

8

9 SECTION 11. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. STATE
11 POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed ~~\$104,333~~ \$107,463 in
12 the ~~2014-2015~~ 2015-2016 fiscal year may be transferred from the State Police
13 Retirement Fund to the Arkansas Public Employees Retirement System Fund for
14 costs incurred by the Arkansas Public Employees Retirement System in
15 administering the State Police Retirement System. Such transfer request
16 shall be made to the Chief Fiscal Officer of the State, and upon his
17 approval, said transfer shall be made on his books and those of the Treasurer
18 of the State and the Auditor of the State.

19 The provisions of this section shall be in effect only from July 1, ~~2014~~
20 2015 through June 30, ~~2015~~ 2016.

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22 SECTION 12. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
23 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.
24 EXEMPTION FROM PRIOR REVIEW. The Arkansas Public Employees Retirement System
25 is hereby exempted from seeking prior review by the Arkansas Legislative
26 Council with regard to transfers between the Benefits line item in the Cash
27 Fund Appropriation and the Benefits-Non-Employee line item in the Operations
28 Appropriation which are specifically related to transfers necessitated by the
29 changes in retirees' selection of the method of payment of retirement
30 benefits. All other provisions of Arkansas Code §19-4-522 shall be
31 applicable.

32 The provisions of this section shall be in effect only from July 1, ~~2014~~
33 2015 through June 30, ~~2015~~ 2016.

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35 SECTION 13. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
36 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL

1 STATE POLICE RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
2 transferred from the State Police Retirement Fund to the Arkansas Public
3 Employees Retirement Fund to share in the costs incurred by the Arkansas
4 Public Employees Retirement System in the purchase and implementation of a
5 new pension administration system, which will be utilized to administer State
6 Police pension transactions for members and retirees. Said transfer shall
7 sunset at the end of fiscal year 2017. Such transfer request shall be made
8 to the Chief Fiscal officer of the State, and upon his approval, said
9 transfer shall be made on his books and those of the Treasurer of the State
10 and the Auditor of the State.

11 The provisions of this section shall be in full effect only from July
12 1, ~~2014~~ 2015 through June 30, ~~2015~~ 2016.

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14 SECTION 14. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
15 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. SPECIAL
16 JUDICIAL RETIREMENT FUND TRANSFERS. A sum not to exceed \$50,000 may be
17 transferred from the Judicial Retirement Fund to the Arkansas Public
18 Employees Retirement Fund to share in the costs incurred by the Arkansas
19 Public Employees Retirement System in the purchase and implementation of a
20 new pension administration system, which will be utilized to administer
21 Judicial pension transactions for members and retirees. Said transfer shall
22 sunset at the end of fiscal year 2017. Such transfer request shall be made to
23 the Chief Fiscal Officer of the State, and upon his approval, said transfer
24 shall be made on his books and those of the Treasurer of State and the
25 Auditor of the State.

26 The provisions of this section shall be in effect only from July 1,
27 ~~2014~~ 2015 through June 30, ~~2015~~ 2016.

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29 SECTION 15. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
30 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW.

31 ESTABLISHMENT OF A TEMPORARY "POSITION POOL"

32 (a) To address temporary staffing needs during the 16-17 biennium due
33 to the (1) implementing a new pension administration system (COMPASS) and (2)
34 meeting the new Governmental Accounting Standards Board (GASB) #67 (Financial
35 Reporting for Pension Plans) and #68 (Accounting and Financial Reporting for
36 Pensions) statements, the Arkansas Public Employees Retirement System is

1 authorized for the 2015-2016 fiscal year, a pool of no more than ten (10)
2 classified grade C117 level positions at base level pay of \$32,249 each.
3 Positions established during the 2015-2016 fiscal year would be continued
4 into the 2016-2017 fiscal year, along with the remainder of the available
5 positions in the pool. All positions would sunset as of 6/30/17. All
6 position advertisements shall clearly state the temporary employment period
7 and hired individuals shall sign a disclosure form acknowledging the 6/30/17
8 end date.

9 (b) The Arkansas Public Employees Retirement System is authorized to
10 access the pool positions authorized in this Section at any time it is
11 determined by the Executive Director that the need exists to provide for
12 continuity of services during those implementation heavy periods of time.
13 The Executive Director shall provide a quarterly report of the number of
14 positions utilized and associated salaries to the Chief Fiscal Officer of the
15 State and to the Arkansas Legislative Council for review.

16 (c) Determining the number of personnel to be employed by a state
17 agency is the prerogative of the General Assembly and is usually accompanied
18 by delineating the maximum number of personnel by identifying job titles and
19 the maximum grade or salary attached to those titles. The General Assembly
20 has determined that the Arkansas Public Employees Retirement System could
21 utilize these positions to better accomplish the major initiatives faced by
22 the Agency during the 16-17 biennium by providing the temporary position pool
23 in Subsection (a) of this Section. The General Assembly shall maintain
24 oversight of the utilization of the position pool by requiring review of the
25 Legislative Council. Therefore, the requirement of review by the Legislative
26 Council is not a severable part of this Section. If the requirement of
27 review is ruled unconstitutional by a court of competent jurisdiction, this
28 entire section is void.

29 The provisions of this section shall be in effect only from July 1,
30 2015 through June 30, 2016.

31
32 SECTION 16. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
33 authorized by this act shall be limited to the appropriation for such agency
34 and funds made available by law for the support of such appropriations; and
35 the restrictions of the State Procurement Law, the General Accounting and
36 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary

1 Procedures and Restrictions Act, or their successors, and other fiscal
2 control laws of this State, where applicable, and regulations promulgated by
3 the Department of Finance and Administration, as authorized by law, shall be
4 strictly complied with in disbursement of said funds.

5
6 SECTION 17. LEGISLATIVE INTENT. It is the intent of the General
7 Assembly that any funds disbursed under the authority of the appropriations
8 contained in this act shall be in compliance with the stated reasons for
9 which this act was adopted, as evidenced by the Agency Requests, Executive
10 Recommendations and Legislative Recommendations contained in the budget
11 manuals prepared by the Department of Finance and Administration, letters, or
12 summarized oral testimony in the official minutes of the Arkansas Legislative
13 Council or Joint Budget Committee which relate to its passage and adoption.

14
15 SECTION 18. EMERGENCY CLAUSE. It is found and determined by the
16 General Assembly, that the Constitution of the State of Arkansas prohibits
17 the appropriation of funds for more than a one (1) year period; that the
18 effectiveness of this Act on July 1, 2015 is essential to the operation of
19 the agency for which the appropriations in this Act are provided, and that in
20 the event of an extension of the legislative session, the delay in the
21 effective date of this Act beyond July 1, 2015 could work irreparable harm
22 upon the proper administration and provision of essential governmental
23 programs. Therefore, an emergency is hereby declared to exist and this Act
24 being necessary for the immediate preservation of the public peace, health
25 and safety shall be in full force and effect from and after July 1, 2015.

26
27 */s/Joint Budget Committee*

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30 **APPROVED: 03/27/2015**