

**EXECUTIVE DIRECTOR UPDATE**  
**Week Number One of the Legislative Session**  
**Plus 2017 BILLS AFFECTING ATRS**  
**January 13, 2017**

**Legislative Session Update, Status of  
ATRS Legislation and other bills affecting ATRS in the 91st General  
Assembly**

**The 91<sup>st</sup> General Assembly and the ATRS Bill Package**

On Monday, January 9, 2017, the 91<sup>st</sup> General Assembly of Arkansas began the General Session for 2017. In a general session, laws affecting any and all issues can be introduced as compared to the fiscal session in even numbered years that is essentially limited to fiscal issues and appropriations.

The Speaker of the House of Representatives is **Representative Jeremy Gilliam of Judsonia**. The President Pro Tempore of the Arkansas Senate is **Senator Jonathan Dismang of Beebe**. ATRS looks forward to the leadership and direction provided by these two hard-working and respected leaders of the 91st General Assembly.

ATRS is working closely with **Governor Hutchinson** and his staff on legislative issues already during this session. Governor Hutchinson always provides leadership and important input on retirement proposals and other issues that affect all Arkansans. ATRS appreciates Governor Hutchinson's input and advice on legislation.

Over the last year, the ATRS Board and staff has researched the ATRS laws and operations to ensure that ATRS was prepared to address any and all fiscal challenges that might arise. Over the last 2 years, the ATRS Board approved recommendations by the ATRS Operations Committee for proposals for the 91<sup>st</sup> General Assembly to consider. ATRS now has a legislative package of **20 bills** plus **SB76**, the ATRS appropriation bill for a total of **21 bills** to be considered on behalf of ATRS. ATRS is currently seeking sponsors for its 20 general bills. The Joint Budget Committee always sponsors the appropriation bills for state agencies.

ATRS typically has 15 to 20 general purpose bills in a legislative session, so the 21 bill package is not unusual. This executive director update will provide a basic summary of each bill. ATRS will provide at least a **weekly update** to keep you totally in the loop on the legislative issues affecting ATRS. ATRS expects several bills outside of the ATRS legislative package to be introduced that will impact ATRS. ATRS will explain the other bills and any concerns or benefits that the outside bills may have. ATRS works closely with members of the General

Assembly on legislation to ensure issues of interest to the General Assembly are properly addressed and ATRS is not harmed.

This is the update for week one of the General Assembly. The legislative activity was mostly organizational this week without much to report on the bill introduction front. ATRS added a new bill as a package bill this week. The bill was added at the suggestion of the executive director to adopt a best practice to ensure the internal auditor for ATRS has proper independence by having the ATRS Audit Committee, and not the executive director, perform the employee performance evaluation of the internal auditor. One member bill that impacts ATRS will be added to the tracked bills for the weekly updates. The bill was introduced by Senator Bart Hester. The bill tracks impacts/restricts investments in companies that are adverse to Israel.

Retirement legislation is usually introduced in the first 15 to 20 days of the legislative session since bills affecting benefits and operations of retirement systems are often complex and must be evaluated by the General Assembly's actuary and the actuaries of the public retirement systems. A quality actuarial report is vital to ensure retirement legislation is fully vetted and has a clear impact. The early introduction process leaves sufficient time for full actuarial review and thoughtful legislative action on retirement legislation. **It is shaping up to be a busy session for ATRS!**

### **Joint Public Retirement & Social Security Committee**

Almost all legislation affecting Arkansas' public retirement systems is assigned to the Joint Public Retirement & Social Security Programs Committee, commonly referred to as the Joint Retirement Committee. The Committee has 20 total members with 10 from the Arkansas House of Representatives and 10 from the Arkansas State Senate. The House also has ten (10) alternates to the Public Retirement Committee to serve if a House member is unavailable for the Committee meeting.

The Public Retirement Committee's leadership includes a House Co-Chair and a Senate Co-Chair along with a House Co-Vice Chair and a Senate Co-Vice Chair. The Chairmanship of the Committee alternates between the House and the Senate during the session. This Committee has the difficult but important task of sorting through numerous actuarial reports, pages of financial data, complex formulas, and information to ensure that the public retirement systems operate fairly and efficiently for members, employers, the state, and the public.

On Monday, Speaker of the House Gilliam named the 10 House members and 10 House alternates to the Joint Retirement Committee. Speaker of the House Gilliam also named the House Co-Chair and House Co-Vice Chair of Joint Retirement. **Representative Douglas House** was named the House Co-Chair. **Representative Gary Deffenbaugh** was named as House Co-Vice Chair of Joint Retirement. Representative Douglas House and Representative Gary Deffenbaugh will provide the Committee with experience, knowledge of retirement issues from a close perspective, legislative expertise, and a strong background in policy.

**Senator Bart Hester** is Senate Co-Chair. **Senator Blake Johnson**, is Senate Co-Vice Chair. Senator Bart Hester and Senator Blake Johnson are both experienced and ready to provide leadership and direction in the committee. All four leaders of the committee provide the Joint Retirement Committee with quality leadership, experience, knowledge of retirement issues, and command of the legislative process.

Both the House and Senate have named the members of the Joint Retirement Committee. The 10 House members of Joint Retirement provides both experience and energy. Five of the House members are returning members of the Retirement Committee and will provide both knowledge and preparation for the committee. The Arkansas State Senate had already named the 10 members to the Joint Retirement Committee from the Senate. Six of the Senators are returning members of the Retirement Committee and will provide a deep and experienced pool of knowledge for the Committee.

### **2017 Senate Members of Retirement Committee**

|                                   |                   |
|-----------------------------------|-------------------|
| Senator Bart Hester, Chair        | Cave Springs      |
| Senator Blake Johnson, Vice Chair | Corning           |
| Senator Larry Teague              | Nashville         |
| Senator Joyce Elliott             | Little Rock       |
| Senator Jason Rapert              | Conway            |
| Senator Bill Sample               | Hot Springs       |
| Senator Jeremy Hutchinson         | Little Rock       |
| Senator Eddie Cheatham            | Crossett          |
| Senator Linda Chesterfield        | Little Rock       |
| Senator Jane English              | North Little Rock |

The Arkansas House of Representatives has named the 10 members and 10 alternate members to the Public Retirement Committee from the House.

### **2017 House Members of Retirement Committee**

|   |                   |
|---|-------------------|
| Representative Douglas House, Chair         | North Little Rock |
| Representative Gary Deffenbaugh, Vice Chair | Van Buren         |
| Representative David Meeks, Chair           | Conway            |
| Representative Fred Allen                   | Little Rock       |
| Representative Ron McNair                   | Alpena            |
| Representative Bob Johnson                  | Jacksonville      |
| Representative Bruce Coleman                | Mountainburg      |
| Representative Clint Penzo                  | Springdale        |
| Representative Johnny Rye                   | Trumann           |
| Representative Les Warren                   | Hot Springs       |

**HOUSE ALTERNATES**

Representative Lane Jean  
Representative Les Eaves  
Representative Monte Hodges  
Representative Greg Leding  
Representative Richard Womack  
Representative Charlie Collins  
Representative Bruce Cozart  
Representative Charlene Fite  
Representative Michael John Gray  
Representative Rebecca Petty

Magnolia  
Searcy  
Blytheville  
Fayetteville  
Arkadelphia  
Fayetteville  
Hot Springs  
Van Buren  
Augusta  
Rogers