

Act 152 of the 1989 Regular Session.

Act 152

HB1381

By: Representative Barclay

"AN ACT TO AMEND THE ARKANSAS CODE TO AUTHORIZE BANK TRUST OFFICERS TO SERVE AS INVESTMENT ADVISERS TO LOCAL POLICE AND FIREFIGHTERS RETIREMENT PLANS; AND FOR OTHER PURPOSES."

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

SECTION 1. Arkansas Code 24-10-204(d) is hereby amended to read as follows:

"(d) The board shall appoint an investment adviser, as defined in Arkansas Code 24-10-402."

SECTION 2. Arkansas Code 24-10-402(a)(1)(B) is hereby amended to read as follows:

"(B) 'Investment adviser' means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities or who, for compensation, issues or promulgates analysis or reports concerning securities, and who is required to be registered as such with the Arkansas Securities Department. Furthermore, the term 'Investment adviser' includes officers of bank trust departments even though the officers are not required to be registered with the Arkansas Securities Department."

SECTION 3. Arkansas Code 24-11-410(c) is hereby amended to read as follows:

"(c) In those pension and relief funds in which assets exceed five hundred thousand dollars (\$500,000), the board of trustees may employ an investment adviser as defined in Arkansas Code 24-10-402 to invest the assets, subject to the terms, conditions, limitations, and restrictions imposed by law upon the Arkansas Local Police and Fire Retirement System, as provided by 24-10-401 - 24-10-409. Investments shall not be limited to interest-bearing bonds."

SECTION 4. Arkansas Code 24-11-805(d) is hereby amended to read as follows:

"(d) However, in those pension and relief funds in which assets exceed five hundred thousand dollars (\$500,000), the board of trustees may employ an investment adviser as defined in Arkansas Code 24-10-402 to invest the assets, subject to the terms, conditions, limitations, and restrictions imposed by law upon the Arkansas Local Police and Fire Retirement System, as provided by 24-10-401 - 24-10-409. Investments shall not be limited to interest-bearing bonds, certificates of deposit, and time deposits."

SECTION 5. All provisions of this Act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 6. All laws and parts of laws in conflict with this Act are hereby repealed.

SECTION 7. Emergency. It is hereby found and determined by the General Assembly that confusion exists regarding whether bank trust officers may serve as investment advisers to local police and fire pension funds; that it was never the intent that bank trust officers not be authorized to so act; that this Act clarifies the law to specifically authorize bank trust officers to serve as investment advisers to the local police and fire pension funds; and that this Act should be given effect immediately in order to eliminate the confusion. Therefore, an emergency is hereby declared to exist and this Act being immediately necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

APPROVED: February 21, 1989
