

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1023 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S1/31/05

A Bill

SENATE BILL 106

5 By: Senators Faris, J. Jeffress, J. Bookout

6 By: Representative Sullivan
7
8

9 **For An Act To Be Entitled**

10 AN ACT TO ALLOW AN INCREASE IN THE AMORTIZATION
11 PERIOD FOR UNFUNDED LIABILITIES IN THE STATE
12 POLICE RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.
13

14 **Subtitle**

15 AN ACT TO ALLOW AN INCREASE IN THE
16 AMORTIZATION PERIOD FOR UNFUNDED
17 LIABILITIES IN THE STATE POLICE
18 RETIREMENT SYSTEM.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. Arkansas Code § 24-6-209 is amended as follows:

24 24-6-209. Employer's contribution.

25 (a) The Department of Arkansas State Police, as employer, shall make
26 contributions to the State Police Retirement System of twenty-two percent
27 (22%) of active member payroll.

28 (b)(1) The Director of the Department of Finance and Administration,
29 at the request of the Executive Secretary of the State Police Retirement
30 System, is authorized and directed to make annual transfers on each June 30
31 to the State Police Retirement System from the remainder of insurance premium
32 taxes enumerated in § 19-6-301(27) before they are transferred to General
33 Revenues enumerated in § 19-6-201(19) the amounts of money necessary to
34 amortize ~~over a twenty five year period~~ the unfunded liabilities over a
35 period not to exceed thirty (30) years for those members not covered by the



1 provisions of § 24-6-401 et seq.

2 (2) These transfers are intended to cover the unfunded accrued
3 actuarial liabilities of the State Police Retirement System ~~existing on June~~
4 ~~30, 1997~~, and shall not be used for the purpose of providing any benefit
5 enhancements for the State Police Retirement System.

6 (3) Members of the Tier One State Police Retirement System shall
7 not be entitled to any benefit enhancements from these transfers unless funds
8 from sources other than insurance premium taxes are found to provide for the
9 retirement benefit enhancements.

10 (4) The amount of the transfer shall be determined by computing
11 the dollar amount required based on the actuarially determined employer rate
12 in the most recent annual actuarial valuation and subtracting from that
13 amount the statutory contribution amount specified in subsection (a) of this
14 section, the court fees provided by Acts 1995, No. 1256, and the driver's
15 license reinstatement fees provided by § 27-16-808.

16 (c)(1) The intent of this section is to provide for funding of any
17 amounts of unfunded accrued actuarial liabilities of the Tier One State
18 Police Retirement Fund existing on June 30, 1997.

19 (2) These transfers shall be limited in use solely for the
20 purpose of paying those liabilities and nothing more.

21 (3) In the event the transfers under this section exceed eight
22 hundred thousand dollars (\$800,000) per fiscal year, the Executive Secretary
23 of the State Police Retirement System shall notify the Joint Interim
24 Committee on Public Retirement and Social Security Programs which shall then
25 review the use of the funds and the benefit provisions of the systems and the
26 actuarial reports on the retirement systems to ensure compliance with the
27 intended purpose of the funds.

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29 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the
30 General Assembly of the State of Arkansas that for the effective
31 administration of this act and to avoid undue harm to the members and benefit
32 recipients of the State Police Retirement System that this act should become
33 effective on July 1, 2005. Therefore, an emergency is declared to exist and
34 this act being necessary for the preservation of the public peace, health,
35 and safety shall become effective on July 1, 2005.

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/s/ Faris

APPROVED: 3/18/2005