

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**

A Bill

ACT 757 OF 1993
HOUSE BILL 1328

4 **By: Representatives M. Wilson, Blair, Mullenix, McJunkin, and Watts**

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For An Act To Be Entitled

8 "AN ACT TO ESTABLISH THE ARKANSAS POLICE OFFICERS DEFERRED
9 OPTION PLAN; AND FOR OTHER PURPOSES."

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Subtitle

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12 "AN ACT TO ESTABLISH THE ARKANSAS POLICE OFFICERS DEFERRED
13 OPTION PLAN."

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

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17 SECTION 1. Deferred retirement option plan.

18 (a) In lieu of terminating employment and accepting a service
19 retirement pension pursuant to Arkansas Code Annotated §§24-11-401 et seq.,
20 any police officer who is a member of a policemen_s pension and relief fund
21 who has not less than twenty (20) years of credited service and who is
22 eligible to receive a service retirement pension may elect to participate in
23 the Arkansas Police Officers Deferred Option Plan and defer the receipts of
24 benefits in accordance with the provisions of this act, *provided the local*
25 *policeman's pension and relief fund board of trustees approves the*
26 *participation in the plan.*

27 (b) For purposes of this act, credited service shall include service
28 credit recognized pursuant to Arkansas Code Annotated §§24-11-401 et seq.

29 (c) The duration of participation in the Arkansas Police Officers
30 Deferred Option Plan for active police officers shall not exceed five (5)
31 years. At the conclusion of a member_s participation in the Arkansas Police
32 Officers Deferred Option Plan, the member shall terminate employment with all
33 participating municipalities as a police officer, and shall start receiving
34 the member_s accrued monthly retirement benefit from the policemen_s pension
35 and relief fund.

36 (d) When a member begins participation in the Arkansas Police Officers

1 Deferred Option Plan, the contribution of the police officer and the employer
2 contribution shall continue to be paid. Municipal *matching* contributions for
3 employees who elect the Arkansas Police Officers Deferred Option Plan shall be
4 credited equally to the policemen_s pension and relief fund and to the
5 Arkansas Police Officers Deferred Option Plan. The monthly retirement
6 benefits that would have been payable had the member elected to cease
7 employment and receive a service retirement shall be paid into the Arkansas
8 Police Officers Deferred Option Plan Account.

9 (e) (1) *The member's monthly retirement benefit shall not change, unless*
10 *the plan receives a benefit increase.*

11 (2) A member who participates in this plan shall earn interest at
12 a rate of two percentage points below the rate of return of the investment
13 portfolio of the policemen_s pension and relief fund, but no less than the
14 actuarial assumed interest rate as certified by the actuary. The interest
15 shall be credited to the individual account balance of the member on an annual
16 basis.

17 (f) A participant in the plan shall receive at the option of the
18 participant, a lump sum payment from the account equal to the payments to the
19 account, or a true annuity based upon the account of the participant or may
20 elect any other method of payment if approved by the board of trustees.

21 (g) If the participant dies during the period of participation in the
22 plan, a lump sum payment equal to the account balance of the participant shall
23 be paid.

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25 SECTION 2. All provisions of this act of a general and permanent nature
26 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
27 Revision Commission shall incorporate the same in the Code.

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29 SECTION 3. If any provision of this act or the application thereof to
30 any person or circumstance is held invalid, such invalidity shall not affect
31 other provisions or applications of the act which can be given effect without
32 the invalid provision or application, and to this end the provisions of this
33 act are declared to be severable.

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35 SECTION 4. All laws and parts of laws in conflict with this act are

1 hereby repealed.

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/s/Mike Wilson, et al

APPROVED: 3/26/93

As Engrossed: 2/5/93 3/11/93

HB 1328

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