	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 1316 of the Regular Session
1	State of Arkansas As Engrossed: S4/1/09
2	87th General Assembly A Bill
3	Regular Session, 2009SENATE BILL177
4	
5	By: Senator G. Jeffress
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7	
8	For An Act To Be Entitled
9	AN ACT TO AMEND THE REQUIREMENTS CONCERNING
10	MEMBERS BENEFITS UNDER THE LOCAL POLICE AND FIRE
11	RETIREMENT SYSTEM; AND FOR OTHER PURPOSES.
12	
13	Subtitle
14	TO AMEND THE REQUIREMENTS CONCERNING
15	MEMBERS BENEFITS UNDER THE LOCAL POLICE
16	AND FIRE RETIREMENT SYSTEM.
17	
18	
19	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21	SECTION 1. Arkansas Code § 24-10-404, concerning members' deposit
22	accounts in the Arkansas Local Police and Fire Retirement System, is amended
23	to add an additional subsection to read as follows:
24	(f)(1) For purposes of deferring federal and state income tax under
25	the Internal Revenue Code of 1986, 26 U.S.C. § 414(h)(2), as adopted by § 26-
26	51-414, the political subdivision that pays the salary of the member shall
27	pick up the members' contributions to the system as required by this section,
28	beginning with contributions made on and after July 1, 2009.
29	(2)(A) Member contributions paid by the applicable political
30	subdivision shall be paid from the same source of funds used for the payment
31	of salary to the member.
32	(B) A deduction shall be made from each member's salary,
33	equal to the amount of the member's contribution paid by the employer.
34	(3) For all other purposes, member contributions paid by the
35	political subdivision shall be considered member contributions.



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2	SECTION 2. Arkansas Code § 24-10-612(c)(3), as amended by Act 720 of
3	2009, concerning a redetermination of retirement benefits, is amended to read
4	as follows:
5	(3) <del>(A) Except as provided in subdivision (c)(3)(B) of this</del>
6	section, the The redetermination under subdivisions (c)(l) and (2) of this
7	section is applicable to all paid service members or their beneficiaries
8	receiving benefits under this subchapter.
9	(B) The redetermination under subdivisions (c)(1) and (2)
10	of this section does not apply to service members receiving benefits under §
11	<del>24-10-607.</del>
12	
13	SECTION 3. EMERGENCY CLAUSE. It is found and determined by the
14	General Assembly of the State of Arkansas that members under the Arkansas
15	Local Police and Fire Retirement System are currently paying income tax on
16	the employer's contribution to their retirement account; that other members
17	of state-supported retirement systems are not required to pay income tax on
18	their employer's contributions; and that the members of the Arkansas Local
19	Police and Fire Retirement System should receive pre-tax employer
20	contributions. Therefore, an emergency is declared to exist and this act
21	being necessary for the preservation of the public peace, health, and safety
22	shall become effective on July 1, 2009.
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24	/s/ G. Jeffress
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26	APPROVED: 4/9/2009
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