## ARKANSAS SENATE

87th General Assembly - Regular Session, 2009 **Amendment Form** 

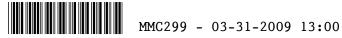
Subtitle of Senate Bill No. 177 "TO AMEND THE REQUIREMENTS CONCERNING MEMBERS BENEFITS UNDER THE LOCAL POLICE AND FIRE RETIREMENT SYSTEM." 

## Amendment No. 1 to Senate Bill No. 177.

Amend Senate Bill No. 177 as originally introduced:

Delete everything after the enacting clause and substitute the following: "SECTION 1. Arkansas Code § 24-10-404, concerning members' deposit accounts in the Arkansas Local Police and Fire Retirement System, is amended to add an additional subsection to read as follows:

- (f)(1) For purposes of deferring federal and state income tax under the Internal Revenue Code of 1986, 26 U.S.C. § 414(h)(2), as adopted by § 26-51-414, the political subdivision that pays the salary of the member shall pick up the members' contributions to the system as required by this section, beginning with contributions made on and after July 1, 2009.
- (2)(A) Member contributions paid by the applicable political subdivision shall be paid from the same source of funds used for the payment of salary to the member.
- (B) A deduction shall be made from each member's salary, equal to the amount of the member's contribution paid by the employer.
- (3) For all other purposes, member contributions paid by the political subdivision shall be considered member contributions.
- SECTION 2. Arkansas Code § 24-10-612(c)(3), as amended by Act 720 of 2009, concerning a redetermination of retirement benefits, is amended to read as follows:
- (3)(A) Except as provided in subdivision (c)(3)(B) of this section, the The redetermination under subdivisions (c)(1) and (2) of this section is applicable to all paid service members or their beneficiaries receiving benefits under this subchapter.
- (B) The redetermination under subdivisions (c)(1) and (2) of this section does not apply to service members receiving benefits under § 24-10-607.
- SECTION 3. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that members under the Arkansas Local Police and Fire Retirement System are currently paying income tax on the employer's contribution to their retirement account; that other members



**MMC299** 

Secretary