

Department of Finance and Administration

Legislative Impact Statement

Bill: SB169

Bill Subtitle: TO AMEND THE LAW CONCERNING THE ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM AND CERTAIN BENEFIT PROGRAMS.

Basic Change :

Senator B. Sample

This bill appears to allow current LOPFI members (active firefighter or police officer) that leave their position to become an instructor (on or after July 1, 2013), at either the Arkansas Fire Training Academy or the Arkansas Law Enforcement Training Academy, to remain a member of LOPFI system instead of being required to join APERS.

Revenue Impact :

Two Agencies affected (SAU Tech & ALETA) would make the 20% contribution to LOPFI instead of the 14.24% contribution to APERS. This would only be for those active LOPFI members who join the agencies on or after July 1, 2013. ALETA currently has 13 Training Instructor positions & 3 Training Supervisor positions with 1 vacancy. SAU TECH has 10 Training Instructor positions with 2 vacancies. If total turnover of the 26 positions was after July 1, 2013 the additional impact due to the 14.24% vs. 20% would be \$78,000 a year. (Based on an average \$50,000 salary).

Employee will contribute either 2.5% if participating in Social Security or 8.5% if not participating.

The Arkansas Fire Training Academy and the Arkansas Law Enforcement Training Academy are not eligible for participation in the receipt of or funding with premium tax revenues.

Taxpayer Impact :

None

Resources Required :

None

Time Required :

None

Procedural Changes :

Current active LOPFI members (firefighter or police officer) that leave their position to become an instructor (on or after July 1, 2013), at either the Arkansas Fire Training Academy or the Arkansas Law Enforcement Training Academy, will remain a member of LOPFI system instead of being required to join APERS.

Other Comments :

Does not impact number of current participants in LOPFI and will not add members, in this instance these members will not be in two retirement systems.

An Active LOPFI member can retire under these 3 circumstances:

- 28 years of service regardless of age; or
- Age 55 with 20 years of service; or
- Age 60 with at least 5 years of service

Legal Analysis :

None