

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representatives Hawkins, Wren and Fletcher**

A Bill

HOUSE BILL 2045

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE § 24-12-109 TO PROVIDE THE
9 BOARD OF TRUSTEES OF NONUNIFORMED MUNICIPAL EMPLOYEES
10 PENSION AND RELIEF FUNDS WITH MORE THAN ONE HUNDRED
11 THOUSAND DOLLARS (\$100,000) IN ASSETS WITH ADDITIONAL
12 INVESTMENT AUTHORITY; TO PROVIDE THAT EXCESS PENSION FUNDS
13 MAY BE TRANSFERRED TO THE CITY OR TOWN GENERAL FUND FOR
14 CAPITAL IMPROVEMENTS; AND FOR OTHER PURPOSES."

Subtitle

17 "AN ACT TO PROVIDE THE TRUSTEES OF NONUNIFORMED MUNICIPAL
18 EMPLOYEES PENSION FUNDS HAVING \$100,000 OR MORE IN ASSETS
19 WITH ADDITIONAL INVESTMENT AUTHORITY."

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

22
23 SECTION 1. Arkansas Code § 24-12-109 is hereby amended to read as
24 follows:

25 "24-12-109. Investment.

26 (a) The board of trustees shall have the power to draw sums from its
27 treasury to invest in the name of the board of trustees of the paid
28 nonuniformed employees pension and relief fund in interest-bearing bonds of
29 the United States, the State of Arkansas, and the city in which the board is
30 located.

31 (b) All securities shall be deposited with the treasurer of the board
32 of trustees of the pension and relief fund and shall be subject to the orders
33 of the board.

34 (c) In those nonuniformed employees pension and relief funds in which
35 assets exceed one hundred thousand dollars (\$100,000), the board of trustees

1 may employ an investment advisor as defined in Arkansas Code § 24-10-402 to
2 invest the assets, subject to the terms, conditions, limitations, and
3 restrictions imposed by law upon the Arkansas Local Police and Fire Retirement
4 System, as provided by Arkansas Code §§ 24-10-401 - 24-10-409. The investments
5 shall not be limited to interest-bearing bonds."

6

7 *SECTION 2. Any city or town whose local police or fire pension and*
8 *relief fund with a balance and no participants and excess in its local LOPFI*
9 *subsidy account can transfer money left in the subsidy account to the city or*
10 *town general fund for capital improvements.*

11

12 *SECTION 3. All provisions of this act of general and permanent nature*
13 *are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code*
14 *Revision Commission shall incorporate the same in the Code.*

15

16 *SECTION 4. If any provisions of this act or the application thereof to*
17 *any person or circumstance is held invalid, the invalidity shall not affect*
18 *other provisions or applications of the act which can be given effect without*
19 *the invalid provisions or application, and to this end the provisions of this*
20 *act are declared to be severable.*

21

22 *SECTION 5. All laws and parts of laws in conflict with this act are*
23 *hereby repealed.*

24

25 *SECTION 6. EMERGENCY. It is hereby found and determined by the General*
26 *Assembly that the current law relating to nonuniformed municipal employees*
27 *pension and relief funds does not grant the board of trustees adequate*
28 *latitude in the employment of an investment counselor and in investing the*
29 *funds; that this act gives the boards of trustees of some such pension and*
30 *relief funds the needed additional authority and should be given effect*
31 *immediately to enable the boards of trustees of such funds to assure that such*
32 *funds are as productive as possible. Therefore an emergency is hereby*
33 *declared to exist and this act being necessary for the preservation of the*
34 *public peace, health and safety shall be in full force and effect from and*
35 *after its passage and approval.*

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/s/Bruce Hawkins, et al