

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Moore**

A Bill

SENATE BILL 349

For An Act To Be Entitled

8 "AN ACT TO AMEND VARIOUS SECTIONS OF TITLE 24, CHAPTER 11,
9 SUBCHAPTER 4 AND SUBCHAPTER 8, REGARDING LOCAL POLICE AND
10 FIREMAN'S PENSION AND RELIEF FUNDS, TO PERMIT THE USE OF
11 PAYMENTS TO POLICE OFFICERS AND FIRE FIGHTERS FOR UNUSED
12 ACCRUED SICK LEAVE TO BE INCLUDED AS SALARY FOR
13 RETIREMENT PURPOSES IN CERTAIN LIMITED CONDITIONS; AND FOR
14 OTHER PURPOSES."

Subtitle

17 "AN ACT TO PERMIT POLICE AND FIREMAN TO USE PAYMENTS FOR
18 ACCRUED SICK LEAVE AS SALARY FOR RETIREMENT PURPOSES IN
19 CERTAIN LIMITED CONDITIONS."

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

22
23 SECTION 1. Arkansas Code § 24-11-422 is hereby amended to read as
24 follows:

25 "24-11-422. Benefits - Voluntary retirement.

26 (a) (1) Any member of a police department who has performed faithful
27 service for a period of at least twenty (20) years shall be eligible for
28 voluntary retirement and, upon written application by the member, the board of
29 trustees shall place him on the pension roll at one-half (1/2) the actual
30 salary based upon his highest salary year during his time of service.

31 (2) (A) (i) The term salary as used herein shall mean regular
32 salary only and shall not include, except as otherwise provided in subdivision
33 (a) (2) (ii) of this section, overtime pay, payments for unused accrued sick or
34 annual leave, or the cash value of any nonrecurring or unusual remuneration.

35 (ii) The term salary may include the payments to a

1 police officer for unused accrued sick leave not to exceed ninety (90) work
2 days recorded on the records of the city or town as of the officer_s date of
3 retirement, provided, the municipality agrees, by ordinance, to make adequate
4 contributions to the fund to cover the additional costs for the benefits from
5 the increased salary *and the fund is judged by an actuarial determination to*
6 *be actuarially sound.* The board of trustees shall determine the actuarial
7 costs of the payments for the unused accrued sick leave to the fund.

8 (B) The overtime exclusion shall not apply to a benefit
9 computed at any time on a salary year prior to June 28, 1985.

10 (b)(1) Any police officer who has more than twenty (20) years of
11 service at time of retirement shall be entitled to receive the sum of twenty
12 dollars (\$20.00) per month in addition to his regular retirement pay for each
13 full year worked over and above twenty (20) years. In no instance shall he
14 receive more than one hundred dollars (\$100) per month in addition to his
15 regular benefit.

16 (2) The increase in benefit levels provided in this subsection
17 for service beyond twenty (20) years shall apply only to those fire fighters
18 and police officers who retire on or after January 1, 1987.

19 (c) Any member of a department of a city which is divided by a street
20 state line from an incorporated city or town in an adjoining state, who is
21 eligible for voluntary retirement and who shall continue work for the
22 department, may receive the sum of twenty dollars (\$20.00) per month upon
23 retirement in addition to his regular monthly retirement pay for each
24 continuous year that he shall work over and above his twenty (20) years, but
25 in no instance shall he receive more than three hundred dollars (\$300) per
26 month in addition to his regular retirement pay."

27

28 SECTION 2. Arkansas Code § 24-11-432 is hereby amended to read as
29 follows:

30 "24-11-432. Additional benefits for certain officers hired prior to
31 January 1, 1983.

32 (a) Beginning July 1, 1987, in addition to the monthly pension benefits
33 as set forth in §§ 14-52-106, 24-11-401 - 24-11-403, 24-11-405 - 24-11-413,
34 24-11-416, 24-11-417, 24-11-421, 24-11-423, 24-11-425, 24-11-428, and
35 24-11-429, for those police officers hired prior to January 1, 1983, and who

1 continue to work beyond their twenty-fifth year, the member shall receive at
2 age sixty (60) years and thereafter a benefit on the amount equal to one and
3 one-fourth percent (1.25%) of final salary attached to the rank which he may
4 have held in the department preceding the date of retirement multiplied by the
5 number of years of service in excess of twenty-five (25) years, up to a
6 maximum total benefit of seventy-five percent (75%) of final salary.

7 (b) This benefit shall be payable to the member only and not to
8 surviving spouses or dependent children.

9 (c) (1) For the purposes of this section, salary means recurring pays
10 which are received for a regularly scheduled work week and shall not include,
11 except as otherwise provided in this subsection, payments for unused accrued
12 sick leave or annual leave, or the cash value of any nonrecurring or unusual
13 remunerations.

14 (2) The term salary may include the payments to those police
15 officers under this section for unused accrued sick leave not to exceed ninety
16 (90) work days recorded on the records of the city or town as of the officer's
17 date of retirement, provided, the municipality agrees, by ordinance, to make
18 adequate contributions to the fund to cover the additional costs for the
19 benefits from the increased salary and the fund is judged by an actuarial
20 determination to be actuarially sound. The board of trustees shall determine
21 the actuarial costs of the payments for the unused accrued sick leave to the
22 fund."

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24 SECTION 3. Arkansas Code § 24-11-818 is hereby amended to read as
25 follows:

26 "24-11-818. Benefits - Voluntary retirement.

27 (a) (1) (A) As used in this section, unless the context otherwise
28 requires, the term salary shall mean recurring pays which are received for
29 the fire fighter's regularly scheduled work week and shall not include, except
30 as otherwise provided in subdivision (a) (1) (B) of this section, payments for
31 unused accrued sick leave or annual leave or the cash value of any
32 nonrecurring or unusual remunerations.

33 (B) The term salary may include the payments to fire
34 fighter's for unused accrued sick leave not to exceed ninety (90) work days
35 recorded on the records of the city or town as of the fire fighter's date of

1 retirement, provided, the municipality agrees, by ordinance, to make adequate
2 contributions to the fund to cover the additional costs for the benefits from
3 the increased salary and the fund is judged by an actuarial determination to
4 be actuarially sound. The board of trustees shall determine the actuarial
5 costs of the payments for the unused accrued sick leave to the fund.

6 (2) Any pension fund member who has served in a fire department
7 in the State of Arkansas for a period of twenty (20) years or more, the last
8 five (5) years of which shall have been consecutive, shall be entitled to be
9 retired and receive from the fund a monthly pension equal to one-half (1/2) of
10 the salary attached to the rank he held as a volunteer, part-paid, or full-
11 paid member.

12 (b) Any fire fighter who shall have completed the period of service as
13 provided for in this section shall receive from the board a certificate
14 showing that he has completed the term of service required and is entitled to
15 participate in all the benefits provided for in this act upon compliance with,
16 and subject to, all the other terms and conditions of this act, whether he
17 severs his connections or continues in service at the expiration of the time
18 as set out above. The right to participate in the fund shall become a vested
19 right and shall not be lost by the termination of his services with or without
20 cause.

21 (c) Any full-paid fire fighter who is already retired shall not receive
22 less than two hundred fifty dollars (\$250) per month.

23 (d) (1) (A) Any full-paid fire fighter who has more than twenty (20)
24 years of service at the time of retirement shall be entitled to receive the
25 sum of twenty dollars (\$20.00) per month in addition to his regular retirement
26 pay for each full year worked over and above twenty (20) years. In no
27 instance shall he receive more than one hundred dollars (\$100) per month in
28 addition to his regular benefits.

29 (B) Any volunteer or part-paid fire fighter who has more
30 than twenty (20) years of service at the time of retirement shall be entitled
31 to receive the sum of ten dollars (\$10.00) per month in addition to his
32 regular retirement pay for each full year worked over and above twenty (20)
33 years. In no instance shall he receive more than fifty dollars (\$50.00) per
34 month in addition to his regular benefits.

35 (2) The increase in benefit levels provided in this subsection

1 for service beyond twenty (20) years shall apply only to those fire fighters
2 who retire on or after January 1, 1987.

3 (e) A volunteer or part-paid fire fighter who becomes a full-paid
4 member of his fire department shall be eligible to retire as a full-paid
5 member only if he shall have been employed as a full-paid member for a period
6 of at least five (5) years immediately prior to his retirement.

7 (f) (1) For purposes of this subsection, the term compensation shall
8 not include any money received by the retired fire fighter for replacement of
9 personal clothing or equipment destroyed during the performance of active
10 service to a fire department.

11 (2) Notwithstanding the provisions of subsection (a) of this
12 section or any other law to the contrary, a person retired from service of a
13 fire department may remain actively involved in the fire department provided
14 the person does not receive compensation for the service provided.

15 (3) Service to a fire department under subsection (f) (2) of this
16 section shall not cause any suspension of retirement benefits payable under §
17 24-11-801, et seq., nor shall such service be interpreted by any board
18 administering funds under § 24-11-801, et seq., as a reinstatement of
19 employment in a fire department."
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21 SECTION 4. Arkansas Code § 24-11-826 is hereby amended to read as
22 follows:

23 "24-11-826. Additional benefits for certain fire fighters hired prior
24 to January 1, 1983.

25 (a) Beginning July 1, 1987, in addition to the monthly pension benefits
26 as set forth in §§ 24-11-801 - 24-11-807, 24-11-809, 24-11-810, 24-11-812 -
27 24-11-815, 24-11-818, 24-11-820, and 24-11-821, for those fire fighters hired
28 prior to January 1, 1983, and who continue to work beyond their twenty-fifth
29 (25th) year, the member shall receive at age sixty (60) years and thereafter a
30 benefit on the amount equal to one and one-fourth percent (1.25%) of final
31 salary attached to the rank which he may have held in the department preceding
32 the date of retirement multiplied by the number of years of service in excess
33 of twenty-five (25) years, up to a maximum total benefit of seventy-five
34 percent (75%) of final salary, provided that the maximum seventy-five percent
35 (75%) of final salary shall no longer apply to benefits payable on April 30,

1 1991, and thereafter to persons retiring henceforth and to those persons who
2 retired on or after July 1, 1987. However, in no case shall the benefit
3 payment exceed one hundred percent (100%) of final salary.

4 (b) This benefit shall be payable to the member only and not to
5 surviving spouses or dependent children.

6 (c) (1) For the purposes of this section, salary means recurring pays
7 which are received for a regularly scheduled work week and shall not include,
8 except as otherwise provided in this subsection, payments for unused accrued
9 sick leave or annual leave, or the cash value of any nonrecurring or unusual
10 remunerations.

11 (2) The term salary may include the payments to those fire
12 fighter_s under this section for unused accrued sick leave not to exceed
13 ninety (90) work days recorded on the records of the city or town as of the
14 fire fighter_s date of retirement, provided, the municipality agrees, by
15 ordinance, to make adequate contributions to the fund to cover the additional
16 costs for the benefits from the increased salary and the fund is judged by an
17 actuarial determination to be actuarially sound. The board of trustees shall
18 determine the actuarial costs of the payments for the unused accrued sick
19 leave to the fund."

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21 SECTION 5. All provisions of this act of general and permanent nature
22 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
23 Revision Commission shall incorporate the same in the Code.

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25 SECTION 6. If any provisions of this act or the application thereof to
26 any person or circumstance is held invalid, the invalidity shall not affect
27 other provisions or applications of the act which can be given effect without
28 the invalid provisions or application, and to this end the provisions of this
29 act are declared to be severable.

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31 SECTION 7. All laws and parts of laws in conflict with this act are
32 hereby repealed.

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34 SECTION 8. Emergency. It is hereby found and determined by the
35 Seventy-Ninth General Assembly of the State of Arkansas that allowing unused,

1 accrued sick leave to be counted as salary for retirement purposes will
2 enhance the municipal police officers_ and fire fighters program for
3 retirement; that police officers and fireman will thereby be motivated to work
4 more productive hours with less absenteeism; and that the use of unused,
5 accrued sick leave for retirement salaries is necessary for the most efficient
6 and effective operation of the municipal police and fire departments of
7 Arkansas. Therefore, in order to achieve the maximum use of municipal police
8 officers_ and fire fighters services, an emergency is hereby declared to
9 exist, and this act being necessary for the immediate preservation of the
10 public peace, health, and safety, shall be in full force and effect from and
11 after its passage and approval.

12 /s/ Senator Moore

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