

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.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003  
4

As Engrossed: H3/25/03 H4/7/03

# A Bill

HOUSE BILL 1228

5 By: Representative R. Smith  
6 By: Senators J. Bookout, J. Jeffress, Faris  
7

## For An Act To Be Entitled

10 AN ACT TO PROVIDE THAT MEMBERS OF THE DEFERRED  
11 RETIREMENT OPTION PLAN FOR POLICE PENSION AND  
12 RELIEF FUNDS MAY REMAIN EMPLOYED AT THE  
13 CONCLUSION OF THE DROP PERIOD; AND FOR OTHER  
14 PURPOSES.

### Subtitle

16 TO PROVIDE THAT MEMBERS OF THE DEFERRED  
17 RETIREMENT OPTION PLAN FOR POLICE  
18 PENSION AND RELIEF FUNDS MAY REMAIN  
19 EMPLOYED AT THE CONCLUSION OF THE DROP  
20 PERIOD.  
21

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23  
24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
25

26 SECTION 1. Arkansas Code § 24-11-434(c), concerning the deferred  
27 retirement option plan for police pension and relief funds, is amended to  
28 read as follows:

29 (c)(1) ~~At~~ Except under subdivision (c)(2) of this section, at the  
30 conclusion of a member's participation in the plan, the member shall  
31 terminate employment with all participating municipalities as a police  
32 officer and shall start receiving the member's accrued monthly retirement  
33 benefit from the policemen's pension and relief fund.

34 (2) If a member is at the conclusion of a member's  
35 participation in the plan, then the member may continue employment by a  
36 municipality under the following conditions:



1 (A) The municipality makes continued employment available  
 2 to all similarly situated members;

3 (B) The availability of continued employment is approved  
 4 by a majority vote of the governing body of the sponsoring municipality after  
 5 receiving approval for an increase in benefits under § 24-11-102;

6 (C) The monthly benefit that is credited to the member's  
 7 plan account is discontinued and the member shall not receive a monthly  
 8 benefit until the member actually ceases employment;

9 (D) The interest rate credited to the plan account is the  
 10 same paid as under subdivision (e)(2) of this section, except the minimum  
 11 rate is zero percent (0%);

12 (E) The employer's matching contribution of six percent  
 13 (6%) shall cease, all other employer contributions shall continue and be  
 14 credited to the pension and relief fund; and

15 (F) The employee contributions of six percent (6%) shall  
 16 discontinue.

17  
 18 SECTION 2. Arkansas Code § 24-11-434(i), concerning the interest  
 19 penalties for the 10-year extension of the deferred retirement option plan  
 20 accounts for police pension and relief funds, is repealed.

21 ~~(i) Participants in the plan subject to the extended ten-year service~~  
 22 ~~limit shall forfeit a portion of the extended service benefits earned,~~  
 23 ~~specifically limited to only the interest and employer contributions'~~  
 24 ~~portions which have been credited to the plan account, under the plan beyond~~  
 25 ~~the first five (5) years of participation should the participant terminate~~  
 26 ~~employment during the extended service time, absent death or disability, as~~  
 27 ~~follows:~~

28 ~~(1) Forfeit eighty percent (80%) if termination occurs in the~~  
 29 ~~sixth year of participation;~~

30 ~~(2) Forfeit sixty percent (60%) if termination occurs in the~~  
 31 ~~seventh year of participation;~~

32 ~~(3) Forfeit forty percent (40%) if termination occurs in the~~  
 33 ~~eighth year of participation; and~~

34 ~~(4) Forfeit twenty percent (20%) if termination occurs in the~~  
 35 ~~ninth year of participation.~~

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