

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

A Bill

HOUSE BILL 1228

5 By: Representative R. Smith
6 *By: Senators J. Bookout, J. Jeffress, Faris*
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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.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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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 participation
35 in the plan, then the member may continue employment by a municipality
36 participating in the plan under the following conditions:



1 (A) The continued employment is approved by a majority
 2 vote of the governing body of the sponsoring municipality available to all
 3 members after receiving approval for an increase in benefits under § 24-11-
 4 102;

5 (B) The monthly benefit that is credited to the member's
 6 plan account is ninety percent (90%) of the amount credited during the second
 7 five (5) years of participation;

8 (C) The continued employment shall last until age sixty-
 9 five (65) or five (5) additional years, whichever is earlier;

10 (D) The interest rate credited to the plan account is the
 11 same as in the second five (5) years of participation;

12 (E) The employer contributions continue and are credited
 13 to the pension and relief fund; and

14 (F) The sponsoring municipality has population of less
 15 than one hundred thousand (100,000) according to the latest federal decennial
 16 census.

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 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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