

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

# A Bill

**ACT 546 OF 1993**  
**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

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

20  
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  
36 police officer for unused accrued sick leave not to exceed ninety (90) work

1 days recorded on the records of the city or town as of the officer\_s date of  
2 retirement, provided, the municipality agrees, by ordinance, to make adequate  
3 contributions to the fund to cover the additional costs for the benefits from  
4 the increased salary *and the fund is judged by an actuarial determination to*  
5 *be actuarially sound.* The board of trustees shall determine the actuarial  
6 costs of the payments for the unused accrued sick leave to the fund.

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

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

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

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

26

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

29 "24-11-432. Additional benefits for certain officers hired prior to  
30 January 1, 1983.

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

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

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

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

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

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

25 "24-11-818. Benefits - Voluntary retirement.

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

32 (B) The term salary may include the payments to fire  
33 fighter's for unused accrued sick leave not to exceed ninety (90) work days  
34 recorded on the records of the city or town as of the fire fighter's date of  
35 retirement, provided, the municipality agrees, by ordinance, to make adequate

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

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

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

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

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

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

34 (2) The increase in benefit levels provided in this subsection  
35 for service beyond twenty (20) years shall apply only to those fire fighters

1 who retire on or after January 1, 1987.

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

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

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

14 (3) Service to a fire department under subsection (f)(2) of this  
15 section shall not cause any suspension of retirement benefits payable under §  
16 24-11-801, et seq., nor shall such service be interpreted by any board  
17 administering funds under § 24-11-801, et seq., as a reinstatement of  
18 employment in a fire department."

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20 SECTION 4. Arkansas Code § 24-11-826 is hereby amended to read as  
21 follows:

22 "24-11-826. Additional benefits for certain fire fighters hired prior  
23 to January 1, 1983.

24 (a) Beginning July 1, 1987, in addition to the monthly pension benefits  
25 as set forth in §§ 24-11-801 - 24-11-807, 24-11-809, 24-11-810, 24-11-812 -  
26 24-11-815, 24-11-818, 24-11-820, and 24-11-821, for those fire fighters hired  
27 prior to January 1, 1983, and who continue to work beyond their twenty-fifth  
28 (25th) year, the member shall receive at age sixty (60) years and thereafter a  
29 benefit on the amount equal to one and one-fourth percent (1.25%) of final  
30 salary attached to the rank which he may have held in the department preceding  
31 the date of retirement multiplied by the number of years of service in excess  
32 of twenty-five (25) years, up to a maximum total benefit of seventy-five  
33 percent (75%) of final salary, provided that the maximum seventy-five percent  
34 (75%) of final salary shall no longer apply to benefits payable on April 30,  
35 1991, and thereafter to persons retiring henceforth and to those persons who

1 retired on or after July 1, 1987. However, in no case shall the benefit  
2 payment exceed one hundred percent (100%) of final salary.

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

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

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

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

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

29

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

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33 SECTION 8. Emergency. It is hereby found and determined by the  
34 Seventy-Ninth General Assembly of the State of Arkansas that allowing unused,  
35 accrued sick leave to be counted as salary for retirement purposes will

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

11 */s/ Senator Moore*

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13 APPROVED: 03-16-93

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