

As Engrossed: 2/24/95 3/7/95

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Senator Bell**

A Bill

ACT 1012 OF 1995
SENATE BILL 420

For An Act To Be Entitled

8 "AN ACT TO PROVIDE THAT MUNICIPAL POLICE RETIREMENT
9 SYSTEMS WHICH NO LONGER ACCEPT MEMBERS AND WHICH HAS OVER
10 400% OF ITS RETIRED LIFE LIABILITIES COVERED BY ASSETS MAY
11 BUY OUT THE BENEFICIARIES OR OTHERWISE PROVIDE FOR THE
12 BENEFICIARIES AND THEREAFTER BE DISSOLVED; AND FOR OTHER
13 PURPOSES."

Subtitle

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16 "TO PROVIDE THAT CERTAIN OVERFUNDED
17 MUNICIPAL POLICE RETIREMENT SYSTEMS
18 WHICH NO LONGER ACCEPT MEMBERS MAY BUY
19 OUT THE BENEFICIARIES OR OTHERWISE
20 PROVIDE FOR THE BENEFICIARIES AND
21 THEREAFTER BE DISSOLVED."

22
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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25 *SECTION 1. Any first class city which has a local police pension and*
26 *relief fund which covers only retired members, no longer accepts new members,*
27 *and has over four hundred (400) percent of its retired life liabilities*
28 *covered by assets, may use those funds to buy out the beneficiaries or*
29 *otherwise assure that the beneficiaries will receive all benefits to which*
30 *entitled under the plan. Thereafter the city may by ordinance dissolve the*
31 *police retirement plan and transfer all surplus funds to the city treasury to*
32 *be used solely for capital improvements of the city. All turnback funds from*
33 *insurance premium taxes or other sources which the municipal police retirement*
34 *plan or the city previously received to help fund the retirement plan shall*
35 *thereafter be remitted to the city to be used for retirement benefits for*
36 *uniformed and non-uniformed employees.*

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SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. It is hereby found and determined by the General Assembly that some cities have police retirement plans which no longer accept new members and which are overfunded; that the surplus revenues should be put to beneficial use; that this act will establish the mechanism for putting those funds to beneficial use for the citizens of the city; and that this act should go into effect as soon as possible to provide desperately needed funds to the municipalities affected hereby. Therefore, an emergency is hereby declared to exist and this act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

/s/Bell

BECAME LAW WITHOUT GOVERNOR'S SIGNATURE: 4-10-95

