

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997  
4  
5 By: Senator Bradford

# A Bill

ACT 554 OF 1997  
SENATE BILL 132

## For An Act To Be Entitled

9 "AN ACT TO PRESCRIBE THE PURPOSE FOR ALL RETIREMENT  
10 SYSTEMS FOR CITIES AND OTHER POLITICAL SUBDIVISIONS OF THE  
11 STATE OF ARKANSAS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
12 PURPOSES."

## Subtitle

15 "TO PRESCRIBE THE PURPOSE FOR RETIREMENT  
16 SYSTEMS OF CITIES AND OTHER POLITICAL  
17 SUBDIVISIONS OF THE STATE."

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

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22 SECTION 1. All assets and income of any retirement system of a city or  
23 other political subdivision of the State of Arkansas shall be held, invested,  
24 or disbursed for the exclusive purpose of providing for benefits, investment  
25 management, and administrative expenses and shall not be encumbered for or  
26 diverted to any other purposes.

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

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

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 All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. Emergency. It is hereby found and determined by the Eighty-First General Assembly of the State of Arkansas that the fiscal soundness of the various retirement systems of cities and other political subdivisions of the state is vital to the operation of Arkansas governments; that the proper fiscal management of public retirement systems promotes the goal of good government and provides public employees with an incentive to perform efficiently and effectively; and that any delay in implementing a policy of sound fiscal management with regard to retirement systems of cities and other political subdivisions of the state could result in a financial disaster for any marginally financed retirement system in Arkansas. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health and safety shall become effective on the date of its approval by the Governor. If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill. If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.

APPROVED:3-17-97