

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.

Act 1056 of the Regular Session

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: H3/5/07

A Bill

HOUSE BILL 1099

5 By: Representative Harris
6
7

8 **For An Act To Be Entitled**

9 AN ACT CONCERNING THE ARKANSAS FIRE AND POLICE
10 PENSION REVIEW BOARD TO REQUIRE CERTAIN PENSION
11 FUNDS TO CONSOLIDATE WITH THE BOARD OF TRUSTEES
12 OF THE ARKANSAS LOCAL POLICE AND FIRE RETIREMENT
13 SYSTEM; TO REQUIRE A COMPOUND COST-OF-LIVING
14 ADJUSTMENT UPON CONSOLIDATION; AND FOR OTHER
15 PURPOSES.
16

17 **Subtitle**

18 CONCERNING THE FIRE AND POLICE PENSION
19 REVIEW BOARD TO REQUIRE CERTAIN PENSION
20 FUNDS TO CONSOLIDATE WITH THE LOCAL
21 POLICE AND FIRE RETIREMENT SYSTEM; TO
22 REQUIRE A COMPOUND COST-OF-LIVING
23 ADJUSTMENT UPON CONSOLIDATION.
24
25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
27

28 *SECTION 1. Arkansas Code § 24-11-406(a), concerning administration of*
29 *small funds, is amended to read as follows:*

30 *(a)(1) In those local police pension and relief funds which cover*
31 *fewer than ~~four (4) active~~ five (5) members, a local board of trustees may no*
32 *longer exist, and the fund ~~may~~ shall be designated as inactive by the*
33 *employer.*

34 *(2) As used in this section, "member" includes an active member*
35 *or a retired member of the fund described in subdivision (a)(1) of this*



1 section but does not include beneficiaries.

2
3 SECTION 2. Arkansas Code § 24-11-406(b)(4)(A), concerning benefit
4 amendments, is amended to read as follows:

5 (4)(A) ~~No benefit amendments shall be made in benefits payable~~
6 ~~from the inactive fund under the administration of the system~~ Retired members
7 and beneficiaries of any inactive fund under administration of the system
8 that was actuarially sound before being designated inactive shall be eligible
9 for annual redetermination of benefits as defined in § 24-10-612.

10
11 SECTION 3. Arkansas Code § 24-11-804(a), concerning administration of
12 small funds, is amended to read as follows:

13 (a)(1) In those local police pension and relief funds which cover
14 fewer than ~~four (4) active~~ five (5) members, a local board of trustees may no
15 longer exist, and the fund ~~may~~ shall be designated as inactive by the
16 employer.

17 (2) As used in this section, "member" includes an active member
18 or a retired member of the fund described in subdivision (a)(1) of this
19 section but does not include beneficiaries.

20
21 SECTION 4. Arkansas Code § 24-11-804(b)(3)(B), concerning benefit
22 amendments, is amended to read as follows:

23 (B) ~~No benefit amendments shall be made in benefits~~
24 ~~payable from the inactive fund under the administration of the system~~ Retired
25 members and beneficiaries of any inactive fund under administration of the
26 system that was actuarially sound before being designated inactive shall be
27 eligible for annual redetermination of benefits as defined in § 24-10-612.

28
29 SECTION 5. Arkansas Code § 24-10-411 is repealed.

30 ~~24-10-411. Transfer of subsidy account funds.~~

31 ~~Any city or town whose local police pension and relief fund or firemen's~~
32 ~~relief and pension fund has a balance, no participants, and an excess in its~~
33 ~~local Arkansas Local Police and Fire Retirement System subsidy account can~~
34 ~~transfer money left in the subsidy account to the city or town general fund~~
35 ~~for capital improvements.~~

36 /s/ Harris

APPROVED: 4/4/2007