

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

As Engrossed: S2/19/97 S2/28/97

A Bill

ACT 571 OF 1997
SENATE BILL 398

4
5 By: Senator Scott
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For An Act To Be Entitled

9 "AN ACT TO PROVIDE FOR ADDITIONAL SOURCES OF FUNDING FOR
10 THE MUNICIPAL COURT JUDGES AND COURT CLERKS RETIREMENT
11 BENEFITS CREATED BY SUBCHAPTER 3 OF TITLE 24, CHAPTER 8 OF
12 THE ARKANSAS CODE OF 1987, ANNOTATED; TO DECLARE AN
13 EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

14
15 "TO PROVIDE ADDITIONAL FUNDING SOURCES
16 FOR THE MUNICIPAL COURT JUDGES AND COURT
17 CLERKS RETIREMENT BENEFITS."
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19
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. (a) After the repeal of Arkansas Code § 24-8-303 providing
23 for the levy of court costs to fund the municipal court judges and clerks
24 retirement fund, a municipality having provided for retirement benefits for
25 municipal court judges and court clerks in accordance with Subchapter 3 of
26 Title 24, Chapter 8 of the Arkansas Code of 1987, Annotated, (Act 432 of 1973,
27 as amended) shall continue to provide funds for the retirement benefits in
28 that subchapter in accordance with the funding provisions of Section 11 of Act
29 1256 of 1995, as long as those provisions allow. Those funds and any
30 additional funds provided for by this act, if levied by the municipality,
31 shall be to provide for the retirement benefits in that subchapter.

32 (b) The funds for the municipal court judge and clerk retirement fund
33 provided for by Section 11 of Act 1256 of 1995 and any additional funds for
34 municipal court judge and court clerk retirement benefits provided for by this
35 act, if levied by the municipality, shall be paid to the city treasurer, who
36 shall place them into an account as provided for in Subchapter 3 of Title 24,

1 Chapter 8 of the Arkansas Code of 1987, Annotated.

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3 SECTION 2. (a) In addition to the funds for the municipal court judge
4 and clerk retirement fund provided for by Section 11 of Act 1256 of 1995, if
5 the municipal judges retirement board of trustees determines by actuarial
6 valuation that the account will not be able to meet its financial objective of
7 paying for its current and any projected retirement benefits, a municipality
8 may, beginning January 1, 1998, also add to the account, by city ordinance,
9 any, or all, of the following moneys:

10 (1) up to five percent (5%) of all fines and forfeitures collected by
11 the municipal court or by the city for violations of municipal ordinances or
12 state laws; and

13 (2) An annual contribution from the city's general fund in an amount
14 recommended by actuarial valuation to meet its projected financial obligation.

15 (3) a one-time or occasional lump-sum payments from the city's general
16 fund in an amount determined by the city governing body, along with any
17 payments or contributions from the county when the city and county share
18 expenses and costs of a county-wide court.

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20 SECTION 3. 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 4. 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.

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30 SECTION 5. All laws and parts of laws in conflict with this act are
31 hereby repealed.

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33 SECTION 6. Emergency. It is hereby found and determined by the
34 Eighty-First General Assembly of the State of Arkansas that Act 1256 of 1995
35 repealed Arkansas Code § 24-8-303 and effectively capped the court costs
36 funding mechanism used to fund the retirement benefits for municipal court

1 judges and court clerks; that the use of court costs alone does not provide an
2 adequate source of funding for the municipal judges' and court clerks'
3 retirement benefits; that retirement benefits costs are continuing to rise
4 faster than the current funding sources; and that it is sound financial
5 planning and necessary to prevent financial disaster to Arkansas cities' to
6 provide a broader financial base through additional sources of funding for
7 these municipal retirement benefits. Therefore, in order to promote a sound
8 financial plan and prevent financial disaster for Arkansas' cities, an
9 emergency is hereby declared to exist, and this act being necessary for the
10 immediate preservation of the public peace, health, and safety, shall be in
11 full force and effect from and after its passage and approval.

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/s/Scott

APPROVED:3-17-97