

**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 259 of the Regular Session**

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4
5 By: Senator G. Jeffress
6
7

A Bill

SENATE BILL 186

For An Act To Be Entitled

AN ACT TO AMEND THE PREMIUM TAX ALLOCATIONS SO
THAT A LOCAL PLAN THAT CONSOLIDATES WITH THE
ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM
CONTINUES TO RECEIVE THE SAME PREMIUM TAX DOLLAR
AMOUNT AND OTHER INCOME; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE PREMIUM TAX ALLOCATIONS SO
THAT A LOCAL PLAN THAT CONSOLIDATES WITH
THE ARKANSAS LOCAL POLICE AND FIRE
RETIREMENT SYSTEM CONTINUES TO RECEIVE
THE SAME AMOUNT IN ADDITION TO OTHER
INCOME.

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

SECTION 1. Arkansas Code § 24-11-214(e)(6), concerning the allocation of the insurance premium tax and its division among localities, is amended to read as follows:

(6)(A) A percentage called the "minimum percentage covered" shall be determined as the lesser of:

(i) The calendar year 2002 percentage of costs covered by premium tax; or

(ii) One hundred percent (100%).

(B) This minimum percentage covered shall be determined separately for the fire portion, for the police portion, and for the combined



1 total.

2 (C) The minimum percentage covered shall be a fixed
3 percentage and shall not change over time, except as provided in subdivision
4 (e)(6)(E) of this section.

5 (D) The minimum percentage covered for the volunteer
6 portion of the actuarial cost for a calendar year in the Arkansas Local
7 Police and Fire Retirement System shall be one hundred percent (100%)~~+~~.

8 (E)(i) The minimum percentage covered shall be adjusted
9 when a local fire or police pension fund assigns administrative
10 responsibility for the fund to the Arkansas Local Police and Fire Retirement
11 System under §§ 24-10-301 and 24-10-302.

12 (ii) The minimum percentage covered shall be
13 adjusted so that the dollar amount of premium tax allocated under this
14 section for the year after the assignment of administrative responsibility
15 will be the same as it was the year of the assignment of administrative
16 responsibility.

17 (iii) For the purpose of this adjustment,
18 subdivision (b)(2)(D) of this section does not apply to the addition of a
19 cost of living adjustment of three percent (3%) compounded each year,
20 provided the addition was a part of the consolidation process;

21
22 SECTION 2. Arkansas Code § 24-11-413 is amended to read as follows:
23 24-11-413. Moneys added to fund – Contributions.

24 (a) There shall be added to the policemen's pension and relief fund
25 the following moneys:

26 (1) All forfeitures and fines imposed upon any member of the
27 police department by way of discipline;

28 (2) All money given or donated to the fund;

29 (3) All money deducted from the salary of any member of the
30 police department on account of absence or loss of time;

31 (4) All rewards paid for any purpose;

32 (5) Ten percent (10%) of all fines and forfeitures, not
33 including court costs, collected by the county or city official, agency, or
34 department designated pursuant to § 16-13-709 as primarily responsible for
35 the collection of fines assessed in the district courts of this state for
36 violation of ordinances or state law that pursuant to law would be deposited

1 in the city general fund and are not designated by law as payable to the
2 county or state agencies or entities; and

3 (6)(A) Six percent (6%) of the monthly salary of each member of
4 the department, to be deducted each month by the city and immediately paid to
5 the board of trustees of the policemen’s pension and relief fund.

6 (B) However, the monthly deduction shall be four percent
7 (4%) for police officers contributing to social security unless increased,
8 but not to exceed six percent (6%), by the majority vote of the contributing
9 members of a police department covered by social security.

10 (b) A pension and relief fund that has assigned administrative
11 responsibility for the fund to the Arkansas Local Police and Fire Retirement
12 System under § 24-11-406 continues to be eligible to collect and deposit the
13 amounts under subsection (a) of this section as contributions.

14
15 SECTION 3. Arkansas Code § 24-11-415, concerning proceeds derived from
16 the sale of confiscated goods, is amended to add an additional subsection to
17 read as follows:

18 (c) A pension and relief fund that has assigned administrative
19 responsibility for the fund to the Arkansas Local Police and Fire Retirement
20 System under § 24-11-406, continues to be eligible to collect and deposit
21 these amounts as contributions until the unfunded liability as a result of
22 the consolidation has been fully amortized.

23
24 **APPROVED: 2/26/2009**

25
26
27
28
29
30
31
32
33
34
35
36