

## SENATE AMENDMENT 1 TO sb505.

deleting "before April 1" from line 28 on page 1 and substituting therefor "by June 30"

and

by deleting lines 34 through 36 on page 1 and lines 1 and 2 on page 2 and substituting therefor the following:

"section.

(A) (i) If the Arkansas Local Police and Fire Retirement System determines that a gross inaccuracy exists in the reporting of taxes attributable to adjoining cities, towns, or fire protection districts, the Arkansas Local Police and Fire Retirement System shall certify the discrepancy to the Insurance Commissioner, who shall then direct and require the insurers writing premiums in and surrounding the fire district to report their premium data for the turnback year(s) in question to a rate service or advisory organization designated by the Commissioner. Upon the review and determination of that advisory organization, the adjustment of premium tax turnback monies necessary to correct the fiscal or turnback year problem shall be disbursed or redistributed to eligible pension funds of adjoining cities, towns, or fire protection districts by the Insurance Commissioner.

(ii) For purposes of this subsection, gross inaccuracy shall include errors in Pension Review Board certification of eligible fire pension fund locations to the Insurance Commissioner, or errors in tax distribution by the Insurance Department, and/or insurance licensee errors in reporting of addresses and locations of insured property, or similar compilation errors resulting in inaccuracy in reporting of written premiums in or tax distribution to a city, town, or fire protection district. Gross inaccuracy shall not include errors which do not equal or exceed five hundred dollars (\$500) in tax turnback funds to be distributed to such city, town, or fire protection district in any given fiscal year.

(B) The Insurance Commissioner may direct and require such property and/or casualty insurers annually to report their premium data to a designated rate service or advisory organization for verification that such written premiums are being correctly reported so as to ensure the premium tax turnback monies are allocated to the correct and proper fire pension funds of the cities and towns and fire protection districts.

(C) Whenever the discovery of any gross inaccuracy occurs after disbursement of the state insurance turnback funds for that fiscal year(s), then the monies to remedy the discrepancy shall be paid and distributed by the Chief Fiscal Officer of the State, after recommendation from the Insurance Commissioner and Arkansas Fire and Police Pension Review Board, to the eligible fire pension fund upon its written application therefor from the Arkansas Fire and Police Pension Guarantee Fund created under Arkansas Pages Code 24-11-

209, notwithstanding and without regard to the limitations on maximum financial assistance for an eligible fire pension fund in any one (1) year contained therein. However, the Guarantee Fund shall disburse as the amount of the discrepancy no more than that calculated for the preceding three (3) years in which such inaccuracies existed per eligible fire pension fund and shall be considered full and complete satisfaction of the total amount of underfunded turnback due for all prior years. In no event shall such disbursements for underfunded fire pension funds equal or exceed three-fourths (3/4 s) of the total amount of the monies contained in the Guarantee Fund in any one fiscal year."