

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997

As Engrossed: H3/21/97

A Bill

HOUSE BILL 1308

4
5 By: Representative Pappas
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE § 24-11-422(a)(2) AND
10 24-11-423 (a)(2) TO ALLOW *SOME OVERTIME COMPENSATION* TO BE
11 INCLUDED IN THE REGULAR SALARY OF POLICE OFFICERS IN
12 DETERMINING VOLUNTARY RETIREMENT AND DISABILITY BENEFITS
13 UNDER THE LOCAL POLICEMEN'S PENSION AND RELIEF FUNDS; TO
14 DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

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17 "TO ALLOW *SOME OVERTIME COMPENSATION* TO
18 BE INCLUDED IN THE REGULAR SALARY OF
19 POLICEMEN FOR RETIREMENT AND DISABILITY
20 UNDER LOCAL POLICE PENSION FUNDS."
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. Arkansas Code § 24-11-422(a)(2), regarding the voluntary
25 retirement benefits for local police pension and relief funds, is amended to
26 read as follows:

27 "(2)(A)(i) The term salary as used herein shall mean regular salary
28 only, plus one-half (1/2) the compensation received for overtime excluding
29 compensation received for overtime during the last five (5) years of service,
30 and shall not include, except as otherwise provided in subdivision
31 (a)(2)(A)(ii) of this section, ~~overtime pay~~, payments for unused accrued sick
32 or annual leave, or the cash value of any nonrecurring or unusual
33 remuneration. Provided, overtime compensation shall be included in computing
34 benefits only if the municipality agrees, by ordinance, to make adequate
35 contributions to the fund to cover the additional cost of the increased
36 benefits, and the fund is judged by actuarial evaluation to be actuarially

1 sound.

2 (ii)(a) The term salary may include the payments to a
3 police officer for unused accrued sick leave not to exceed ninety (90) work
4 days recorded on the records of the city or town as of the officer's date of
5 retirement, provided the municipality agrees, by ordinance, to make adequate
6 contributions to the fund to cover the additional costs for the benefits from
7 the increased salary and the fund is judged by an actuarial determination to
8 be actuarially sound.

9 (b) The board of trustees shall determine the
10 actuarial costs of the payments for the unused accrued sick leave to the fund.

11 (B) ~~The An~~ overtime exclusion shall ~~not~~ apply to a benefit
12 computed ~~at any time~~ on a salary year ~~prior to~~ from June 28, 1985, until
13 June 30, 1997."

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15 SECTION 2. Arkansas Code § 24-11-423(a)(2), regarding the disability
16 retirement benefits for local police pension and relief funds, is amended to
17 read as follows:

18 "(2) For purposes of computing all benefits under this section, the
19 term salary means regular salary ~~only~~, plus one-half (1/2) the compensation
20 received for overtime excluding compensation received for overtime during the
21 last five (5) years of service, and shall not include ~~overtime pay~~, payments
22 for unused accrued sick leave or annual leave, or the cash value of any
23 nonrecurring or unusual remuneration."

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25 SECTION 3. All provisions of this act of general and permanent nature
26 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
27 Revision Commission shall incorporate the same in the Code.

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29 SECTION 4. If any provisions of this act or the application thereof to
30 any person or circumstance is held invalid, the invalidity shall not affect
31 other provisions or applications of the act which can be given effect without
32 the invalid provisions or application, and to this end the provisions of this
33 act are declared to be severable.

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

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2 SECTION 6. Emergency. It is hereby found and determined by the
3 Eighty-First General Assembly of the State of Arkansas that the local
4 policemen's pension and relief funds may not use overtime salary amounts to
5 calculate the regular salary of police officers for determining their
6 retirement benefits; that some officers are scheduled to work overtime on such
7 a frequent basis that it creates an inequitable situation to not use their
8 overtime for calculating these officers base regular salaries; and that it is
9 necessary to change the laws of Arkansas to correct this inequity. Therefore,
10 in order to promote equity in the use of overtime payments by Arkansas'
11 political subdivisions, an emergency is hereby declared to exist, and this act
12 being necessary for the immediate preservation of the public peace, health,
13 and safety, shall become effective July 1, 1997.

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15 /s/Rep. Pappas
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