

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 1504

4
5 By: Representative R. Smith
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For An Act To Be Entitled

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9 "AN ACT TO AMEND ARKANSAS CODE 24-11-434, PERTAINING
10 TO THE DEFERRED RETIREMENT OPTION PLAN FOR POLICEMEN'S
11 PENSION AND RELIEF FUND, TO CLARIFY THAT THE PENALTY
12 PROVISIONS OF THE EXTENDED SERVICE BENEFIT WILL APPLY
13 ONLY TO THE INTEREST EARNED AND THE EMPLOYER
14 CONTRIBUTIONS TO THE DROP ACCOUNT; AND FOR OTHER
15 PURPOSES. "

Subtitle

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18 "PERTAINING TO THE DEFERRED RETIREMENT
19 OPTION PLAN FOR POLICEMEN'S PENSION AND
20 RELIEF FUNDS TO CLARIFY THE PENALTY
21 PROVISION. "

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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 24-11-434(i), regarding a penalty for the
27 10-year extended service benefit for the deferred retirement option plan for
28 policemen's pension and relief funds, is amended to read as follows:

29 "(i) Participants in the Arkansas Police Officers' Deferred Option Plan
30 subject to the extended ten-year service limit shall forfeit a portion of the
31 extended service benefits earned, specifically limited to only the interest
32 and employer contributions' portions which have been credited to the plan
33 account, under the Arkansas Police Officers' Deferred Option Plan beyond the
34 first five (5) years of participation should the participant terminate
35 employment during the extended service time, absent death or disability, as
36 follows:

1 (1) Forfeit eighty percent (80%) if termination occurs in the
2 sixth year of participation;

3 (2) Forfeit sixty percent (60%) if termination occurs in the
4 seventh year of participation;

5 (3) Forfeit forty percent (40%) if termination occurs in the
6 eighth year of participation; and

7 (4) Forfeit twenty percent (20%) if termination occurs in the
8 ninth year of participation."

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10 SECTION 2. No benefit enhancement provided for by this act shall be
11 implemented if it would cause the publicly supported retirement system's
12 unfunded actuarial accrued liabilities to exceed a thirty (30) year
13 amortization. No benefit enhancement provided for by this act shall be
14 implemented by any publicly supported system which has unfunded actuarial
15 accrued liabilities being amortized over a period exceeding thirty (30) years
16 until the unfunded actuarial accrued liability is reduced to a level less than
17 the standards prescribed by Arkansas Code, Title 24.

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19 SECTION 3. All provisions of this act of a general and permanent nature
20 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
21 Revision Commission shall incorporate the same in the Code.

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23 SECTION 4. If any provision of this act or the application thereof to
24 any person or circumstance is held invalid, such invalidity shall not affect
25 other provisions or applications of the act which can be given effect without
26 the invalid provision or application, and to this end the provisions of this
27 act are declared to be severable.

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

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