

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.

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001

# A Bill

SENATE BILL 212

4  
5 By: Senator Wooldridge  
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7

## For An Act To Be Entitled

9 AN ACT TO AMEND ARKANSAS CODE 24-11-102 TO REQUIRE  
10 THAT ANY BENEFIT INCREASES GIVEN BY POLICE AND FIRE  
11 PENSION AND RELIEF FUNDS SHALL BE AWARDED TO ALL  
12 MEMBERS AND BENEFICIARIES; TO AMEND ARKANSAS CODE 24-  
13 11-425 TO APPLY CHANGES MADE BY ACT 1458 OF 1999  
14 RETROACTIVELY TO JANUARY 1, 1997; AND FOR OTHER  
15 PURPOSES.

## Subtitle

16  
17 TO REQUIRE THAT ANY BENEFIT INCREASES  
18 GIVEN BY POLICE AND FIRE PENSION FUNDS  
19 SHALL BE AWARDED TO ALL MEMBERS AND  
20 BENEFICIARIES AND TO APPLY ACT 1458 OF  
21 1999 RETROACTIVELY.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code 24-11-102 is amended to read as follows:  
28 24-11-102. Increase in benefits.

29 (a) The board of trustees of a municipal firemen's relief and pension  
30 fund and the board of trustees of a policemen's pension and relief fund are  
31 authorized to increase benefits for all future ~~of~~ and current retired members  
32 and beneficiaries of the firemen's relief and pension fund or policemen's  
33 pension and relief fund, including a surviving spouse, child, or dependent  
34 parent of an active police officer or retired member who dies from any cause.

35 (b) Any proposed increase by the board of trustees shall be in strict  
36 compliance with the following conditions:

\*VJF332\*

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1 (1) The board of trustees of the firemen's relief and pension  
 2 fund or policemen's pension and relief fund shall adopt a resolution approved  
 3 by not less than three-fourths (3/4) of the membership of the board of  
 4 trustees, outlining the proposed increase in benefits;

5 (2)(A) The action proposed by the board of trustees under the  
 6 resolution shall be determined by actuarial evaluations to be actuarially  
 7 feasible to the extent that the unfunded liabilities resulting from the  
 8 proposed increase in member ~~or~~ and beneficiary benefits under the fund will be  
 9 funded over a period of not more than thirty (30) years, pursuant to rules  
 10 promulgated by the Arkansas Fire and Police Pension Review Board, based on the  
 11 current available and known revenue or income sources available to the  
 12 retirement and pension fund.

13 (B) The actuarial valuations shall be made by an actuary  
 14 who is a member of the American Academy of Actuaries and who is employed by  
 15 the review board.

16 (C) The Executive Director of the Arkansas Fire and Police  
 17 Pension Review Board shall state the actuarial findings in writing to the  
 18 board of trustees and shall certify the appropriate action to be taken;

19 (3) The board of trustees of the firemen's relief and pension  
 20 fund or policemen's pension and relief fund shall only increase member and  
 21 beneficiary benefits if the increase is applied evenly and across-the-board to  
 22 all categories and groups of members and beneficiaries of the funds, including  
 23 all surviving spouses, children, and dependent parents of an active police  
 24 officer or any retired member who die from any cause;

25 ~~(3)(4)~~(A) A copy of the resolution adopted by the board of  
 26 trustees of the firemen's relief and pension fund or policemen's pension and  
 27 relief fund outlining the proposed increase in member ~~or~~ and beneficiary  
 28 benefits is filed with the executive director, who shall determine that an  
 29 actuarial valuation has been made in accordance with the provisions of this  
 30 subchapter and that the actuarial valuation had determined that the proposed  
 31 increase in benefits may be funded, over a period of time set forth in  
 32 subdivision (b)(2)(A) of this section, based on available or defined revenue  
 33 sources of the relief fund, in which event the executive director may approve  
 34 the proposed increase to member and beneficiary benefits under the firemen's  
 35 relief and pension fund or policemen's pension and relief fund.

36 (B) The board of trustees of the firemen's relief and

1 pension fund or policemen's pension and relief fund shall comply with the  
2 appropriate action as approved by the executive director;

3 ~~(4)~~(5)(A) A copy of the resolution adopted by the board of  
4 trustees, a copy of the actuarial valuation, and a copy of the action taken by  
5 the executive director is filed with the circuit clerk and the city clerk of  
6 the county and city in which the firemen's relief and pension fund or  
7 policemen's pension and relief fund is located.

8 (B) All actions taken by the executive director shall be  
9 subject to review and acceptance by the review board.

10 (c) If it is determined by the review board that a local pension plan  
11 is not complying with the provisions of law governing benefit increases, the  
12 executive director of the board shall certify that noncompliance to the  
13 Insurance Commissioner, and the commissioner shall withhold all moneys  
14 otherwise due the plan from the state until compliance is achieved.

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16 SECTION 2. Arkansas Code 24-11-425(a), concerning the survivor's  
17 benefits for police officers or retired members covered by a policemen's  
18 pension and relief fund, is amended to read as follows:

19 (a)(1) If any active police officer or any retired member dies from any  
20 cause, leaving a surviving spouse, then the board of trustees shall direct a  
21 monthly pension during the surviving spouse's life in an amount equal to the  
22 pension attached to the rank of the deceased police officer at the time of his  
23 or her death, but in no event shall the benefit of the surviving spouse be  
24 less than three hundred fifty dollars (\$350) per month.

25 (2) ~~If~~ Beginning January 1, 1997, if any active police officer or  
26 any retired member dies from any cause and leaves no surviving spouse, but has  
27 a surviving child or children under the age of eighteen (18) years who have  
28 not completed high school, then the board of trustees shall direct a monthly  
29 pension benefit to such surviving child or children under the age of eighteen  
30 (18) years in an aggregate amount to such children equal to the pension  
31 attached to the rank of the deceased police officer at the time of his or her  
32 death, but in no event shall the benefits to the surviving children be less  
33 than three hundred fifty dollars (\$350) per month. However, if any child  
34 enrolls in an institution of higher learning after completing high school,  
35 then the payment shall continue as long as the child is a full-time student,  
36 but not beyond the child's twenty-third birthday, unless he or she is a

1 dependent child who is physically or mentally permanently disabled.

2 (3) ~~The~~ Beginning January 1, 1997, the board of trustees may  
 3 continue a benefit for life for a dependent child who is physically or  
 4 mentally permanently disabled and this fact is certified to the board by a  
 5 physician on the board of trustees. The board of trustees may first require  
 6 that a second evaluation be performed by another physician to be named by the  
 7 board of trustees, and they shall review the child's disabled status from time  
 8 to time, but at least every five (5) years.

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 10 SECTION 3. Arkansas Code 24-11-425(e), concerning the survivor's  
 11 benefits for police officers or retired members covered by a policemen's  
 12 pension and relief fund, is amended to read as follows:

13 (e)(1) ~~At~~ Beginning January 1, 1997, in addition to the monthly pension  
 14 provided in subsections (a) and (b) of this section, the board of trustees  
 15 shall order and direct the payment of the sum of one hundred twenty-five  
 16 dollars (\$125) per month to each child under eighteen (18) years of age who  
 17 has not completed high school. However, if the child enrolls in an institution  
 18 of higher learning after completing high school, then the payment shall  
 19 continue as long as the child is a full-time student, but not beyond the  
 20 child's twenty-third birthday, unless he or she is a dependent child who is  
 21 physically or mentally permanently disabled.

22 (2) ~~The~~ Beginning January 1, 1997, the board of trustees may  
 23 continue a benefit for life for a dependent child who is physically or  
 24 mentally permanently disabled and this fact is certified to the board of  
 25 trustees by a physician on the board of trustees. The board of trustees may  
 26 first require that a second evaluation be performed by another physician to be  
 27 named by the board of trustees, and they shall review the child's disabled  
 28 status from time to time, but at least every five (5) years.

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 30 SECTION 4. Sections 2 and 3 of this act shall apply retroactively to  
 31 January 1, 1997 to allow the surviving child or children under the age of  
 32 eighteen (18) years of police officers who died on and after January 1, 1997  
 33 to receive a monthly pension benefit equal to the pension attached to the rank  
 34 of the deceased police officer at the time of his or her death. Surviving  
 35 children who did not receive this benefit prior to Act 1458 shall have the  
 36 benefit provisions of Act 1458 applied to them upon this act becoming

1 effective.

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3 SECTION 5. [THE ARKANSAS CODE REVISION COMMISSION IS NOT REQUIRED TO  
4 CODIFY THIS SECTION.] No benefit enhancement provided for by this act shall  
5 be implemented if it would cause the publicly supported retirement system's  
6 unfunded actuarial accrued liabilities to exceed a thirty (30) year  
7 amortization. No benefit enhancement provided for by this act shall be  
8 implemented by any publicly supported system which has unfunded actuarial  
9 accrued liabilities being amortized over a period exceeding thirty (30) years  
10 until the unfunded actuarial accrued liability is reduced to a level less than  
11 the standards prescribed by Arkansas Code, Title 24.