

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 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 1226

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

9 AN ACT TO ALLOW THE PARTICIPANTS OF POLICE AND
10 FIRE DEFERRED RETIREMENT OPTION PLANS TO CONTINUE
11 WITH THE DEPOSIT OF FUNDS IN THE DROP PLAN AFTER
12 THE EXPIRATION OF THE PARTICIPATION PERIOD IN THE
13 DROP PLAN; AND FOR OTHER PURPOSES.
14

Subtitle

15 TO ALLOW PARTICIPANTS IN POLICE AND FIRE
16 DEFERRED RETIREMENT OPTION PLANS TO
17 CONTINUE THE DEPOSIT OF FUNDS IN THE
18 DROP PLAN.
19
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21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

24 SECTION 1. Arkansas Code § 24-11-434(f), concerning the deferred
25 retirement option plan for policemen's pension and relief funds, is amended
26 to read as follows:

27 (f)(1) A participant in the plan shall receive, at the option of the
28 participant, a lump sum payment from the account equal to the payments to the
29 account or a true annuity based upon the account of the participant or may
30 elect any other method of payment if approved by the board of trustees.

31 (2) If approved by the board of trustees, a participant in a
32 pension fund not administered by the Arkansas Local Police and Fire
33 Retirement System under § 24-11-302(d) may defer receiving payment of the
34 participant's account and continue with the funds deposited in the plan.

35 (3)(A) Interest credited to the continuing deposit of funds in
36 the plan under subdivision (f)(2) of this section shall be calculated in the



1 same manner as interest under subdivision (e)(2) of this section.

2 (B) However, the minimum interest rate shall not be less
3 then zero percent (0%).

4
5 SECTION 2. Arkansas Code § 24-11-434, concerning the deferred
6 retirement option plan for policemen’s pension and relief funds, is amended
7 to add an additional subsection to read as follows:

8 (j) The Arkansas Fire and Police Pension Review Board may promulgate
9 regulations to make the plan under this section comply with the requirements
10 of this section and with the applicable portions of the federal Internal
11 Revenue Code, as it existed on January 1, 2003.

12
13 SECTION 3. Arkansas Code § 24-11-830(f), concerning the deferred
14 retirement option plan for firemen’s pension and relief funds, is amended to
15 read as follows:

16 (f)(1) A participant in the plan shall receive at the option of the
17 participant a lump sum payment from the account equal to the payments to the
18 account or a true annuity based upon the account of the participant or may
19 elect any other method of payment if approved by the board of trustees.

20 (2) If approved by the board of trustees, a participant in a
21 pension fund not administered by the Arkansas Local Police and Fire
22 Retirement System under § 24-11-302(d) may defer receiving payment of the
23 participant’s account and continue with the funds deposited in the plan.

24 (3)(A) Interest credited to the continuing deposit of funds in
25 the plan under subdivision (f)(2) of this section shall be calculated in the
26 same manner as interest under subdivision (e)(2) of this section.

27 (B) However, the minimum interest rate shall not be less
28 then zero percent (0%).

29
30 SECTION 4. Arkansas Code § 24-11-830, concerning the deferred
31 retirement option plan for firemen’s pension and relief funds, is amended to
32 add an additional subsection to read as follows:

33 (h) The Arkansas Fire and Police Pension Review Board may promulgate
34 regulations to make the plan under this section comply with the requirements
35 of this section and with the applicable portions of the federal Internal
36 Revenue Code, as it existed on January 1, 2003.