

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 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H3/4/05
A Bill

HOUSE BILL 1214

5 By: Representative Mathis
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For An Act To Be Entitled

9 AN ACT TO ELIMINATE THE REDUCTION IN MONTHLY
10 BENEFITS FOR FIREFIGHTERS IN THE EXTENDED
11 DEFERRED RETIREMENT OPTION PLAN; AND FOR OTHER
12 PURPOSES.
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Subtitle

14 AN ACT TO ELIMINATE THE REDUCTION IN
15 MONTHLY BENEFITS FOR FIREFIGHTERS IN THE
16 EXTENDED DEFERRED RETIREMENT OPTION
17 PLAN.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 24-11-830(c), pertaining to the deferred
24 retirement option plan, is amended as follows:

25 (c)(1)(A) Except under subdivision (c)(1)(B) of this section, the
26 duration of participation in the plan for active full-paid firefighters shall
27 not exceed five (5) years.

28 (B) The five-year limit may be extended if:

29 (i) The extension does not cause the limit to exceed
30 ten (10) years;

31 (ii) The extension applies to all active full-paid
32 firefighters and all members on the plan;

33 (iii) The extension is approved by a majority of
34 votes of the board of trustees of the pension and relief fund or of the Board
35 of Trustees of the Arkansas Local Police and Fire Retirement System for funds
36 whose administrative responsibility has been assigned to the system as



1 provided in § 24-11-406(b);

2 (iv) The interest credited after the first five (5)
3 years on the plan shall be two (2) percentage points below the rate of return
4 of the investment portfolio of the fund and shall not be determined under
5 subdivision (e)(2) of this section, but the interest rate credited shall not
6 be less than zero percent (0%);

7 (v)(a) Seventy five percent (75%) of the monthly
8 retirement benefits that would have been payable had the member elected to
9 cease employment and receive a service retirement shall be paid into the plan
10 account; ~~and~~ or

11 (b) One hundred percent (100%) of the monthly
12 retirement benefits that would have been payable had the member elected to
13 cease employment and receive a service retirement shall be paid into the plan
14 account if approved by a majority vote of the local pension board; and

15 (vi) *The extension is approved by a majority vote of*
16 *the governing body of the sponsoring municipality after receiving approval*
17 *for an increase in benefits under § 24-11-102.*

18 (2)(A) Except under subdivision (c)(2)(B) of this section, at
19 the conclusion of a member's participation in the plan, the member shall
20 terminate employment with all participating municipalities as a firefighter
21 and shall start receiving the member's accrued monthly retirement benefit
22 from the firemen's pension and relief fund.

23 (B) If a member is at the conclusion of a member's
24 participation in the plan, then the member may continue employment by a
25 municipality under the following conditions:

26 (i) The municipality makes continued employment
27 available to all similarly situated members;

28 (ii) The availability of continued employment is
29 approved by a majority vote of the governing body of the sponsoring
30 municipality after receiving approval for an increase in benefits under § 24-
31 11-102;

32 (iii) The monthly benefit that is credited to the
33 member's plan account is discontinued and the member shall not receive a
34 monthly benefit until the member actually ceases employment;

35 (iv) The interest rate credited to the plan account
36 is the same as paid under subdivision (e)(2) of this section, except that the

1 minimum rate is zero percent (0%);

2 (v) The employer's matching contribution of six
3 percent (6%) shall cease, but all other employer contributions shall continue
4 and be credited to the pension and relief fund; and

5 (vi) The employee contributions of six percent (6%)
6 shall discontinue.

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/s/ Mathis

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