1 State of Arkansas As Engrossed: S2/1/05 A Bill 2 85th General Assembly SENATE BILL 97 Regular Session, 2005 3 4 By: Senator J. Bookout 5 6 7 For An Act To Be Entitled 8 AN ACT TO ALLOW POLITICAL SUBDIVISIONS TO REMOVE 9 THE AGE REQUIREMENT FOR THE ADDITIONAL MONTHLY 10 11 PENSION BENEFITS FOR POLICE OFFICERS AND FIREFIGHTERS; TO EXTEND THE ADDITIONAL MONTHLY 12 13 PENSION BENEFITS TO SURVIVORS; AND FOR OTHER 14 PURPOSES. 15 **Subtitle** 16 AN ACT TO ALLOW POLITICAL SUBDIVISIONS 17 TO REMOVE THE AGE REQUIREMENT FOR THE 18 19 ADDITIONAL MONTHLY PENSION BENEFITS FOR POLICE OFFICERS AND FIREFIGHTERS AND TO 20 EXTEND THE ADDITIONAL MONTHLY PENSION 21 22 BENEFITS TO SURVIVORS. 23 24 25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: 26 27 SECTION 1. Arkansas Code § 24-11-432 is amended as follows: 28 24-11-432. Additional benefits for certain officers hired prior to 29 January 1, 1983. 30 (a)(1) Beginning July 1, 1987, in addition to the monthly pension benefits as set forth in §§ 14-52-106, 24-11-401 - 24-11-403, 24-11-405 - 24-31 32 11-413, 24-11-416, 24-11-417, 24-11-422, 24-11-423, 24-11-425, 24-11-42833 24-11-430, 24-11-801 - 24-11-807, 24-11-809, 24-11-810, 24-11-813 - 24-11-815, and 24-11-818 - 24-11-821, for those police officers hired prior to 34 35 January 1, 1983, and who continue to work beyond their twenty-fifth year, the member shall receive at age sixty (60) and thereafter a benefit on the amount 36

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As Engrossed: S2/1/05 SB97

1 equal to one and one-fourth percent (1.25%) of final salary attached to the

- 2 rank which the member may have held in the department preceding the date of
- 3 retirement multiplied by the number of years of service in excess of twenty-
- 4 five (25) years up to a maximum total benefit of seventy-five percent (75%)
- 5 of final salary, provided that the maximum seventy-five percent (75%) of
- 6 final salary shall no longer apply to benefits payable on April 30, 1993, and
- 7 thereafter to persons retiring henceforth and to those persons who retired on
- 8 or after July 1, 1987.
- 9 (2)(A) By a majority vote of its governing body, each political
- 10 <u>subdivision covered by the Arkansas Local Police and Fire Retirement System</u>
- 11 may elect to provide the additional benefits in subdivision (a)(1) of this
- 12 section for those police officers who were hired prior to January 1, 1983,
- 13 and who continue to work beyond their twenty-fifth year, but have not reached
- the age of sixty (60).
- 15 <u>(B) The clerk or secretary of the governing body of the</u>
- 16 political subdivision shall certify to the Arkansas Local Police and Fire
- 17 Retirement System Board, in a manner and form acceptable to the board, the
- 18 <u>election to extend the additional benefits to members of any age within ten</u>
- 19 <u>(10) days of the vote.</u>
- 20 (3)(A) By a majority vote of its governing body, each political
- 21 subdivision not covered by the Arkansas Local Police and Fire Retirement
- 22 System may elect to provide the additional benefits in subdivision (a)(1) of
- 23 this section for those police officers who were hired prior to January 1,
- 24 1983, and who continue to work beyond their twenty-fifth year, but have not
- 25 <u>reached the age of sixty (60).</u>
- 26 (B) The clerk or secretary of the governing body of the
- 27 political subdivision shall certify to the Arkansas Fire and Police Pension
- 28 Review Board, in a manner and form acceptable to the board, the election to
- 29 extend the additional benefits to members of any age within ten (10) days of
- 30 the vote.
- 31 (C) All benefit increase determinations shall be made in
- 32 compliance with the provisions of §§ 24-11-101 through 24-11-103.
- 33 (b) This benefit shall The benefit payable under subdivision (a)(1),
- 34 (a)(2), or (a)(3) of this section shall also be payable to the member only
- 35 and not to surviving spouses or member's surviving spouse and dependent
- 36 children who qualify for benefits under § 24-11-425.

(c)(1) For the purposes of this section, "salary" means recurring pays which are received for a regularly scheduled work week and shall not include, except as otherwise provided in this subsection, payments for unused accrued sick leave or annual leave or the cash value of any nonrecurring or unusual remunerations.
(2) The term "salary" may include the payments to those police

officers under this section for unused accrued sick leave not to exceed ninety (90) work days recorded on the records of the city or town as of the officer's date of retirement, provided the municipality agrees by ordinance to make adequate contributions to the fund to cover the additional costs for the benefits from the increased salary and the fund is judged by an actuarial determination to be actuarially sound. The board of trustees shall determine the actuarial costs of the payments for the unused accrued sick leave to the fund.

SECTION 2. Arkansas Code § 24-11-826 is amended as follows:

24-11-826. Additional benefits for certain fire fighters hired prior
to January 1, 1983.

(a)(1) Beginning July 1, 1987, in addition to the monthly pension benefits as set forth in §§ 24-11-801 - 24-11-807, 24-11-809, 24-11-810, 24-11-812 - 24-11-815, 24-11-818, 24-11-820, and 24-11-821, for those fire fighters hired prior to January 1, 1983, and who continue to work beyond their twenty-fifth year, the member shall receive at age sixty (60) and thereafter a benefit on the amount equal to one and one-fourth percent (1.25%) of final salary attached to the rank which he or she may have held in the department preceding the date of retirement multiplied by the number of years of service in excess of twenty-five (25) years, up to a maximum total benefit of seventy-five percent (75%) of final salary, provided that the maximum seventy-five percent (75%) of final salary shall no longer apply to benefits payable on April 30, 1991, and thereafter to persons retiring henceforth and to those persons who retired on or after July 1, 1987.

However, in no case shall the benefit payment exceed one hundred percent (100%) of final salary.

(2)(A) By a majority vote of its governing body, each political

(2)(A) By a majority vote of its governing body, each political subdivision covered by the Arkansas Local Police and Fire Retirement System may elect to provide the additional benefits in subdivision (a)(1) of this

As Engrossed: S2/1/05 SB97

1 section for those firefighters who were hired prior to January 1, 1983, and

- 2 who continue to work beyond their twenty-fifth year, but have not reached the
- 3 age of sixty (60).
- 4 (B) The clerk or secretary of the governing body of the
- 5 political subdivision shall certify to the Arkansas Local Police and Fire
- 6 Retirement System Board, in a manner and form acceptable to the board, the
- 7 <u>election to extend the additional benefits to members of any age within ten</u>
- 8 (10) days of the vote.
- 9 (3)(A) By a majority vote of its governing body, each political
- 10 subdivision not covered by the Arkansas Local Police and Fire Retirement
- 11 System may elect to provide the additional benefits in subdivision (a)(1) of
- 12 this section for those firefighters who were hired prior to January 1, 1983,
- 13 and who continue to work beyond their twenty-fifth year, but have not reached
- 14 the age of sixty (60).
- 15 <u>(B) The clerk or secretary of the governing body of the</u>
- 16 political subdivision shall certify to the Arkansas Fire and Police Pension
- 17 Review Board, in a manner and form acceptable to the board, the election to
- 18 <u>extend the additional benefits to members of any age within ten (10) days of</u>
- 19 <u>the vote.</u>
- 20 (C) All benefit increase determinations shall be made in
- 21 compliance with the provisions of §§ 24-11-101 through 24-11-103.
- 22 (b) This benefit shall The benefit payable under subdivision (a)(1),
- 23 (a)(2), or (a)(3) of this section shall also be payable to the member only
- 24 and not to surviving spouses or member's surviving spouse and dependent
- 25 children who qualify for benefits under § 24-11-820.
- 26 (c)(1) For the purposes of this section, "salary" means recurring pays
- 27 which are received for a regularly scheduled workweek and shall not include,
- 28 except as otherwise provided in this subsection, payments for unused accrued
- 29 sick leave or annual leave or the cash value of any nonrecurring or unusual
- 30 remunerations.
- 31 (2)(A) The term "salary" may include the payments to those fire
- 32 fighters under this section for unused accrued sick leave not to exceed
- 33 ninety (90) workdays recorded on the records of the city or town as of the
- 34 fire fighter's date of retirement, provided the municipality agrees by
- 35 ordinance to make adequate contributions to the fund to cover the additional
- 36 costs for the benefits from the increased salary and the fund is judged by an

As Engrossed: S2/1/05 SB97

1	actuarial determination to be actuarially sound.
2	(B) The board of trustees shall determine the actuaria
3	costs of the payments for the unused accrued sick leave to the fund.
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5	/s/ J. Bookout
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