

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 86th General Assembly  
3 Regular Session, 2007  
4

# A Bill

HOUSE BILL 1234

5 By: Representative Harris  
6  
7

## For An Act To Be Entitled

9 AN ACT CONCERNING THE OPERATION OF THE ARKANSAS  
10 FIRE AND POLICE PENSION REVIEW BOARD TO PROVIDE  
11 TECHNICAL CORRECTIONS; AND FOR OTHER PURPOSES.  
12

## Subtitle

13 CONCERNING THE OPERATION OF THE ARKANSAS  
14 FIRE AND POLICE PENSION REVIEW BOARD TO  
15 CORRECT OBSOLETE CODE CITATIONS.  
16  
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18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
20

21 SECTION 1. Arkansas Code § 24-11-203(k), concerning expenses incurred  
22 by the Arkansas Fire and Police Pension Review Board, is amended to read as  
23 follows:

24 (k)(1) Expenses incurred by the board for performing biennial  
25 actuarial valuations and for all other administrative services to local  
26 pension funds shall be paid from the revenues derived from premium taxes  
27 levied by the state on insurers for the support of fire and police retirement  
28 programs.

29 (2) ~~It shall be the duty of the board to~~ The board shall report  
30 its administrative and actuarial expenses budgeted for the current year to  
31 the ~~Insurance Commissioner~~ Department of Finance and Administration by or on  
32 April 30 of each year ~~for the previous year.~~

33 ~~(3) It shall be the duty of the commissioner to report the~~  
34 ~~amount that the board is entitled to receive to the Auditor of State and the~~  
35 ~~Treasurer of State.~~

36 ~~(4) As soon as the Auditor of State receives the report of the~~



1 ~~commissioner showing the amount due, the Auditor of State shall draw his or~~  
 2 ~~her warrant on the Treasurer of State in favor of the board for the amount~~  
 3 ~~due and shall deliver the warrant to the board.~~

4 ~~(5)(3)~~ The board shall establish a certain percentage portion of  
 5 the insurance tax revenues to use to meet its proper administrative expenses  
 6 each year, but in no event shall the board be entitled to more than one  
 7 percent (1%) of the insurance tax revenues.

8 ~~(6)(4)~~ Each member of the board may receive expense  
 9 reimbursement and stipends in accordance with § 25-16-901 et seq.

10  
 11 SECTION 2. Arkansas Code § 24-11-212(c), concerning future supplement  
 12 funds, is amended to read as follows:

13 (c) Each year the future supplement funds will receive moneys from:

14 (1) The portion of each location's premium tax allocation based  
 15 on number of members as of December 31, 2000, who are no longer receiving  
 16 benefits and these amounts as defined in ~~§§ 24-11-302(e)(3)(C) and 24-11-~~  
 17 ~~810(a)(5)(C)~~ § 24-11-214(g); and

18 (2) The portion of the increase in the amount allocated to  
 19 general revenues under ~~§§ 24-11-302 and 24-11-810 as this amount is defined~~  
 20 ~~in those sections.~~ § 24-11-213 as this amount is defined in that section.

21  
 22 SECTION 3. Arkansas Code § 24-11-831 is repealed.

23 ~~24-11-831. Insurance premium taxes.~~

24 ~~(a)(1) When a fire department requests the Arkansas Local Police and~~  
 25 ~~Fire Retirement System to conduct an actuarial assessment of the fire~~  
 26 ~~department for the purpose of assisting the fire department in evaluating~~  
 27 ~~whether to join the system, the system shall notify the State Insurance~~  
 28 ~~Department by December 15 to place the fire department on a noncertified list~~  
 29 ~~for the following two (2) years.—~~

30 ~~(2) The State Insurance Department shall require insurance~~  
 31 ~~companies to determine the premium taxes paid in the district of the~~  
 32 ~~noncertified fire department in the same manner as for cities, towns, and~~  
 33 ~~fire protection districts under § 24-11-809.—~~

34 ~~(b)(1) A fire department that makes an irrevocable decision to join~~  
 35 ~~the system shall be certified to the State Insurance Department as eligible~~  
 36 ~~to receive insurance premium tax distributed in the following year under §~~

1 ~~24-11-809, if:-~~

2 ~~(A) The fire department was on the noncertified list,~~  
3 ~~thereby causing premium tax data to be collected during the year the fire~~  
4 ~~department makes an irrevocable decision to join the system; and-~~

5 ~~(B) The fire department makes the irrevocable decision to~~  
6 ~~join the system no later than December 14.-~~

7 ~~(2) A fire department that makes an irrevocable decision to join~~  
8 ~~the system may delay the effective date of joining no later than July of the~~  
9 ~~following year and shall still be eligible to receive premium taxes~~  
10 ~~distributed to districts in that year.~~

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12 SECTION 4. Arkansas Code § 24-11-214(h), concerning fire protection  
13 districts, is amended to read as follows:

14 (h)(1)(A) All cities, towns, and fire protection districts having fire  
15 departments organized under §§ 24-11-801 - 24-11-807, 24-11-809, 24-11-813 -  
16 24-11-815, and 24-11-818 - 24-11-821, and all cities and towns having police  
17 departments organized under §§ 24-11-101 et seq., § 24-11-201 et seq., § 24-  
18 11-301 et seq., § 24-11-401 et seq., and §§ 24-11-801 - 24-11-807, 24-11-809,  
19 24-11-811 - 24-11-827, 24-11-829, and 24-11-830 that have provided the  
20 information required under §§ 24-11-213(d) and 24-11-206 to the board and to  
21 the system shall qualify for participation in the revenues distributed.

22 (B) Those cities, towns, and fire protection districts  
23 that make an irrevocable decision to elect coverage in the Arkansas Local  
24 Police and Fire Retirement System by December 14 shall qualify for  
25 participation in the revenues distributed in the following calendar year.

26 ~~(B)~~ (C) Those cities, towns, and fire protection districts  
27 that have not provided the required information shall not qualify for  
28 participation in the revenues distributed.

29 (2) On or before June 15 of each calendar year after 2002, the  
30 board shall certify to the Department of Finance and Administration the exact  
31 amount of tax revenues each city, town, or fire protection district is  
32 entitled to receive for the calendar year under this section.

33 (3)(A) The eligibility of the city, town, or fire protection  
34 district shall be continuous for a ten-year period without recertification  
35 unless otherwise directed by the board.

36 (B) The first year of implementation shall require a nine-

1 year cycle from June 15, 2001.

2 (C) Thereafter, each city, town, or fire protection  
3 district shall resubmit the information required in subdivisions (a)(2) and  
4 (3) of this section every ten (10) years beginning on December 15, 2010.

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