

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 7

By: Senator B. Sample

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING DEFERRED
RETIREMENT OPTION PLANS AND INTERNAL REVENUE CODE-
QUALIFIED PLANS OF FIREMEN'S RELIEF AND PENSION FUNDS
AND POLICEMEN'S PENSION AND RELIEF FUNDS; TO DECLARE
AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING DEFERRED
RETIREMENT OPTION PLANS AND INTERNAL
REVENUE CODE-QUALIFIED PLANS OF FIREMEN'S
RELIEF AND PENSION FUNDS AND POLICEMEN'S
PENSION AND RELIEF FUNDS; AND TO DECLARE
AN EMERGENCY.

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

SECTION 1. Arkansas Code § 24-11-210(f), concerning the requirements for plans qualified under the Internal Revenue Code, is amended to read as follows:

(f) Distributions of benefits ~~must~~ shall begin ~~not~~ no later than April 1 of the year following the calendar year during which the member becomes ~~seventy and one half (70½)~~ seventy-two (72) years of age or terminates employment with the employer, whichever is later, and ~~must~~ shall otherwise conform to the Internal Revenue Code, 26 U.S.C. § 401(a)(9).

SECTION 2. Arkansas Code § 24-11-434(f)(4), concerning the policemen's pension and relief fund deferred retirement option plan, is amended to read



as follows:

(4)(A) The payment of funds accumulated while participating in the deferred retirement option plan may be deferred only one (1) time.

(B) These funds ~~must~~ shall be distributed or annuitized by ~~December 31 of the year a member attains age seventy and one half (70 1/2)~~ April 1 of the year following the calendar year in which a member becomes seventy-two (72) years of age.

SECTION 3. Arkansas Code § 24-11-830(f)(4), concerning the firemen’s relief and pension fund deferred retirement option plan, is amended to read as follows:

(4)(A) The payment of funds accumulated while participating in the deferred retirement option plan may be deferred only one (1) time.

(B) These funds ~~must~~ shall be distributed or annuitized by ~~December 31 of the year a member attains age seventy and one half (70 1/2)~~ April 1 of the year following the calendar year in which a member becomes seventy-two (72) years of age.

SECTION 4. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the Firemen’s Relief and Pension Funds and the Policemen’s Pension and Relief Funds must be able to meet the needs of its members; that these statutes are imminently in need of revision and updating in order to conform with competent public pension policy; that the Firemen’s Relief and Pension Funds and the Policemen’s Pension and Relief Funds operate on a fiscal year of July 1 to June 30; that a July 1, 2021 effective date is necessary to allow the provisions within this act to begin on the first day of the fiscal year to provide proper administration of the procedures referenced in this act; that the updates and revisions to the Firemen’s Relief and Pension Funds and the Policemen’s Pension and Relief Funds are of great importance for actuarial purposes and the protection of member benefits; and that this act is immediately necessary in order to maintain an orderly management of benefits for the members of the Firemen’s Relief and Pension Funds and the Policemen’s Pension and Relief Funds. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2021.

APPROVED: 2/9/21