

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 87th General Assembly  
3 Regular Session, 2009  
4  
5 By: Senator G. Jeffress  
6  
7

# A Bill

SENATE BILL 186

## For An Act To Be Entitled

9 AN ACT TO AMEND THE PREMIUM TAX ALLOCATIONS SO  
10 THAT A LOCAL PLAN THAT CONSOLIDATES WITH THE  
11 ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM  
12 CONTINUES TO RECEIVE THE SAME PREMIUM TAX DOLLAR  
13 AMOUNT AND OTHER INCOME; AND FOR OTHER PURPOSES.  
14

## Subtitle

15 TO AMEND THE PREMIUM TAX ALLOCATIONS SO  
16 THAT A LOCAL PLAN THAT CONSOLIDATES WITH  
17 THE ARKANSAS LOCAL POLICE AND FIRE  
18 RETIREMENT SYSTEM CONTINUES TO RECEIVE  
19 THE SAME AMOUNT IN ADDITION TO OTHER  
20 INCOME.  
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23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 24-11-214(e)(6), concerning the allocation  
27 of the insurance premium tax and its division among localities, is amended to  
28 read as follows:

29 (6)(A) A percentage called the "minimum percentage covered"  
30 shall be determined as the lesser of:

31 (i) The calendar year 2002 percentage of costs  
32 covered by premium tax; or

33 (ii) One hundred percent (100%).

34 (B) This minimum percentage covered shall be determined  
35 separately for the fire portion, for the police portion, and for the combined  
36 total.



1 (C) The minimum percentage covered shall be a fixed  
 2 percentage and shall not change over time, except as provided in subdivision  
 3 (e)(6)(E) of this section.

4 (D) The minimum percentage covered for the volunteer  
 5 portion of the actuarial cost for a calendar year in the Arkansas Local  
 6 Police and Fire Retirement System shall be one hundred percent (100%)+.

7 (E)(i) The minimum percentage covered shall be adjusted  
 8 when a local fire or police pension fund assigns administrative  
 9 responsibility for the fund to the Arkansas Local Police and Fire Retirement  
 10 System under §§ 24-10-301 and 24-10-302.

11 (ii) The minimum percentage covered shall be  
 12 adjusted so that the dollar amount of premium tax allocated under this  
 13 section for the year after the assignment of administrative responsibility  
 14 will be the same as it was the year of the assignment of administrative  
 15 responsibility.

16 (iii) For the purpose of this adjustment,  
 17 subdivision (b)(2)(D) of this section does not apply to the addition of a  
 18 cost of living adjustment of three percent (3%) compounded each year,  
 19 provided the addition was a part of the consolidation process;

20  
 21 SECTION 2. Arkansas Code § 24-11-413 is amended to read as follows:  
 22 24-11-413. Moneys added to fund – Contributions.

23 (a) There shall be added to the policemen's pension and relief fund  
 24 the following moneys:

25 (1) All forfeitures and fines imposed upon any member of the  
 26 police department by way of discipline;

27 (2) All money given or donated to the fund;

28 (3) All money deducted from the salary of any member of the  
 29 police department on account of absence or loss of time;

30 (4) All rewards paid for any purpose;

31 (5) Ten percent (10%) of all fines and forfeitures, not  
 32 including court costs, collected by the county or city official, agency, or  
 33 department designated pursuant to § 16-13-709 as primarily responsible for  
 34 the collection of fines assessed in the district courts of this state for  
 35 violation of ordinances or state law that pursuant to law would be deposited  
 36 in the city general fund and are not designated by law as payable to the

1 county or state agencies or entities; and

2 (6)(A) Six percent (6%) of the monthly salary of each member of  
3 the department, to be deducted each month by the city and immediately paid to  
4 the board of trustees of the policemen’s pension and relief fund.

5 (B) However, the monthly deduction shall be four percent  
6 (4%) for police officers contributing to social security unless increased,  
7 but not to exceed six percent (6%), by the majority vote of the contributing  
8 members of a police department covered by social security.

9 (b) A pension and relief fund that has assigned administrative  
10 responsibility for the fund to the Arkansas Local Police and Fire Retirement  
11 System under § 24-11-406 continues to be eligible to collect and deposit the  
12 amounts under subsection (a) of this section as contributions.

13  
14 SECTION 3. Arkansas Code § 24-11-415, concerning proceeds derived from  
15 the sale of confiscated goods, is amended to add an additional subsection to  
16 read as follows:

17 (c) A pension and relief fund that has assigned administrative  
18 responsibility for the fund to the Arkansas Local Police and Fire Retirement  
19 System under § 24-11-406, continues to be eligible to collect and deposit  
20 these amounts as contributions until the unfunded liability as a result of  
21 the consolidation has been fully amortized.

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