

1 State of Arkansas As Engrossed: H3/17/25 H3/31/25

2 95th General Assembly

# A Bill

3 Regular Session, 2025

HOUSE BILL 1341

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5 By: Representative Warren

6 By: Senator J. Dotson

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## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING BENEFITS UNDER THE  
10 ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM; TO  
11 AMEND THE DEFINITION OF "PAY" UNDER THE ARKANSAS  
12 LOCAL POLICE AND FIRE RETIREMENT SYSTEM; AND FOR  
13 OTHER PURPOSES.

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## Subtitle

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18 TO AMEND THE LAW CONCERNING BENEFITS  
19 UNDER THE ARKANSAS LOCAL POLICE AND FIRE  
20 RETIREMENT SYSTEM; AND TO AMEND THE  
21 DEFINITION OF "PAY" UNDER THE ARKANSAS  
22 LOCAL POLICE AND FIRE RETIREMENT SYSTEM.

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

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*SECTION 1. Arkansas Code § 24-10-102(26), concerning the definition of "pay" as applied to the Arkansas Local Police and Fire Retirement System, is amended to read as follows:*

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*(26)(A) "Pay" means the recurring remuneration paid an employee for personal services rendered by the employee in a position covered by the system and shall not exceed the amount the employee is required to report for federal income tax purposes.*

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*(B) In determining pay, consideration shall not be given*

*to:*

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*(i) Special single-sum payments paid by an employer;*

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*(ii) Employer contributions to any employee benefit*

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*plan; or*

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1 (iii) Any other unusual or nonrecurring remuneration.

2 (C)(i) An active member who is receiving temporary  
3 workers' compensation benefits for an injury or illness incurred in the  
4 course of his or her covered employment may remit the temporary workers'  
5 compensation benefits to his or her employer.

6 (ii) If an active member remits temporary worker's  
7 compensation benefits to his or her employer under subdivision (26)(C)(i) of  
8 this section, the employer shall report the total pay to the system.

9 (iii) If an active member remits temporary worker's  
10 compensation benefits to his or her employer under subdivision (26)(C)(i) of  
11 this section, the reported pay for any month shall not be greater than the  
12 pay that would have been earned by the active member if the active member had  
13 not been receiving temporary workers' compensation benefits.

14 ~~(G)(D)~~ Annual compensation in excess of the limitations  
15 under the Internal Revenue Code of 1986, 26 U.S.C. §401(a), as it existed on  
16 January 1, ~~2011~~ 2025, shall be disregarded;

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18 /s/Warren  
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