

Department of Finance and Administration

Legislative Impact Statement

Bill: SB103

Amendment Number: S1

**Bill Subtitle: AN ACT FOR THE DEPARTMENT OF FINANCE AND ADMINISTRATION -
DISBURSING OFFICER APPROPRIATION FOR THE 2022-2023 FISCAL YEAR.**

Basic Change :

Sponsors: Sen. Hickey and Rep. Shepherd

SB103-S1 provides a one-time salary stipend to certain full-time law enforcement officers employed by an eligible state law enforcement agency or an eligible local law enforcement agency. An eligible state law enforcement agency includes the Department of Public Safety and the Department of Corrections. Eligible local law enforcement agencies include Arkansas county and municipal law enforcement agencies. Eligible full-time law enforcement officers employed as of July 1, 2022 and officers hired after July 1, 2022 but on or before January 31, 2023 who meet the eligibility requirements are entitled to the stipend.

Eligible law enforcement officers employed by a city or county and law enforcement officers employed by the Department of Corrections that supervise parolees and probationers will receive a one-time stipend of \$5,000. Other eligible law enforcement officers employed by the Department of Public Safety will receive a one-time stipend of \$2,000. These payments will be paid from funds generated by the state revenue surplus.

The Division of Law Enforcement Standards and Training (Division) will certify to the Department of Finance and Administration (DFA) the officers that are eligible for the stipend. DFA will distribute the stipend funds to the eligible state law enforcement agencies and eligible local law enforcement agencies in addition to the employer's matching share of Social Security and Medicare taxes. The eligible law enforcement agencies shall distribute the stipends to officers during payment of each eligible law enforcement agency's payroll.

An officer that receives the stipend must continue his or her employment as a full-time certified law enforcement officer with an eligible law enforcement agency for a minimum of 180 days after receipt of the stipend or be subject to repayment of the stipend unless an exception provided in the bill applies. An eligible law enforcement agency is also subject to repayment of stipend funds if the agency fails to properly pay a stipend to an officer or fails to return a stipend returned by an officer.

By June 30, 2023, an eligible law enforcement agency must submit a report to the Division certifying that each officer certified by the Division was paid the stipend. By October 1, 2023, the Division shall submit a report to the co-chairs of the Arkansas Legislative Council containing the data derived from the certifications submitted to the Division by the eligible law enforcement agencies. The Division is required to promulgate rules establishing a review process to determine if a person was properly denied payment of the stipend or properly required to return the stipend.

Revenue Impact :

FY2023 - \$40.5M

[Revenue Impact is based upon 7,300 eligible officers receiving a \$5,000 stipend and 563 eligible officers receiving a \$2,000 stipend. Revenue Impact also includes employer share of Social Security and Medicare matching for each stipend paid.]

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Taxpayer Impact :

None.

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

None.