

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State
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Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

INCOME TAX CREDIT FOR RETIRED LAW ENFORCEMENT OFFICERS WORKING COLD CASES

Rule 1. Title

These Rules shall be known as the “Rules for Income Tax Credit for Retired Law Enforcement Officers who Work Cold Cases.”

Rule 2. Scope

These Rules apply to the administration of Arkansas State Police (ASP) cold case investigations by retired law enforcement officers in exchange for an income tax credit pursuant to Act 841 of 2021, codified at Ark. Code Ann. § 26-51-515.

Rule 3. Effective Date

These Rules shall be effective on and after January 1, 2022.

Rule 4. Definitions

- a. “Cold Case” – any case in which the probative investigative leads have been exhausted.
These cases primarily focus on unresolved death and missing persons cases.
- b. “Eligibility Certificate” – a certificate issued to an investigator containing the number of hours worked *****
- c. “Good-standing” – a law enforcement officer not having been not decertified, terminated for cause, or retired while they were the subject of a pending disciplinary action or internal affairs investigation, having no administrative finding for untruthfulness, and no patterns of adverse job actions;
- d. “Investigator” – a retired law enforcement officer, including retired prosecutors, who volunteers or works for the ASP Cold Case Squad in an investigative capacity, pursuant to other rules included herein.

Rule 5. Eligibility

A Cold Case Investigator is any retired law enforcement officer who volunteers or works for the ASP Cold Case Squad as an Investigator under these Rules must satisfy the following requirements:

- a. Former law enforcement officer who retired in good standing;
- b. Not decertified as a law enforcement officer by any state;
- c. Minimum five (5) years of criminal investigative experience;
- d. Consent to and successfully pass a criminal background investigation and drug screen;
and,
- e. Sign a non-disclosure agreement regarding the information he or she may obtain while volunteering or working for the ASP Cold Case Squad.

Rule 6. Income Tax Credit

An Investigator who volunteers or works for the ASP Cold Case Squad under these Rules is entitled to an income tax credit up to three thousand five hundred dollars (\$3,500). An Investigator who works or volunteers for one thousand (1000) hours on one (1) or more cold cases will be eligible for the full amount of the income tax credit. Investigators who log fewer than one thousand (1000) hours will receive a pro-rata share of the income tax credit according to the number of hours worked. The amount of tax credit claimed by an individual in a year may not exceed the amount of tax due by the taxpayer in that year, and any unused portion earned may be carried forward for two (2) consecutive years following the year in which it was earned.

Rule 7. Time Calculations

Whether volunteering or working as a paid employee for the ASP Cold Case Squad, Investigators shall enter time spent investigating one (1) or more cold cases on behalf of the Division pursuant to OPM guidelines and the Department of Public Safety Human Resources Division's instructions. All time properly logged in accordance with this Rule will be recorded by ASP and attributed to the Investigator to allow for issuance of an eligibility certificate.

Rule 8. Eligibility Certificate

Upon request, ASP shall prepare and issue an eligibility certificate to the Investigator detailing the number of hours spent investigating one (1) or more cold cases on behalf of the Division in any tax year. The Division will issue certificates on a first-come, first-served basis up to a total of \$25,000 in a fiscal year. [Per DFA – the certificate shall include....]

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL

DEPARTMENT/AGENCY Arkansas Department of Public Safety
DIVISION Arkansas State Police
DIVISION DIRECTOR Colonel Bill Bryant
CONTACT PERSON Joan Shipley
ADDRESS 4 State Police Plaza Drive, Little Rock, AR 72209
PHONE NO. (501) 618-8632 FAX NO. (501)682-1582 E-MAIL Joan.shipley@asp.arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING Jami Cook, Colonel Bill Bryant, Joan Shipley
PRESENTER E-MAIL Joan.shipley@asp.arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
B. Please answer each question **completely** using layman terms. You may use additional sheets, if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

1. What is the short title of this rule? Cold Case Tax Credit
2. What is the subject of the proposed rule? Required new rules following the 2021 legislative session
3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ☐ No ☒
If yes, please provide the federal rule, regulation, and/or statute citation. N/A
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?
Yes ☐ No ☒
If yes, what is the effective date of the emergency rule? N/A

When does the emergency rule expire? N/A

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes ☐ No ☒

5. Is this a new rule? Yes ☒ No ☐
If yes, please provide a brief summary explaining the regulation.

These rules provide the conditions under which retired law enforcement officers may receive a tax credit for investigating cold cases for the Arkansas State Police.

Does this repeal an existing rule? Yes ☐ No ☒
If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes ☒ No ☐
If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. 26-51-515
7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of this rule is to give retired law enforcement officers who volunteer, or who work as a temporary or parttime employee to investigate cold cases a tax credit. It is necessary to encourage officers who may want to investigate one of these cases, allowing the Arkansas State Police to gain from their valuable experience as a retired officer, and to possibly solve an unsolved cold case, giving closure to victims/families.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

Dps.arkansas.gov/law-enforcement/Arkansas-state-police

9. Will a public hearing be held on this proposed rule? Yes ☒ No ☐
If yes, please complete the following:

Unknown – Following the expiration of
Date: the public comment period
Time: 10:00 a.m.
Place: ASP Headquarters

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)
Approximately November 31, 2021 – To be determined

11. What is the proposed effective date of this proposed rule? (Must provide a date.)
January 1, 2022

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice.

N/A - Will provide when appropriate

13. Please provide proof of filing the rule with the Secretary of State and the Arkansas State Library as required pursuant to Ark. Code Ann. § 25-15-204(e).

N/A – Will file with SOS and ASL at the appropriate time

14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known. N/A

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Public Safety

DIVISION Arkansas State Police

PERSON COMPLETING THIS STATEMENT Joan Shipley

TELEPHONE (501) 618-8632 **FAX** (501) 682-1582 **EMAIL:** Joan.shipley@asp.arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Cold Case Tax Credit

1. Does this proposed, amended, or repealed rule have a financial impact? Yes ☒ No ☐
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes ☒ No ☐
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes ☒ No ☐

If an agency is proposing a more costly rule, please state the following:

(a) How the additional benefits of the more costly rule justify its additional cost;
N/A

(b) The reason for adoption of the more costly rule;
N/A

(c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;
N/A

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.
N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue	<u>N/A</u>
Federal Funds	<u>N/A</u>
Cash Funds	<u>N/A</u>
Special Revenue	<u>N/A</u>
Other (Identify)	<u>N/A</u>
Total	<u>N/A</u>

Next Fiscal Year

General Revenue	<u>N/A</u>
Federal Funds	<u>N/A</u>
Cash Funds	<u>N/A</u>
Special Revenue	<u>N/A</u>
Other (Identify)	<u>N/A</u>
Total	<u>N/A</u>

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue	<u>N/A</u>
Federal Funds	<u>N/A</u>
Cash Funds	<u>N/A</u>
Special Revenue	<u>N/A</u>
Other (Identify)	<u>N/A</u>
Total	<u>N/A</u>

Next Fiscal Year

General Revenue	<u></u>
Federal Funds	<u></u>
Cash Funds	<u></u>
Special Revenue	<u></u>
Other (Identify)	<u></u>
Total	<u></u>

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ 0

Next Fiscal Year

\$ 0

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ 0

Next Fiscal Year

\$ 0

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes ☐ No ☒

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;

- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.



JAMI COOK
SECRETARY

State of Arkansas
Governor Asa Hutchinson

DEPARTMENT OF PUBLIC SAFETY

1 State Police Plaza Drive
Little Rock, Arkansas 72209
Office: (501) 682-2260 Fax: (501) 682-1582

Rule Change Summary 2021

The Tax Credit for Retired Law Enforcement Officers Who Work on Cold Cases for the Arkansas State Police was created in the General Assembly as Act 841 of 2021. These are the joint proposed rules of the Department of Finance and Administration and the Department of Public Safety. These rules establish eligibility criteria and requirements to allow for the implementation and various provisions related to the administration of this act.