

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 70

5 By: Senator B. Johnson
6 By: Representatives Speaks, L. Fite
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING COUNTY FINANCIAL
10 RECORDS AND THE FINANCIAL OPERATIONS OF A COUNTY; AND
11 FOR OTHER PURPOSES.
12
13

Subtitle

15 TO AMEND THE LAW CONCERNING COUNTY
16 FINANCIAL RECORDS AND THE FINANCIAL
17 OPERATIONS OF A COUNTY.
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 13-4-304(5), concerning the retention of
23 county financial records, is amended to read as follows:

24 (5) For county treasurer's records:

25 (A) Maintain permanently:

26 ~~(i) Treasurer's operating and clearing account~~
27 ledgers for all accounts on the books of the treasurer;

28 ~~(ii) Treasurer's trust and agency account ledgers;~~

29 ~~(iii) Treasurer's city account ledgers;~~

30 ~~(iv) Treasurer's improvement district account~~
31 ~~ledgers; and~~

32 ~~(v) Treasurer's school district account ledgers;~~

33 (B) (i) Maintain for seven (7) years:

34 ~~(i) Land redemption receipts;~~

35 ~~(ii) Annual settlement with county court; and~~

36 ~~(iii) Record of school bond indebtedness and matured~~



1 ~~school district bonds; and~~

2 ~~(G) Maintain for three (3) years:~~

3 ~~(i)(a) Receipt books;~~

4 ~~(ii)(b) Bank statements and canceled checks;~~

5 ~~(iii) Canceled warrants;~~

6 ~~(iv)(c) Treasurer's monthly ~~reconciliation~~ bank~~
7 reconciliations;

8 ~~(v)(d) Treasurer's monthly financial report to the~~
9 quorum court and the prosecuting attorney;

10 ~~(vi)(e) Delinquent real estate and state land~~
11 redemption distribution reports;

12 ~~(vii)(f) Delinquent personal distribution reports;~~

13 ~~(viii)(g) County officials' monthly reports; and~~

14 ~~(ix) Municipal(h) District court monthly reports; and~~

15 ~~(x) Treasurer's monthly report to prosecuting~~
16 attorney;

17 ~~(xi) School district bank statements;~~

18 ~~(xii) Annual report to county school supervisor;~~

19 ~~(xiii) Register of school warrants;~~

20 ~~(xiv) Teachers and school employee contracts; and~~

21 ~~(xv) Surety bond of school district treasurer and~~
22 superintendent.

23 (ii) Official records of the treasurer that are
24 necessary for audit purposes and are not required under this section may be
25 destroyed three (3) years or more after an audit is completed and approved by
26 Arkansas Legislative Audit or by a private auditor.

27
28 SECTION 2. Arkansas Code Title 14, Chapter 14, Subchapter 12, is
29 amended to add an additional section to read as follows:

30 14-14-1213. Duties related to payroll and jury duty.

31 (a) If the county judge and county official responsible for county
32 payroll make the request, the quorum court by majority vote of the entire
33 body may assign the duties relating to payroll and jury duty to a qualified
34 private person or entity if the quorum court finds the assignment of duties
35 provides quantifiable economic savings or increased efficiency.

36 (b) If an assignment of duties relating to payroll and jury duty is

1 made under this section, the county judge, county clerk or comptroller, and
 2 the county treasurer shall establish written procedures that provide for
 3 internal accounting controls and documentation for audit and accounting
 4 purposes.

5
 6 SECTION 3. Arkansas Code § 14-15-803 is repealed.

7 ~~14-15-803. Counties having two judicial districts.~~

8 ~~The treasurer shall keep in his or her office at each county site in~~
 9 ~~counties having two (2) judicial districts, except Prairie, Woodruff,~~
 10 ~~Lawrence, Yell, and Logan, the funds belonging to the school districts and~~
 11 ~~road districts of the respective judicial districts for the purpose of paying~~
 12 ~~warrants drawn thereon.~~

13
 14 SECTION 4. Arkansas Code § 14-24-120 is amended to read as follows:

15 14-24-120. Time ~~warrants and~~ checks to be redeemed.

16 (a)(1) ~~All warrants and checks~~ Checks issued by ~~any a~~ any a county of this
 17 state drawn upon the county treasurer ~~shall be~~ are valid and redeemable only
 18 for a period of ~~one (1) year~~ six (6) months from the date of issuance.

19 (2) ~~All warrants and checks~~ Checks issued by a county shall
 20 contain on the face of the ~~warrant or~~ check the following words: "This
 21 ~~warrant (check)~~ check void after ~~one (1) year~~ six (6) months from date of
 22 issuance".

23 (b)(1) If ~~any a~~ any a county ~~warrant or~~ check is not redeemed or reissued
 24 within the time prescribed in subdivision (a)(1) of this section, there is
 25 established a presumption that the payee declined its presentment, and it
 26 shall be the duty of the county treasurer to cancel the ~~warrant or~~ check and
 27 to credit the fund from which the ~~warrant or~~ check is drawn.

28 (2) If ~~any a~~ any a county ~~warrant or~~ check is returned and is not
 29 deliverable to the payee, the ~~warrant or~~ check shall be considered unclaimed
 30 and shall be submitted as unclaimed property to the Auditor of State in
 31 accordance with the Uniform Disposition of Unclaimed Property Act, § 18-28-
 32 201 et seq.

33
 34 SECTION 5. Arkansas Code § 14-24-121 is amended to read as follows:

35 14-24-121. Electronic ~~warrants~~ funds transfer system.

36 (a) A disbursement of county funds used for a payment to a federal or

1 state governmental entity may be made by electronic funds transfer if the:

2 (1) Claim has been submitted and approved through the county
3 claim process; and

4 (2) Disbursement includes adequate supporting documentation.

5 (b) A disbursement of county funds used for a payment not provided
6 under subsection (a) of this section may be made by electronic funds transfer
7 if The the quorum court of each the county may establish establishes by
8 ordinance an electronic warrants funds transfer system directly into payees'
9 accounts in financial institutions in payment of any account allowed against
10 the county.

11 ~~(b)(c)~~(1) For purposes of this section, counties opting for the
12 electronic ~~warrants funds~~ transfer system shall establish written policies
13 and procedures to ensure that the electronic ~~warrants funds~~ transfer system
14 provides for internal accounting controls and documentation for audit and
15 accounting purposes.

16 (2) The electronic ~~warrants funds~~ transfer system under
17 ~~subdivision (b)(1)~~ of this section shall comply with the information systems
18 best practices approved by the Legislative Joint Auditing Committee before
19 implementation by the county.

20 ~~(e)(d)~~ A single electronic ~~warrants funds~~ transfer may contain
21 payments to multiple payees, appropriations, characters, and funds.

22
23 SECTION 6. Arkansas Code § 14-25-104(a), concerning county prenumbered
24 checks, is amended to read as follows:

25 (a) All disbursements of county funds, except as noted in § 14-24-121,
26 § 14-25-105, which refers to petty cash funds, and § 14-25-112(b)(2), which
27 refers to debit cards issued for the balance of an inmate commissary trust
28 account, are to shall be made by prenumbered checks drawn upon the bank
29 account of that county official.

30
31 SECTION 7. Arkansas Code Title 21, Chapter 6, Subchapter 3, is amended
32 to add an additional section to read as follows:

33 21-6-311. Debit card and credit card payments.

34 (a) A county may:

35 (1) Accept a legal payment and any associated costs through a
36 debit card or credit card in accordance with applicable state and federal

1 law; and

2 (2)(A) Enter into a contract with a debit card company or credit
3 card company and pay any fee normally charged by the debit card company or
4 credit card company for allowing the county to accept the debit card or
5 credit card as payment as authorized under subdivision (a)(1) of this
6 section.

7 (B) When a payment is made through a debit card or credit
8 card, the county shall assess a transaction fee equal to the amount charged
9 to the county by the debit card company or credit card company which may be
10 added to the payment amount.

11 (b) This section does not affect § 16-13-705 or § 26-35-506.

12
13
14 **APPROVED: 2/4/21**
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36