

**ARKANSAS SENATE**  
84th General Assembly - Regular Session, 2003  
**Amendment Form**

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**Subtitle of Senate Bill No. 744**

"AN ACT TO ENSURE THE FUNDING NECESSARY TO CONSTRUCT AND EQUIP A  
MODERN PUBLIC HEALTH LABORATORY."

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**Amendment No. 1 to Senate Bill No. 744.**

Amend Senate Bill No. 744 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. This act shall be known and may be cited as the  
Department of Health Public Health Laboratory Act of 2003".

SECTION 2. It is the purpose of this act to better serve the citizens  
of Arkansas by providing for the construction and equipping of a modern  
public health laboratory.

SECTION 3. As used in this act:

- (1) "Authority" means the Arkansas Development Finance Authority;
- (2) "Authorizing resolution" means the resolution or resolutions  
adopted by the board authorizing the loan;
- (3) "Board" means the State Board of Health;
- (4) "Building" means the State Department of Health Building, located  
on West Markham Street in Little Rock, Arkansas;
- (5) "Construction Fund" means the State Department of Health Public  
Health Laboratory Fund created by this act;
- (6) "Construct" means to acquire, construct, reconstruct, remodel,  
install, and equip any lands, building, structures, improvements, or other  
property whether real, personal, or mixed, useful in connection with the  
expansion, by any method and manner as may be authorized by law, and in the  
case of the acquisition of equipment and other property of a medical,  
laboratory, or technical nature by any method as the board or the director  
determines to be necessary or desirable to accomplish the power, purposes,  
and authorities set forth in this act, and without regard to the provisions  
of other laws pertaining to the construction and acquisition of property by  
state agencies;
- (7) "Director" means the Director of the Department of Health;
- (8) "Renovation" means the renovation and improvement of the building,  
including the renovation and alteration of existing properties whether real,  
personal, or mixed;



(9) "Fees" means the fees generated under this act that represent an increase to the allowable fees set forth in Arkansas Code § 20-7-123;

(10) "Fee revenues" means all revenues derived from the fees;

(11) "Laboratory" means a public health laboratory that is a modern stand alone public health laboratory to be constructed on the existing Department of Health site located on West Markham Street in Little Rock, Arkansas;

(12) "Loan" means the loan which the board is authorized to effect, from the authority, by the terms of this act;

(13) "Revenue fund" means the State Board of Health Laboratory Revenue Fund created by this act; and

(14) "Revenue loan fund" means the State Board of Health Laboratory Revenue Loan Fund created by this act.

SECTION 4. (a)(1) The laboratory shall be constructed subject to approval by the State Board of Health.

(2) The board may take such action as may be appropriate for the renovation of the building and any facilities necessarily related to the building.

(b) Subject to the approval of the board, the plans, specifications, and estimates of cost for the laboratory and renovation of the building shall be developed by the Director of the Department of Health, and the director is authorized to employ architects and other like professional and technical assistance as determined to be necessary for the construction of the laboratory and renovation of the building.

(c) The board and the director may take such action as may be appropriate for the construction of the laboratory and renovation of the building and to accomplish the purposes of this act and may engage legal, technical, and other assistance as necessary.

SECTION 5. (a)(1) To finance the construction of the laboratory and renovation of the building, the State Board of Health is authorized to enter into a loan, from the Arkansas Development Finance Authority, in the principal amount of not more than twenty-six million dollars (\$26,000,000), under Chapter 5 of Title 15 of the Arkansas Code.

(2) The amount and purpose of the loan shall be approved by the board in an authorizing resolution, copies of which shall be maintained in the records of the board and of the authority.

(b) The loan shall bear interest at a rate determined by the rate of interest on funds borrowed by the authority to fund the loan, but not to exceed the lesser of ten percent (10%) per annum or the maximum rate of interest permitted by the Arkansas Constitution.

(c) The loan shall mature over a period of not more than thirty (30) years.

(d) The board and the Director of the Department of Health may execute and deliver such agreements, instruments, and other undertakings and writings, and to take such action as may be appropriate to evidence the loan and the security for the loan, and to carry out the purposes of this act.

SECTION 6. (a) The payment and other obligations of the State Board of Health under and with respect to the loan shall be secured by a pledge of the fee revenues, subject to the terms of this act and the reserved power to

release fee revenues as set forth in this act.

(b) The loan shall be an obligation of the board only and shall not constitute an indebtedness for which the faith and credit of the State of Arkansas or any of its revenues are pledged.

(c) The loan shall not be secured by a lien on any land, building, or other property belonging to the State of Arkansas.

(d) The loan shall not constitute an indebtedness within the meaning of any constitutional or statutory limitation.

SECTION 7. (a)(1) Commencing July 1, 2003, and so long as the loan is outstanding, all fee revenues shall be treated as cash funds and shall not be deposited in the State Treasury, except as set forth in this act, but shall be deposited, as and when received, in a bank or banks approved by the State Board of Health or the Director of the Department of Health, in an account or accounts of the board designated "State Board of Health Laboratory Revenue Fund".

(2) All moneys in the revenue fund shall, commencing on July 1, 2003, and so long as the loan is outstanding, not be subject to the provisions of Arkansas Code §§ 19-4-801 through 19-4-806 and shall be deposited, handled, and disbursed as set forth in this act.

(b) Moneys held in the revenue fund shall, no less frequently than bimonthly, be withdrawn and deposited as follows and in the following order of priority:

(1) An annual amount sufficient to provide for principal, interest, servicing fees, and reserve requirements with respect to the loan, but not to exceed the sum of two million six hundred thousand dollars (\$2,600,000) per fiscal year:

(A) Prior to the commencement of the loan, in the construction fund; or

(B) Beginning upon commencement of the loan, in an account or accounts of the board, in a bank or banks approved by the board or the director, designated "State Board of Health Laboratory Revenue Loan Fund";

(2) The sum of nine hundred thousand dollars (\$900,000) per fiscal year to the Public Health Fund;

(3) The sum of six hundred thousand dollars (\$600,000) per fiscal year to the State Health Department Building and Local Grant Trust Fund; and

(4) Any balance remaining shall be distributed fifty percent (50%) to the Public Health Fund and fifty percent (50%) to the State Health Department Building and Local Grant Trust Fund.

(c)(1) Commencing July 1, 2003, and so long as the loan shall be outstanding, all funds held in the revenue fund, the revenue loan fund, and the construction fund shall be deemed to be cash funds, shall not be deposited in the State Treasury and shall be transferred, deposited, and applied, as set forth in this act, without the necessity of appropriation.

(2) All transfers from the revenue fund and the construction fund shall be made by the director.

(3) All transfers from the revenue loan fund shall be made by the director, or with the approval of the director of the board, or the Arkansas Development Finance Authority.

(d) So long as the loan is outstanding, funds held in the revenue loan fund shall be used solely for the purpose of paying and providing for

principal of, interest on, and servicing fees, if any, in connection with the loan and providing for the creation and maintenance of necessary reserves.

(e)(1) So long as the loan is outstanding, all fees shall be imposed and all fee revenues shall be collected and applied as provided in this act.

(2) However, particular fees may be reduced or eliminated if remaining fees are increased or new fees are added to the end that the aggregate annual amount of fee revenues shall always equal at least three million dollars (\$3,000,000).

SECTION 8. The proceeds of the loan, other than amounts required to establish required reserves, to pay interest on the loan for a period not to exceed one (1) year, or to pay costs of the loan, all of which shall be set forth in written directions executed by the Director of the Department of Health, shall be deposited as cash funds in an account of the board designated "State Board of Health Public Health Laboratory Construction Fund", and disbursed by the director for the construction of the expansion.

SECTION 9. All moneys held at any time in the revenue fund, the revenue loan fund, and the construction fund shall to the extent feasible be invested and reinvested, as directed by the Director of the Department of Health, in direct obligations of or obligations fully guaranteed by the United States of America, or with the approval of the authority, in mutual funds composed entirely of direct obligations of or obligations fully guaranteed by the United States of America.

SECTION 10. (a) The authorizing resolution, and each agreement or other writing executed and delivered pursuant to it or this act, together with this act, shall constitute a contract between the State Board of Health and the Arkansas Development Finance Authority, and the obligations of the board may be enforced by mandamus or other equitable or legal remedy.

(b) The obligations of the board shall be freely assignable by the authority, provided that the board is notified in writing of the assignment.

SECTION 11. Neither the Director of the Department of Health nor any member of the State Board of Health shall be personally liable on the loan or on account of any of the obligations or actions undertaken in connection with the loan, or for any damages sustained by anyone with respect to the obligations or actions, unless he or she shall have acted with a corrupt intent.

SECTION 12. Arkansas Code § 20-7-123(b)(1)(H) through (b)(1)(J), regarding fees credited to the Public Health Fund, are amended to read as follows:

(H)(i) A fee of ~~eight dollars (\$8.00)~~ ten dollars (\$10.00) collected by the state registrar for the making and certification of any certificate or record other than a death certificate;

(ii) A fee of ~~five dollars (\$5.00)~~ six dollars (\$6.00) collected for the making and certification of each additional copy of a certificate or record other than a death certificate;

(I)(i) A fee of ~~eight dollars (\$8.00)~~ ten dollars (\$10.00) collected by the state registrar for the making and certification of a single copy of a death certificate; and

(ii) A fee of ~~three dollars (\$3.00)~~ ten dollars (\$10.00) collected by the state registrar for the making and certification of each additional copy of a death certificate;

(J)(i) A fee of ~~eight dollars (\$8.00)~~ ten dollars (\$10.00) collected by the state registrar for an examination and search of the files for any birth, marriage, divorce, or death record.

(ii) The fee shall be paid prior to searching the record; and

SECTION 13. EMERGENCY CLAUSE. It is found and determined by the Eighty-fourth General Assembly that there is a pressing and immediate need for the construction of a modern public health laboratory; that the Eighty-third General Assembly increased vital record fees and dedicated those fees to upgrade the Department of Health's computer system; that those fees, pursuant to Arkansas Code § 20-7-123(b)(1)(L), will sunset when one million eight hundred thousand dollars (\$1,800,000) has been deposited in the Health Department Technology fund; that this act must become effective immediately upon the implementation of Arkansas Code § 20-7-123(b)(1)(L). Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Horn  
LDH/MHF - 031420030813  
MHF361

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Secretary