

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

Subtitle of Senate Bill No. 744

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

Amendment No. 2 to Senate Bill No. 744.

Amend Senate Bill No. 744 as engrossed, S3/18/03:

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, buildings, 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 all or any of 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 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. In addition to the fees authorized by § 20-7-123(b)(1)(H) through (b)(1)(J), and upon the effective date of Arkansas Code § 20-7-123(b)(1)(L) or when one million eight hundred thousand dollars (\$1,800,000) has been deposited into the Health Department Technology Fund, whichever shall occur earlier, the following fees shall be collected and credited to the State Board of Health Laboratory Revenue Fund:

(1) A fee of five dollars (\$5.00) collected by the state registrar for the making and certification of any certificate of record other than a death certificate;

(2) A fee of one dollars (\$1.00) collected for the making and certification of each additional copy of a certificate or record other than a death certificate;

(3) A fee of six dollars (\$6.00) collected by the state registrar for the making and certification of a single copy of a death certificate;

(4) A fee of nine dollars (\$9.00) collected by the state registrar for the making and certification of each additional copy of a death certificate;

(5) A fee of five dollars (\$5.00) collected by the state registrar for an examination and search of the files for any birth, marriage, or divorce record; and

(6) A fee of six dollars (\$6.00) collected by the state registrar for an examination and search of the files for any death record.

SECTION 8. (a)(1) 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 the "State Board of Health Laboratory Revenue Fund".

(2) All moneys in the revenue fund shall, so long as the loan is outstanding, not be subject to the provisions of Arkansas Code §§ 19-4-801 through 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;

(B) Beginning upon commencement of the loan, in an account

or accounts in the name of the board or the Arkansas Development Finance Authority, as determined by the board and the authority, designated the "State Board of Health Laboratory Revenue Loan Fund"; and

(2) 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) 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 or at the direction of the director.

(3) All transfers from the revenue loan fund shall be made by:

(A) The director; or

(B) The authority if approved by the board.

(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 and may be pledged by the board to secure the loan and may be pledged and used by the authority to pay and secure bonds issued by the authority to finance the construction.

(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 so long as 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).

(f) Upon payment or discharge of the loan and all bonds issued by the authority hereunder, the fees authorized by this act shall terminate.

SECTION 9. 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 and of issuing bonds, 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 the "State Board of Health Public Health Laboratory Construction Fund", and disbursed by the director for the construction of the expansion.

SECTION 10. All moneys held at any time in the revenue fund and the construction fund shall, to the extent feasible, be invested and reinvested, as directed by the Director of the Department of Health, and all moneys held in the revenue loan fund shall, to the extent feasible, be invested and reinvested, as directed by the Arkansas Development Finance Authority, in securities which are eligible for the securing of public deposits under Arkansas Code § 19-8-203, subject in all cases to the term of the loan and of bonds issued by the authority.

SECTION 11. (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 12. 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 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 this act will provide adequate funding for the construction of the laboratory; and that this act must become effective immediately. 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

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Secretary