

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

Subtitle of Senate Bill No. 941

"AN ACT TO ESTABLISH A SPECIAL RESTRICTED FUND FOR THE CLEAN UP
OF BROWNFIELDS."

Amendment No. 1 to Senate Bill No. 941.

Amend Senate Bill No. 941 as originally introduced:

Delete lines 9 through 14 and substitute the following:

"AN ACT TO AMEND ARKANSAS CODE TITLE 15 CHAPTER 5 TO ESTABLISH A SPECIAL RESTRICTED FUND TO BE ADMINISTERED BY THE ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY FOR THE CLEAN UP OF BROWNFIELDS; AND FOR OTHER PURPOSES."

AND

Delete lines 17 through 21 and substitute the following:

"AN ACT TO ESTABLISH A SPECIAL RESTRICTED FUND FOR THE CLEAN UP OF BROWNFIELDS."

AND

Delete everything after the enactment clause and substitute the following:

"SECTION 1. Arkansas Code Title 15, Chapter 5 is amended to add an additional subchapter to read as follows:

15-5-1501. Title.

This subchapter may be titled as the "Arkansas Brownfield Revolving Loan Fund Act".

15-5-1502. Definitions.

As used in this subchapter, unless the context requires otherwise:

(1) "Authority" means the Arkansas Development Finance Authority or its successor;

(2) "Department" means the Arkansas Department of Environmental Quality or its successor; and

(3) "Fund" means the Brownfield Revolving Loan Fund.

15-5-1503. Fund - Establishment - Uses.

(a)(1) There is established on the books of the Arkansas Development Finance Authority, a special restricted fund to be known as the "Brownfield Revolving Loan Fund", which shall be maintained by the authority and



administered by the Arkansas Department of Environmental Quality, for the purposes stated under this subchapter.

(2) The authority may create sub-accounts within the fund, as necessary.

(b) Moneys in the fund shall be expended in a manner consistent with the terms and conditions of applicable federal and state grants, and may be used:

(1) To provide loans to prospective and actual purchasers of abandoned industrial, commercial, or agricultural sites for assessments, investigations, and remedial actions under Arkansas Code Title 8, Chapter 7, Subchapter 11;

(2) To provide grants for assessments, investigations, and remedial actions under Arkansas Code Title 8, Chapter 7, Subchapter 11, or as consistent with federal law;

(3) To secure the payment of the principal, premium, and interest on, and to pay costs incurred in connection with, bonds issued by the authority, if the net proceeds of the bonds are deposited into the fund;

(4) To fund administrative expenses relating to implementing this subchapter; and

(5) To provide for any other expenditures consistent with applicable federal or state law.

15-4-1504. Fund - Sources - Deposits.

(a) The following moneys shall be deposited directly into the Brownfield Revolving Loan Fund:

(1) Grants from the federal government or federal agencies allotted to the state for capitalization of the fund;

(2) State matching grants;

(3) Proceeds of bonds issued by the authority under this subchapter;

(4) Loan payments of principal, interest, and premiums under this subchapter;

(5) Any money received from the Hazardous Substance Remedial Action Trust Fund;

(6) Any money received by the state as a gift or donation to the fund;

(7) Any interest earned upon money deposited into the fund; and

(8) Any other money legally designated for the fund.

(b)(1) All moneys received after the effective date of this subchapter, from whatever source, for direct deposit into the fund, or paid to the authority for deposit in the fund, are cash funds, restricted in their use, and shall not be deposited in the State Treasury or deemed to be a part of the State Treasury for the purposes of Arkansas Constitution, Article 5, § 29, Article 16, § 12, Amendment 20, or any other constitutional or statutory provisions, but shall be held by the authority and used solely for the purposes stated under this subchapter.

(2) All moneys received by the authority under this subchapter shall be deposited into the fund when received, unless otherwise provided by state law.

(3)(A) Interest and other moneys received from the investment of moneys, the purchase of bonds, notes, or other evidences of indebtedness, or the making of loans with moneys in the fund, shall be cash funds to be used

solely as authorized under this subchapter.

(B) Interest earnings that are transferred directly to the authority shall be cash funds to be used solely as authorized under this subchapter.

(c) The Arkansas Development Finance Authority may accept grants for deposit into the Brownfield Revolving Loan Fund from any state or federal agency, municipality, corporation, foundation, individual, or authority, and may accept any appropriation from the State Treasury, that the authority received before, as of, or after the effective date of this subchapter.

15-5-1505. Fund – Administration.

(a)(1) The Brownfield Revolving Loan Fund shall be administered by the Arkansas Department of Environmental Quality, with the Arkansas Development Finance Authority, serving as agent for the department.

(2) The department may establish procedures to administer the fund and the programs financed, in whole or in part, with moneys from the fund that are used for the purposes stated under this subchapter.

(3) The department may enter into contracts and other agreements in connection with the operation of the fund, including contracts and agreements with federal agencies, local governmental entities, the authority, and other persons, to implement this subchapter.

(b) The department shall have full authority to operate the fund and may make withdrawals as necessary to achieve the intended purposes of this subchapter.

15-5-1506. Loans - Grants.

(a) The Arkansas Finance Development Corporation, with approval of the Department of Environmental Quality, may:

(1) Make secured or unsecured loans from the fund;

(2) Award grants from the fund;

(3) May collect interest on any loans issued; and

(4) Assess penalties on late loan payments.

(b) Loans issued under this subchapter may contain an acceleration clause.

15-5-1507. Allocation from Treasurer of State.

(a)(1) The Arkansas Development Finance Authority may accept moneys for deposit into the fund from the Treasurer of State for deposit into the Brownfield Revolving Loan Fund, as provided by law, to be used for the purposes authorized under this subchapter.

(2) Federal or state grants transferred directly to the authority for deposit into the fund, are declared to be cash funds restricted in their use solely for the purposes under this subchapter.

(b) Notwithstanding the provisions of §§ 19-6-108 and 19-6-601, federal or state grants received by the Treasurer of State for purposes authorized under this subchapter are declared to be cash funds to be used solely as authorized under this subchapter.

(c)(1) Moneys received under this section shall not be considered to be a part of the State Treasury for the purposes of Arkansas Constitution, Article 5 § 29, Arkansas Constitution, Article 16, § 12, Arkansas Constitution, Amendment 20, or any other constitutional or statutory provision.

(2) The State Treasurer shall not deposit moneys received under this section into the State Treasury, but shall remit the moneys to the authority for deposit in the fund.

15-5-1508. Security for bonds.

The Arkansas Development Finance Authority may use the moneys in the Brownfield Revolving Loan Fund and the assets acquired with moneys in the fund to secure payment of the principal, premium, and interest on bonds issued by the authority, if the net proceeds of the bonds are deposited into the fund.

15-5-1509. Administrative fees.

(a) The Arkansas Department of Environmental Quality and the Arkansas Development Finance Authority may establish fees for their respective administrative services under this subchapter, including the costs of financing loans and awarding grants under this subchapter.

(b) The authority to establish fees under this section is supplemental to the authority granted to the department or the authority under other laws.

15-5-1510. Collection of fees.

(a)(1) The Arkansas Development Finance Authority, with approval of the Arkansas Department of Environmental Quality, may collect administrative fees and remit the fees directly to the authority within fifteen (15) days after each payment is collected.

(2) The authority shall remit any administrative fee owed to the department and the fees shall be deposited into the Brownfield Revolving Loan Fund on a quarterly basis.

(3) Any administrative fees owed to the authority shall not be deposited into the fund.

15-5-1511. Regulations.

The Arkansas Pollution Control and Ecology Commission may adopt regulations as necessary to implement this subchapter.

SECTION 2 EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that there is an urgent need to return abandoned, idled, and underused industrial, commercial, and agricultural properties, otherwise known as Brownfield sites, to productive uses; that the state would benefit by allowing grant funds awarded from the federal government, as well as future grant awards and other moneys allocated to the Department of Environmental Quality, to be used to clean up Brownfield sites; that a successful revolving loan fund program will assist the department to reach its goal of returning Brownfield sites to productive uses. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2003.”

The Amendment was read the first time, rules suspended and read the second time and _____
By: Senator Steele
AAF/CDS - 032020031057
CDS412 _____ Secretary