1	State of Arkansas
2	84th General Assembly
3	Regular Session, 2003

A Bill

HOUSE BILL   1547

5   By: Representative Napper

For An Act To Be Entitled

9   AN ACT TO AMEND ARKANSAS CODE § 15-5-103; TO
10   AMEND THE DEFINITION OF HEALTH CARE PROJECT
11   COSTS; TO DECLARE AN EMERGENCY; AND FOR OTHER
12   PURPOSES.

Subtitle

15   AN ACT TO AMEND THE DEFINITION OF HEALTH
16   CARE PROJECT COSTS.

19   WHEREAS, providing health and medical care to its employees is a
20 fundamental obligation of the State of Arkansas and its agencies,
21 instrumentalities, and political subdivisions; and

23   WHEREAS, the costs of providing health and medical care to state
24 employees are significant and volatile in nature; and

26   WHEREAS, it is desirable to authorize the Arkansas Development and
27 Finance Authority to issue revenue bonds for the purpose of financing health
28 and medical care costs and claims in order to better manage and minimize the
29 costs of providing health and medical care to state employees,

33 NOW THEREFORE,
34 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

36   SECTION 1. Arkansas Code § 15-5-103(10), defining "health care project

1 costs" for the Arkansas Development Finance Authority Act, is amended to read
2 as follows:
3   (10)(A)(i) "Health care project costs" specifically includes the
4 refinancing of any existing debt of a health care facility necessary in order
5 to permit the health care facility to borrow from the authority and give
6 adequate security for the health care facility loan.
7   (ii) The determination of the authority with respect to
8 the necessity of refinancing and adequate security for a health care facility
9 loan is conclusive.
10   (B)(i) "Health care project costs" also includes the financing
11 of working capital and the financing of health and medical care costs and
12 claims incurred by or on behalf of employees of the state or any agency,
13 instrumentality, or political subdivision of the state.
14   (ii) Provided, that any health care facility loan to a
15 health care facility located outside the state to finance working capital
16 shall be made only if necessary to a program of working capital financing,
17 including a health care facility loan to a health care facility located
18 within the state.
19   (C) The determination of the authority with respect to the
20 necessity of these health care facility loans to health care facilities
21 located outside the state is conclusive.
22   (D) Pooled or Consolidated Financings of a Number of Loans for
23 Health Care Facilities.
24   (i) The authority may make loans for health care
25 facilities located outside the state, provided:
26   (a) Loans under the same pooled or consolidated
27 financing program are made under similar terms to health care facilities
28 located within the state; and
29   (b) The authority's fees or charges, after deducting
30 all appropriate expenses for providing the aggregated or pooled financings of
31 health care facilities, are primarily dedicated to furthering the delivery of
32 health care within the state.
33   (ii) The determination of the authority with respect to
34 the necessity and appropriateness of such health care facility loans to
35 health care facilities located either within or outside the state is
36 conclusive.

1   (iii) The General Assembly hereby declares that the
2 authority acting as authorized under this section in making health care loans
3 under the terms hereof is within the legislative findings and declaration of
4 public necessity as set forth in § 15-5-102(b)(7).
5   (iv) Bonds issued by the authority under this subdivision
6 (10)(D) shall not be exempt from taxes of the State of Arkansas;
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