

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 84th General Assembly  
3 Regular Session, 2003  
4

As Engrossed: S3/18/03 S3/25/03

# A Bill

SENATE BILL 744

5 By: Senator Horn  
6  
7

## For An Act To Be Entitled

9 AN ACT TO ENSURE THE FUNDING NECESSARY TO  
10 CONSTRUCT AND EQUIP A MODERN PUBLIC HEALTH  
11 LABORATORY; AND FOR OTHER PURPOSES.  
12

### Subtitle

14 AN ACT TO ENSURE THE FUNDING NECESSARY  
15 TO CONSTRUCT AND EQUIP A MODERN PUBLIC  
16 HEALTH LABORATORY.  
17  
18

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

22 SECTION 1. This act shall be known and may be cited as the "Department  
23 of Health Public Health Laboratory Act of 2003".  
24

25 SECTION 2. It is the purpose of this act to better serve the citizens  
26 of Arkansas by providing for the construction and equipping of a modern  
27 public health laboratory.  
28

29 SECTION 3. As used in this act:

30 (1) "Authority" means the Arkansas Development Finance  
31 Authority;

32 (2) "Authorizing resolution" means the resolution or resolutions  
33 adopted by the board authorizing the loan;

34 (3) "Board" means the State Board of Health;

35 (4) "Building" means the State Department of Health Building,  
36 located on West Markham Street in Little Rock, Arkansas;



1           (5) "Construction Fund" means the State Department of Health  
2 Public Health Laboratory Fund created by this act;

3           (6) "Construct" means to acquire, construct, reconstruct,  
4 remodel, install, and equip any lands, buildings, structures, improvements,  
5 or other property whether real, personal, or mixed, useful in connection with  
6 the expansion, by any method and manner as may be authorized by law, and in  
7 the case of the acquisition of equipment and other property of a medical,  
8 laboratory, or technical nature by any method as the board or the director  
9 determines to be necessary or desirable to accomplish the power, purposes,  
10 and authorities set forth in this act, and without regard to the provisions  
11 of other laws pertaining to the construction and acquisition of property by  
12 state agencies;

13           (7) "Director" means the Director of the Department of Health;

14           (8) "Renovation" means the renovation and improvement of the  
15 building, including the renovation and alteration of existing properties  
16 whether real, personal, or mixed;

17           (9) "Fees" means the fees generated under this act that  
18 represent an increase to the allowable fees set forth in Arkansas Code § 20-  
19 7-123;

20           (10) "Fee revenues" means all revenues derived from all or any  
21 of the fees;

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

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

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

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

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

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

1 building.

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

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

12  
13 SECTION 5. (a)(1) To finance the construction of the laboratory and  
14 renovation of the building, the State Board of Health is authorized to enter  
15 into a loan, from the Arkansas Development Finance Authority, in the  
16 principal amount of not more than twenty-six million dollars (\$26,000,000),  
17 under Chapter 5 of Title 15 of the Arkansas Code.

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

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

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

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

31  
32 SECTION 6. (a) The payment and other obligations of the State Board  
33 of Health under and with respect to the loan shall be secured by a pledge of  
34 the fee revenues, subject to the terms of this act and the reserved power to  
35 release fee revenues as set forth in this act.

36 (b) The loan shall be an obligation of the board only and shall not

1 constitute an indebtedness for which the faith and credit of the State of  
2 Arkansas or any of its revenues are pledged.

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

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

7  
8 SECTION 7. In addition to the fees authorized by § 20-7-123(b)(1)(H)  
9 through (b)(1)(J), and upon the effective date of Arkansas Code § 20-7-  
10 123(b)(1)(L) or when one million eight hundred thousand dollars (\$1,800,000)  
11 has been deposited into the Health Department Technology Fund, whichever  
12 shall occur earlier, the following fees shall be collected and credited to  
13 the State Board of Health Laboratory Revenue Fund:

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

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

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

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

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

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

29  
30 SECTION 8. (a)(1) All fee revenues shall be treated as cash funds and  
31 shall not be deposited in the State Treasury, except as set forth in this  
32 act, but shall be deposited, as and when received, in a bank or banks  
33 approved by the State Board of Health or the Director of the Department of  
34 Health, in an account or accounts of the board designated the "State Board of  
35 Health Laboratory Revenue Fund".

36 (2) All moneys in the revenue fund shall, so long as the loan is

1 outstanding, not be subject to the provisions of Arkansas Code §§ 19-4-801  
2 through 806 and shall be deposited, handled, and disbursed as set forth in  
3 this act.

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

7 (1) An annual amount sufficient to provide for principal,  
8 interest, servicing fees, and reserve requirements with respect to the loan,  
9 but not to exceed the sum of two million six hundred thousand dollars  
10 (\$2,600,000) per fiscal year:

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

13 (B) Beginning upon commencement of the loan, in an account  
14 or accounts in the name of the board or the Arkansas Development Finance  
15 Authority, as determined by the board and the authority, designated the  
16 "State Board of Health Laboratory Revenue Loan Fund"; and

17 (2) Any balance remaining shall be distributed fifty percent  
18 (50%) to the Public Health Fund and fifty percent (50%) to the State Health  
19 Department Building and Local Grant Trust Fund.

20 (c)(1) All funds held in the revenue fund, the revenue loan fund, and  
21 the construction fund shall be deemed to be cash funds, shall not be  
22 deposited in the State Treasury and shall be transferred, deposited, and  
23 applied, as set forth in this act, without the necessity of appropriation.

24 (2) All transfers from the revenue fund and the construction  
25 fund shall be made by or at the direction of the director.

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

27 (A) The director; or

28 (B) The authority if approved by the board.

29 (d) So long as the loan is outstanding, funds held in the revenue loan  
30 fund shall be used solely for the purpose of paying and providing for  
31 principal of, interest on, and servicing fees, if any, in connection with the  
32 loan and providing for the creation and maintenance of necessary reserves and  
33 may be pledged by the board to secure the loan and may be pledged and used by  
34 the authority to pay and secure bonds issued by the authority to finance the  
35 construction.

36 (e)(1) So long as the loan is outstanding, all fees shall be imposed

1 and all fee revenues shall be collected and applied as provided in this act.

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

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

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9 SECTION 9. The proceeds of the loan, other than amounts required to  
10 establish required reserves, to pay interest on the loan for a period not to  
11 exceed one (1) year, or to pay costs of the loan and of issuing bonds, all of  
12 which shall be set forth in written directions executed by the Director of  
13 the Department of Health, shall be deposited as cash funds in an account of  
14 the board designated the "State Board of Health Public Health Laboratory  
15 Construction Fund", and disbursed by the director for the construction of the  
16 expansion.

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

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27 SECTION 11. (a) The authorizing resolution, and each agreement or  
28 other writing executed and delivered pursuant to it or this act, together  
29 with this act, shall constitute a contract between the State Board of Health  
30 and the Arkansas Development Finance Authority, and the obligations of the  
31 board may be enforced by mandamus or other equitable or legal remedy.

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

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35 SECTION 12. Neither the Director of the Department of Health nor any  
36 member of the State Board of Health shall be personally liable on the loan or

1 on account of any of the obligations or actions undertaken in connection with  
2 the loan, or for any damages sustained by anyone with respect to the  
3 obligations or actions, unless he or she shall have acted with a corrupt  
4 intent.

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6 SECTION 13. EMERGENCY CLAUSE. It is found and determined by the  
7 Eighty-fourth General Assembly that there is a pressing and immediate need  
8 for the construction of a modern public health laboratory; that this act will  
9 provide adequate funding for the construction of the laboratory; and that  
10 this act must become effective immediately. Therefore, an emergency is  
11 declared to exist and this act being immediately necessary for the  
12 preservation of the public peace, health, and safety shall become effective  
13 on:

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

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

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

20  
21 /s/ Horn