

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1262

5 By: Representative Womack
6 By: Senator Rapert
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING ELECTRONIC FUNDS
10 TRANSFERS OF CITIES AND COUNTIES; AND FOR OTHER
11 PURPOSES.
12
13

Subtitle

15 TO AMEND THE LAW CONCERNING ELECTRONIC
16 FUNDS TRANSFERS OF CITIES AND COUNTIES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 14-24-121(b), concerning county electronic
22 warrants transfer systems, is amended to read as follows:

23 (b)(1) For purposes of this section, counties opting for the
24 electronic warrants transfer system shall establish ~~their own electronic~~
25 ~~payment method that~~ written policies and procedures to ensure that the
26 electronic warrants transfer system provides for internal accounting controls
27 and documentation for audit and accounting purposes.

28 (2) The electronic ~~payment method~~ warrants transfer system under
29 subdivision (b)(1) of this section shall ~~be~~ comply with the information
30 systems best practices approved by the Legislative Joint Auditing Committee
31 before implementation by the county.
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33 SECTION 2. Arkansas Code § 14-59-105(e)(1), concerning municipal
34 electronic funds transfers, is amended to read as follows:

35 (e)(1) Disbursements of municipal funds, other than for payments under
36 subsections (c) and (d) of this section, may be made by electronic funds



1 transfer provided that:

2 (A) The governing body of the municipality shall establish
 3 by ordinance an electronic funds payment system directly into payees'
 4 accounts in financial institutions in payment of any account allowed against
 5 the municipality;

6 (B) For purposes of this subsection, municipalities opting
 7 for an electronic funds payment system shall establish ~~an electronic payment~~
 8 ~~method that~~ written policies and procedures to ensure that the electronic
 9 funds payment system provides for internal accounting controls and
 10 documentation for audit and accounting purposes; and

11 (C) Each electronic ~~payment method~~ funds payment system
 12 established under ~~subdivision (e)(2) of this section~~ this subsection shall be
 13 comply with the information systems best practices approved by the
 14 Legislative Joint Auditing Committee before implementation by the
 15 municipality.

16
 17 SECTION 3. Arkansas Code § 14-237-106(e), concerning electronic funds
 18 transfers of municipal water and sewer departments, is amended to read as
 19 follows:

20 (e) Disbursements of department funds, other than for payments under
 21 subsections (b) and (d) of this section, may be made by electronic funds
 22 transfer provided that:

23 (1) The department's governing body may establish an electronic
 24 funds payment system directly into payees' accounts in financial institutions
 25 in payment of any account allowed against the department-;

26 (2) ~~As used in~~ For the purposes of this subsection, departments
 27 opting for an electronic funds payment system shall establish ~~an electronic~~
 28 ~~payment method that~~ written policies and procedures to ensure that the
 29 electronic funds payment system provides for internal accounting controls and
 30 documentation for audit and accounting purposes-;

31 (3) Each electronic ~~payment method~~ funds payment system
 32 established under ~~subdivision (e)(2) of this section~~ this subsection shall be
 33 comply with the information systems best practices approved by the
 34 Legislative Joint Auditing Committee before implementation by the
 35 department-; and

36 (4) A single electronic funds payment may contain payments to

1 multiple payees, appropriations, characters, or funds.

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APPROVED: 2/13/19