

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

A Bill

SENATE BILL 540

5 By: Senator J. English
6 By: Representative Brown
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING CERTAIN FINANCIAL
10 PROCEDURES OF A FIRE PROTECTION DISTRICT; AND FOR
11 OTHER PURPOSES.
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Subtitle

14 TO AMEND THE LAW CONCERNING CERTAIN
15 FINANCIAL PROCEDURES OF A FIRE PROTECTION
16 DISTRICT.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 14-284-117 is amended to read as follows:
23 14-284-117. Issuance of notes.

24 (a)(1) In order to acquire and maintain equipment and facilities and
25 ~~to~~ do the work of the fire protection district, the board of commissioners
26 may issue the negotiable notes of the fire protection district signed by the
27 members of the board and bearing a rate of interest not exceeding ~~eight~~
28 ~~percent (8%) per annum~~ the maximum rate of interest under § 4-57-104, and ~~it~~
29 the board may pledge and mortgage a portion of the future annual benefit
30 assessments as collected for ~~the payment thereof~~.

31 (2) The petition for the creation of a fire protection district
32 in the court order creating the fire protection district shall limit the
33 total amount of notes that may be outstanding at any time, but the limits may
34 be increased to the maximum prescribed in subdivision (a)(3) of this section
35 ~~by a vote of a majority in value of the owners of real property in the~~
36 ~~district~~.



1 (3) ~~No~~ Subject to Arkansas Constitution, Amendment 78, if
2 applicable, a fire protection district created under this ~~section~~ subchapter
3 shall not have notes outstanding at any one time ~~in~~:

4 (A) In excess of one hundred fifty thousand dollars
5 (\$150,000); or

6 (B) With an annual amortized amount that exceeds two (2)
7 times the available cash reserves of the fire protection district.

8 (b) ~~The district shall have no authority to issue bonds~~ A fire
9 protection district shall not issue bonds.

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12 **APPROVED: 4/5/19**
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