

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4
5 By: Senator Teague
6 By: Representative Jean
7

A Bill

SENATE BILL 155

For An Act To Be Entitled

9 AN ACT TO CREATE THE DEVELOPMENT AND ENHANCEMENT FUND
10 TO PROVIDE AUTHORITY TO COMPLETE PROJECTS AND PROVIDE
11 A MECHANISM FOR STATE INFRASTRUCTURE AND
12 UNANTICIPATED NEEDS; TO REPEAL THE GENERAL
13 IMPROVEMENT FUND; TO DECLARE AN EMERGENCY; AND FOR
14 OTHER PURPOSES.

Subtitle

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18 TO CREATE THE DEVELOPMENT AND ENHANCEMENT
19 FUND; AND TO DECLARE AN EMERGENCY.
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24 SECTION 1. DO NOT CODIFY. LEGISLATIVE INTENT. It is the intent of
25 the General Assembly that the creation of the Development and Enhancement
26 Fund is necessary to provide a mechanism to disburse funds for:

27 (1) Various construction and improvement projects;

28 (2) Unforeseen needs;

29 (3) Funding deficiencies; and

30 (4) The completion of projects previously funded by the General

31 Assembly.
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33 SECTION 2. Arkansas Code § 6-62-709(b), concerning the Arkansas
34 College Savings Bond Act, is amended to read as follows:

35 (b) Upon receipt thereof, the Governor shall confer with the Chief
36 Fiscal Officer of the State concerning the amount available in the state



1 General Improvement Fund or its successor fund or fund accounts, including
 2 the Development and Enhancement Fund, which ~~such~~ funds shall be used to
 3 defray ~~said the~~ debt service requirements in ~~such~~ amounts as are determined
 4 to be available. The Chief Fiscal Officer of the State shall then determine
 5 whether the annual amount of general revenue funds required to be set aside
 6 from the net general revenue as ~~such term is~~ defined in the Revenue
 7 Stabilization Law, § 19-5-101 et seq., for payment of the remaining debt
 8 service requirements in connection with the bonds during either year of the
 9 fiscal biennium in which the bonds are to be issued, would work undue
 10 hardship upon any agency or program supported from general revenues under the
 11 ~~provisions of the~~ Revenue Stabilization Law, § 19-5-101 et seq.

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 13 SECTION 3. Arkansas Code § 6-62-1104(b)(1), concerning higher
 14 education technology and facility improvement, is amended to read as follows:

15 (b)(1) Upon receipt of the plan, the Governor shall confer with the
 16 Chief Fiscal Officer of the State concerning the amount and availability of
 17 unrestricted funds in the General Improvement Fund or its successor fund or
 18 fund accounts, including the Development and Enhancement Fund, that would be
 19 used to meet the debt service requirements.

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 21 SECTION 4. Arkansas Code § 8-5-807(b)(2)(A), concerning the Small
 22 Business Revolving Loan Fund, is amended to read as follows:

23 (A) All funds transferred from the General Improvement
 24 Fund or its successor fund or fund accounts, including the Development and
 25 Enhancement Fund, to be otherwise provided by law for the Small Business
 26 Revolving Loan Fund;

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 28 SECTION 5. Arkansas Code § 12-8-125(a), concerning the Small
 29 Municipality Law Enforcement Vehicle Grant Program, is amended to read as
 30 follows:

31 (a) There is created the "Small Municipality Law Enforcement Vehicle
 32 Grant Program", to be administered by the Department of Arkansas State Police
 33 with funding from the General Improvement Fund or its successor fund or fund
 34 accounts, including the Development and Enhancement Fund.

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 36 SECTION 6. Arkansas Code § 14-171-218 is amended to read as follows:

1 14-171-218. Future applicants.

2 Any applications submitted after January 1, 2001, for state aid for the
 3 expansion of eligible facilities or for new facilities shall be submitted to
 4 the General Assembly and any appropriation for the expansion or new facility
 5 shall be made from the General Improvement Fund or its successor fund or fund
 6 accounts, including the Development and Enhancement Fund.

7
 8 SECTION 7. Arkansas Code § 19-4-1412(a), concerning the construction
 9 of buildings and facilities, is amended to read as follows:

10 (a) If, after the expiration date of the second biennial period for
 11 which funds have been appropriated for the benefit of any specific capital
 12 improvement project, there remains a balance of funds or appropriations, then
 13 such fund balances as may remain in the General Improvement Fund or its
 14 successor fund or fund accounts, including the Development and Enhancement
 15 Fund, for the benefit of the capital improvement project shall be reallocated
 16 for the benefit of proposed new or existing capital improvement projects of
 17 the various state agencies as may be enacted.

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 19 SECTION 8. Arkansas Code § 19-5-304(9)(B)(ii), concerning general
 20 revenue operating funds and fund accounts, is amended to read as follows:

21 (ii) Moneys transferred from the General Improvement Fund
 22 or its successor fund or fund accounts, including the Development and
 23 Enhancement Fund; and

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 25 SECTION 9. Arkansas Code § 19-5-501(b)(4), concerning the Budget
 26 Stabilization Trust Fund, is amended to read as follows:

27 (4) Making transfers to the General Improvement Fund or
 28 its successor fund or fund accounts, including the Development and
 29 Enhancement Fund, as established in § 19-5-1005 in order to provide
 30 supplemental funding for appropriations supported from the General
 31 Improvement Fund or its successor fund or fund accounts, including the
 32 Development and Enhancement Fund, as may be provided by law;

33
 34 SECTION 10. Arkansas Code § 19-5-1004(c), concerning the General
 35 Revenue Allotment Reserve Fund, is amended to read as follows:

36 (c) Any funds that remain in the Department of Career Education Fund

1 Account or the fund accounts created in § 19-5-304(8) at the end of a fiscal
 2 year due to the provisions of this section shall be transferred by the Chief
 3 Fiscal Officer of the State to the General Improvement Fund or its successor
 4 fund or fund accounts, including the Development and Enhancement Fund, there
 5 to be used exclusively to provide additional funding for appropriations for
 6 the applicable vocational and technical schools, technical institutes, or
 7 comprehensive lifelong learning centers, that are made payable from the
 8 General Improvement Fund or its successor fund or fund accounts, including
 9 the Development and Enhancement Fund.

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 11 SECTION 11. Arkansas Code § 19-5-1005 is amended to read as follows:
 12 19-5-1005. ~~General Improvement Fund~~ Development and Enhancement Fund.

13 (a) There is established on the books of the Treasurer of State, the
 14 Auditor of State, and the Chief Fiscal Officer of the State a fund to be
 15 known as the ~~"General Improvement Fund"~~ "Development and Enhancement Fund".

16 (b) The ~~fund~~ Development and Enhancement Fund shall consist of those
 17 special revenues specified in § 19-6-301(171) and any other funds made
 18 available by the General Assembly from time to time.

19 (c) The fund shall be used to provide financing of various projects
 20 authorized by the General Assembly and to make temporary loans ~~to funds~~
 21 ~~receiving general revenue as set out in § 19-5-302~~ or provide funding for
 22 appropriations authorized by the General Assembly.

23 (d) The Development and Enhancement Fund shall be the successor fund
 24 to the General Improvement Fund for the payment of any outstanding balances,
 25 warrants, and reappropriations enacted by the General Assembly previously
 26 payable from the General Improvement Fund.

27
 28 SECTION 12. Arkansas Code § 19-5-1039(b), concerning the Rural Health
 29 Services Revolving Fund, is amended to read as follows:

30 (b) The Rural Health Services Revolving Fund shall consist of funds
 31 transferred from the General Improvement Fund or its successor fund or fund
 32 accounts, including the Development and Enhancement Fund, or any other funds
 33 made available by the General Assembly, there to be used to provide matching
 34 funds, on a fifty-fifty (50:50) cash basis up to a maximum of two hundred
 35 thousand dollars (\$200,000) per applicant, for assisting in the stabilizing
 36 of necessary medical services provided by county, local, commercial, or

1 nonprofit operations, all as administered by the Department of Health as set
 2 out in the Rural Health Services Revolving Fund Act, § 20-12-401 et seq.

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 4 SECTION 13. Arkansas Code § 19-5-1105(b)(1), concerning the Small
 5 Business Revolving Loan Fund, is amended to read as follows:

6 (b)(1) The Small Business Revolving Loan Fund shall consist of moneys
 7 transferred from the General Improvement Fund or its successor fund or fund
 8 accounts, including the Development and Enhancement Fund, interest earnings,
 9 repayment of loans, and moneys recovered for loan losses under the loan
 10 program created in the Small Business Revolving Loan Fund for Pollution
 11 Control and Prevention Technologies Act, § 8-5-801 et seq., and any other
 12 moneys made available by law or from any other source.

13
 14 SECTION 14. Arkansas Code § 19-5-1205(b)(1), concerning the Youth
 15 Services Facilities Needs Fund, is amended to read as follows:

16 (b)(1) The Youth Services Facilities Needs Fund shall consist of funds
 17 transferred to it from the General Improvement Fund or its successor fund or
 18 fund accounts, including the Development and Enhancement Fund, and ~~such~~ other
 19 funds authorized by law.

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 21 SECTION 15. Arkansas Code § 19-5-1206(b)(1), concerning the Building
 22 Authority Division Real Estate Fund, is amended to read as follows:

23 (b)(1) The Building Authority Division Real Estate Fund shall consist
 24 of funds transferred to it from the General Improvement Fund or its successor
 25 fund or fund accounts, including the Development and Enhancement Fund, or
 26 other funds, gifts, bequests, foundation grants and gifts, Governor's
 27 Emergency Fund or other emergency funds, federal grants and matching funds,
 28 short-term loans and advances, proceeds from bond issues, leases, service
 29 charges or fees, interagency transfers of funds, partnerships and debentures,
 30 and other funds as may be appropriated by the General Assembly.

31
 32 SECTION 16. Arkansas Code § 19-5-1236(b)(1), concerning the Technology
 33 Acceleration Fund, is amended to read as follows:

34 (b)(1) The Technology Acceleration Fund shall consist of funds
 35 transferred to it from the General Improvement Fund or its successor fund or
 36 fund accounts, including the Development and Enhancement Fund, or other

1 funds, gifts, bequests, foundation grants and gifts, Governor's Emergency
2 Fund or other emergency funds, federal grants and matching funds, proceeds
3 from bond issues, service charges or fees, interagency transfers of funds,
4 and other funds as may be appropriated by the General Assembly.

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6 SECTION 17. Arkansas Code § 19-5-1238(b)(1), concerning the
7 Sustainable Building Design Revolving Loan Fund, is amended to read as
8 follows:

9 (b)(1) The Sustainable Building Design Revolving Loan Fund shall
10 consist of funds transferred to it from the General Improvement Fund or its
11 successor fund or fund accounts, including the Development and Enhancement
12 Fund, or other funds, gifts, bequests, foundation grants and gifts,
13 Governor's Emergency Fund or other emergency funds, federal grants and
14 matching funds, proceeds from bond issues, service charges or fees,
15 interagency transfers of funds, and other funds as may be appropriated by the
16 General Assembly.

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18 SECTION 18. Arkansas Code § 19-5-1240(b), concerning the Minority and
19 Women-Owned Business Loan Mobilization Revolving Fund, is amended to read as
20 follows:

21 (b) The Minority and Women-Owned Business Loan Mobilization Revolving
22 Fund shall consist of the unexpended fund balances remaining in the Small
23 Business Loan Fund Account of the 82nd Session General Improvement Fund or
24 its successor fund or fund accounts, including the Development and
25 Enhancement Fund, as of the close of business on June 30, 2009, and such
26 other funds as may be authorized by law.

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28 SECTION 19. Arkansas Code § 19-5-1244(b)(2), concerning the Health
29 Information Technology Fund, is amended to read as follows:

30 (2) The Health Information Technology Fund shall also consist of
31 funds transferred to it from the General Improvement Fund or its successor
32 fund or fund accounts, including the Development and Enhancement Fund, or
33 other funds, gifts, bequests, foundation grants and gifts, Governor's
34 Emergency Fund or other emergency funds, federal grants and matching funds,
35 proceeds from bond issues, service charges or fees, interagency transfer of
36 funds, and other funds that may be appropriated by the General Assembly.

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SECTION 20. Arkansas Code § 19-5-1262 is amended to read as follows:
19-5-1262. Rainy Day Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous fund to be known as the "Rainy Day Fund".

(b) The Rainy Day Fund shall consist of:

(1) Funds transferred to the Rainy Day Fund from the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund;

(2) Attorney General settlement funds;

(3) Interagency transfers of funds to the Rainy Day Fund;

(4) Any revenues provided by law; and

(5) Any other funds and fund transfers provided for by law.

(c) The Chief Fiscal Officer of the State shall use the Rainy Day Fund for transfers to:

(1)(A) Provide funding for one (1) or more ~~General Improvement Fund appropriations or General Improvement Fund reappropriations enacted by the General Assembly~~ appropriations or reappropriations enacted by the General Assembly from the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund.

(B) At the time of a transfer under subdivision (c)(1)(A) of this section, the Chief Fiscal Officer of the State shall notify the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, of the transfer of funds, the amount of funds transferred, and the purpose of the transfer; and

(2) One (1) or more funds or fund accounts authorized by the General Assembly, other than the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund, upon prior approval by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee.

SECTION 21. Arkansas Code § 26-51-2412(a)(1), concerning the Arkansas Central Business Improvement District Rehabilitation and Development Investment Tax Credit Act, is amended to read as follows:

(a)(1) This subchapter takes effect only if the Chief Fiscal Officer

1 of the State certifies that sufficient funding for this subchapter is
2 available in the General Improvement Fund or its successor fund or fund
3 accounts, including the Development and Enhancement Fund.

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5 SECTION 22. Arkansas Code § 26-59-122(a), concerning the disposition
6 and allocation of funds, is amended to read as follows:

7 (a) All taxes, fees, penalties, and costs received by the Director of
8 the Department of Finance and Administration under ~~the provisions of this~~
9 chapter shall be general revenues and shall be deposited into the State
10 Treasury to the credit of the State Apportionment Fund, except that the
11 amount of estate taxes collected in a calendar year that exceeds ten percent
12 (10%) of the average annual estate taxes collected for a five-year period
13 immediately preceding the calendar year or fifteen million dollars
14 (\$15,000,000), whichever is greater, shall be deposited into the State
15 Treasury as special revenues and credited to the General Improvement Fund or
16 its successor fund or fund accounts, including the Development and
17 Enhancement Fund.

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19 SECTION 23. EMERGENCY CLAUSE. It is found and determined by the
20 General Assembly of the State of Arkansas that the General Improvement Fund
21 should no longer be utilized; that the Development and Enhancement Fund is
22 necessary to complete unfinished state projects; and that this act is
23 necessary to address infrastructure needs and unanticipated needs of the
24 State of Arkansas. Therefore, an emergency is declared to exist, and this
25 act being necessary for the preservation of the public peace, health, and
26 safety shall become effective on July 1, 2019.