

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

15 TO AMEND THE LAW CONCERNING CERTAIN  
16 FINANCIAL PROCEDURES OF A FIRE PROTECTION  
17 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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