

INTERIM STUDY PROPOSAL 2023-012

State of Arkansas  
94th General Assembly  
Regular Session, 2023

## A Bill

HOUSE BILL 1614

By: Representatives Vaught, Haak, Beaty Jr., Milligan, K. Moore, Maddox, McNair, Cavanaugh, D. Hodges, Hawk, L. Johnson, Puryear, Cozart, Lundstrum, G. Hodges, D. Garner, Brooks  
By: Senators Dees, Gilmore, J. Petty, G. Leding

Filed with: Arkansas Legislative Council  
pursuant to A.C.A. §10-3-217.

### For An Act To Be Entitled

AN ACT REGARDING THE ARKANSAS NATURAL RESOURCES  
COMMISSION; TO ESTABLISH THE WATER AND SEWER  
TREATMENT FACILITIES GRANT PROGRAM; TO CREATE THE  
WATER AND SEWER TREATMENT FACILITIES GRANT PROGRAM  
FUND; TO TRANSFER FUNDING FROM THE SECURITIES RESERVE  
FUND; TO DECLARE AN EMERGENCY; AND FOR OTHER  
PURPOSES.

### Subtitle

TO ESTABLISH THE WATER AND SEWER  
TREATMENT FACILITIES GRANT PROGRAM; TO  
TRANSFER FUNDING FROM THE SECURITIES  
RESERVE FUND; AND TO DECLARE AN  
EMERGENCY.

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

SECTION 1. Arkansas Code § 19-5-905(a)(11) and (12), concerning the use of the Securities Reserve Fund, are amended to read as follows:

(11) After the transfer enumerated in subdivision (a)(10) of this section and contingent upon available moneys in the Securities Reserve Fund, for a transfer by the Chief Fiscal Officer of the State of fifty

1 million dollars (\$50,000,000) or as much as remains unobligated each fiscal  
2 year to the Water and Sewer Treatment Facilities Grant Program Fund;

3 (12) For a transfer by the Chief Fiscal Officer of the State on  
4 the last business day of the fiscal year to the Budget Stabilization Trust  
5 Fund to reimburse the Budget Stabilization Trust Fund for any current fiscal  
6 year transfers that have been made to the following:

7 (A) The Division of Correction Farm Fund under § 19-5-  
8 501(b)(1);

9 (B) The Department of the Military Fund Account under §  
10 19-5-501(b)(3);

11 (C) The Disaster Assistance Fund under § 19-5-1006;

12 (D) The Miscellaneous Revolving Fund under § 19-5-1009;

13 (E) The State Central Services Fund under § 19-5-501(d);

14 and

15 (F) The State Board of Election Commissioners, as  
16 authorized by law; and

17 ~~(12)~~(13) After all distributions and transfers under this  
18 section, less one hundred thousand dollars (\$100,000) under § 19-3-521(a)(2),  
19 for a transfer by the Chief Fiscal Officer of the State on the last business  
20 day of the fiscal year of the fund balance to the Catastrophic Reserve Fund.  
21

22 SECTION 2. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended  
23 to add an additional section to read as follows:

24 19-6-844. Water and Sewer Treatment Facilities Grant Program Fund.

25 (a) There is established on the books of the Treasurer of State, the  
26 Auditor of State, and the Chief Fiscal Officer of the State a special revenue  
27 fund to be known as the "Water and Sewer Treatment Facilities Grant Program  
28 Fund".

29 (b) The fund shall consist of:

30 (1) Moneys transferred to the fund under § 19-5-905; and

31 (2) Any other revenues as authorized by law.

32 (c) The fund shall be used by the Arkansas Natural Resources  
33 Commission to award grants under the Water and Sewer Treatment Facilities  
34 Grant Program established in § 25-43-203.  
35

1 SECTION 3. Arkansas Code Title 25, Chapter 43, Subchapter 2, is  
2 amended to add an additional section to read as follows:

3 25-43-203. Water and Sewer Treatment Facilities Grant Program.

4 (a)(1) There is created within the Arkansas Natural Resources  
5 Commission the Water and Sewer Treatment Facilities Grant Program to be  
6 administered by the commission.

7 (2) The commission may hire personnel necessary to carry out the  
8 duties of administering the program.

9 (b) The commission shall:

10 (1) Create an application form to be submitted by eligible water  
11 and sewer treatment facilities seeking a matching grant from the program;

12 (2) Devise an application process that:

13 (A) Defines the eligibility criteria for a matching grant;  
14 and

15 (B) Establishes application submittal and review  
16 processes;

17 (3) Define a process by which matching grants may be awarded;

18 (4) Execute standard legal grant agreements and other  
19 documentation governing the disbursement and use of matching grants; and

20 (5) Provide matching grants to eligible water and sewer  
21 treatment facilities for infrastructure and improvement projects that are  
22 shovel ready.

23 (c) The commission shall promulgate rules necessary for the  
24 implementation of the program.

25  
26 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the  
27 General Assembly of the State of Arkansas that it is in the best interest of  
28 the citizens of this state to provide water and sewer grant opportunities for  
29 projects to keep Arkansas water systems safe and clean; and that this act is  
30 necessary because there is a dire need to protect public health and safety in  
31 Arkansas by replacing water and sewer lines in disrepair and providing new  
32 access to clean water systems to other citizens. Therefore, an emergency is  
33 declared to exist, and this act being immediately necessary for the  
34 preservation of the public peace, health, and safety shall become effective  
35 on:

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

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

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

6  
7  
8 Referred by Representative Vaught

9 Prepared by: CRH/CRH

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36