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FINAL SUMMARY
OF ACTION BY THE
THIRD EXTRAORDINARY SESSION
OF THE
SEVENTY-SIXTH GENERAL ASSEMBLY
OF THE
STATE OF ARKANSAS

Tuesday, January 26, 1988
Friday, February 5, 1988

Prepared by:
The Bureau of Legislative Research
Arkansas Legislative Council

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PROPERTY OF ARKANSAS LEGISLATIVE COUNCIL

SUBSTANTIVE ACTS

BONDS

Housing Authorities

Act 3 (Senate Bill 2) Sen. Kinard

- amends Arkansas Code 14-169-221 to permit bonds issued by housing authorities to be sold through negotiation rather than at public sale. Puts such bonds in same position as those issued by other agencies of municipalities or counties. Avoids the delay caused by public notice and public sale.

COURTS

18th Judicial District

Act 12 (House Bill 1028) Reps. Mullenix, Parkerson and Allen

- amends Arkansas Code 16-21-117(b) to make the 18th East Judicial District a Division A Judicial Circuit effective January 1, 1989, except that it shall not prevent the Public Defender for that Circuit from the further practice of law in addition to his Public Defender duties.

Court Costs - Counties with Population of at least 65,000

Act 33 (Senate Bill 3) Sen. Howell

- permits additional court costs to be collected in counties of 65,000 or more when approved by the quorum court. Such fees may be used for establishment and maintenance of court personnel and equipment. The additional fee may not exceed fifty percent (50%) of those fees presently taxed. Fees are limited to circuit, chancery and probate court cases.

Court Costs - Miller County

Act 10 (Senate Bill 9) Sen. Dowd

- clarifies the disposition of additional court costs levied by Act 543 of 1987 in municipal courts in Miller County. Additional court costs on county division cases go into the county general fund and additional court costs on city division cases go into the city general fund. This special session Act also levies the additional court costs on bond forfeitures.

Small Claims

Act 29 (House Bill 1020) Rep. George

- amends Arkansas Code 16-17-605 to allow family-owned corporations (stock owned 85% by the same family) to sue and be sued in the small claims division of municipal court.

CRIMINAL LAW

Criminal Mischief

Act 13 (House Bill 1031) Rep. Shaver

- amends Arkansas Code 5-38-203(a) to correct an error in the Code by reinstating damage done to the property of another as constituting criminal mischief in the first degree.

National Park Service Officers' Arrest Power

Act 32 (House Bill 1036) Reps. Allen, Parkerson and Mullenix

- amends Arkansas Code 16-81-106(e) to add National Park Service officers to the list of federal officers who have the authority to arrest people violating Arkansas laws.

SUBSTANTIVE ACTS

HORSE RACING

Act 14 (House Bill 1037) Rep. Hinshaw

- amends Arkansas Code 23-110-409 to authorize the Arkansas Racing Commission to determine the eligibility for and the disbursement amount of prizes awarded under the Arkansas thoroughbred breeders award program and to define the terms "Arkansas bred thoroughbred horses, broodmares, and stallions" by Racing Commission regulations.

LIENS

Act 15 (House Bill 1038) Rep. Wilson

- amends Arkansas Code 8-7-417(b) and 8-7-516(b) to eliminate the superiority of the lien on the land when an expenditure or improvement is made to the land under the authority of the Emergency Response Fund Act and the Remedial Action Trust Fund Act.

LOANS

Prepayment of Agriculture Loans

Act 30 (House Bill 1025) Rep. Shaver

- amends Arkansas Code 23-32-908 pertaining to the prepayment of agriculture loans to insure that the section does not apply to loans involving a mortgage, deed of trust, note or other evidence of indebtedness that contains a boldface disclosure that the section does not apply and the provision is explained to the borrower.

NEWSPAPERS

Act 34 (House Bill 1026) Rep. Shaver

- amends Arkansas Code 16-3-105 to allow a newspaper to continue as a legal newspaper for the printing of legal notices after it has surrendered its second-class mailing permit and has been sold if it has been a legal newspaper within the last twelve (12) months.

RURAL WATER ASSOCIATIONS

Act 7 (House Bill 1005) Joint Budget Committee

- allows rural water associations to participate in the Federal Surplus Property Program administered by the Vocational-Technical Division of the Department of Education.

SCHOOLS

Annual School Election

Act 4 (Senate Bill 4) Sen. Bearden and Act 11 (House Bill 1021)

Rep. Balton

- amends Arkansas Code 6-14-102 to allow school districts to set the date of the next annual school election to some date other than the third Tuesday in September if the district has suffered damage to its physical facilities in an amount exceeding \$125,000 due to fire or other national disaster. These two Acts are identical.

SUBSTANTIVE ACTS

TAXATION

Assessment of Personal Property

Act 35 (House Bill 1027) Reps. Lipton and Dawson

- amends Arkansas Code 26-26-1408 to change the time period for the assessment of taxable tangible personal property of new residents or new businesses and property acquired after April 10th and before June 30th (now December 31st) to no later than June 30th of that year (now December 31st).

BILLS VETOED BY GOVERNOR

House Bill 1023 by Reps. Barclay, Hutchinson and Hinshaw - amends Arkansas Code 26-26-1408, 26-26-716, and 27-13-101 to delay the changes made in the collection and assessment of property taxes by Act 621 of 1987 until January 1, 1990.

House Bill 1024 by Rep. Flanagin - amends Arkansas Code 21-8-306 to provide that once a person has filed a financial disclosure statement for any year, the person is not required to file a statement in any subsequent year unless the statement would be different from the statement previously filed.

House Bill 1042 by Reps. Lipton and Mahony - establishes the Arkansas Strategic Planning Commission composed of fifty (50) citizens of Arkansas representing several areas of interest across the State.

House Bill 1041 by Reps. Lipton and Mahony - provides appropriation of \$150,000 for the 1988-89 fiscal year for personal services and operating expenses of the Arkansas Strategic Planning Commission.

Senate Bill 10 by Sen. Kinard - same as House Bill 1031 (Act 13) - amends Arkansas Code 5-38-203(a) to correct an error in the Code by reinstating damage done to the property of another as constituting criminal mischief in the first degree.

SIGNIFICANT FISCAL LEGISLATION AFFECTING STATE AGENCIES

ATTORNEY GENERAL

Act 23 (HB1014) Joint Budget Committee

- Establishes an appropriation for operations of the Crime Victims Reparation Program for the 1987-89 biennium.

ARKANSAS TECH UNIVERSITY

Act 16 (HB1007) Joint Budget Committee

- Amends Sections 2 and 3 of Act 751 of 1987 to add an additional 152 extra help positions.

- Amends Section 1 of Act 957 of 1987 to change a position title at the University of Arkansas at Pine Bluff.

AUDITOR OF STATE

Act 26 (HB1017) Joint Budget Committee

- Amends Section 3 of Act 244 of 1987 to reduce Capital Outlay by \$70,000 each fiscal year of the 1987-89 biennium and increase Operating Expenses by \$70,000 each year.

CLAIMS COMMISSION

Act 20 (HB1011) Joint Budget Committee

- Provides additional appropriations to pay various approved claims and contains special language requiring the Claims Commission to reconsider its recommendation on a claim filed against the Department of Human Services.

DEPARTMENT OF CORRECTION

Act 31 (HB1029) Joint Budget Committee

- Creates the "Correction Facilities Construction Fund" to be used for the acquisition and construction of regional correction facilities, as administered by the Arkansas Development Finance Authority (ADFA).

- Provides funding of \$2 million each fiscal year for twenty (20) years from State interest income.

- Contains special language which requires ADFA to study all available means to finance the provisions of the Act, specifically including financing mechanisms of the various state retirement systems.

DEPARTMENT OF EDUCATION

Vocational & Technical Education Division

Act 6 (HB1004) Joint Budget Committee

- Amends Section 5 of Act 1058 of 1987 to reduce extra help positions by twenty (20), and authorizes an additional twenty (20) extra help positions to be utilized as specialty instructors on a temporary basis in industry training programs, at a rate of pay not to exceed \$50/hour, payable from sources other than general revenues.

Act 7 (HB1005) Joint Budget Committee

- Provides supplemental appropriation for the Federal Surplus Property Program and authorizes Rural Water Associations to participate in such program.

School for the Blind

Act 19 (HB1010) Joint Budget Committee

- Amends Section 3 of Act 402 of 1987 to reduce Regular Salaries & Personal Services Matching by \$75,000 and increase Operating Expenses by such amount for the 1988-89 fiscal year, in order to provide transportation costs for sending students home each weekend instead of once a month.

School for the Deaf

Act 18 (HB1009) Joint Budget Committee

- Amends Section 3 of Act 401 of 1987, to reduce Regular Salaries & Personal Services Matching by \$165,000 and increase Operating Expenses by such amount for the 1988-89 fiscal year, in order to provide transportation costs for sending students home each weekend instead of once a month.

DEPARTMENT OF FINANCE AND ADMINISTRATION

Racing Division

Act 21 (HB1012) Joint Budget Committee

- Authorizes 6 additional days for 6 positions for horse racing in order to provide office staff when the track is closed on Mondays.
- Authorizes forty-eight (48) additional performances for 1 position (Office Auditor) for dog racing in order to provide supervision for simulcasts.
- Adds \$10,000 each fiscal year of the 1987-89 biennium in professional fees for specimen testing.

Disaster Assistance Grants

Act 28 (HB1019) Joint Budget Committee

- Provides supplemental appropriation of \$2 million for disaster assistance grants for the 1987-88 fiscal year.

GAME AND FISH COMMISSION

Act 8 (HB1006) Joint Budget Committee

- Appropriates \$125,000 for improvements to the Holland Bottoms property, with funding provided from the General Improvement Fund.

GOVERNORS OFFICE

Act 5 (HB1002) Joint Budget Committee

- Provides appropriation for five (5) Governor's Legislative Liaisons for the Third Extraordinary Session, 1988.

LIEUTENANT GOVERNOR

Act 17 (HB1008) Joint Budget Committee

- Amends Section 3 of Act 784 of 1987 to reduce Conference & Travel Fees and Capital Outlay by \$28,000 and increase Operating Expenses by such amount for the 1988-89 fiscal year.

SIGNIFICANT FISCAL LEGISLATION AFFECTING STATE AGENCIES

MANUFACTURED HOME COMMISSION

Manufactured Housing Recovery Fund

Act 9 (Senate Bill 5) Sen. Yates

- amends Arkansas Code 20-29-103 to create the "Manufactured Housing Recovery Fund". Fund income is to be credited to the Fund. Appropriates \$1.5 million for FY88 and \$150,000 for FY89 for investments and payment of claims.

PERSONNEL AMENDMENTS

Act 24 (HB1015) Joint Budget Committee

- Expands the definition of the term "step" when used in any law regarding salary rates, to include the 2 1/2% increase authorized by Act 101 of 1985.

SECRETARY OF STATE

Operations

Act 26 (HB1017) Joint Budget Committee

- Amends Sections 6 and 7 of Act 608 of 1987 to reduce Regular Salaries and Personal Services Matching by \$164,170 for the 1987-88 fiscal year and adds \$164,170 in new appropriation for FY 1987-88 to fund operations of the Farm Lien and Franchise Tax sections.

- Adds three (3) positions for Franchise Tax.

- Adds \$171,371 in appropriation for FY 1988-89, funded from the General Improvement Fund, for continuation of operations of the Farm Lien and Franchise Tax sections.

- Amends Sections 1 and 4 of Act 889 of 1987 to reduce the authorized number of positions by three (3) in the Revenue Division of the Department of Finance & Administration, along with the corresponding appropriation. These positions were previously utilized in the Franchise Tax Section.

Refunds

Act 25 (HB1016) Joint Budget Committee

- Provides appropriation of \$500,000 each fiscal year of the 1987-89 biennium for making corporate filing fees and corporate franchise tax refunds.

Law Enforcement Officers Monument

Act 27 (HB1018) Joint Budget Committee

- Amends Section 1 of Act 823 of 1987 to increase the appropriation for the erection and maintenance of a Law Enforcement Officers Monument from \$75,000 to \$200,000, with funding to be provided by private donations.

SOIL AND WATER CONSERVATION COMMISSION

Act 22 (HB1013) Joint Budget Committee

- Provides supplemental appropriation of \$11,120 for FY 1987-88 and \$22,800 for FY 1988-89 for group health insurance matching for Soil Conservation District Clerks.

SECTIONS OF THE ARKANSAS CODE WHICH WERE AMENDED BY ACTS OF THE THIRD SPECIAL SESSION

<u>ARKANSAS CODE</u>	<u>ACTS OF 3RD SPECIAL SESSION</u>
5-38-203(a)	13
6-14-102	4 & 11
8-7-417(b)	15
8-7-516(b)	15
14-169-221	3
15-5-213	31
15-5-422	31
16-3-105(c)(1)	34
16-17-605	29
16-21-117(b)	12
16-81-106(e)	32
20-29-103	9
23-32-908	30
23-110-409	14
26-26-1408(a)(2) & (a)(3)	35

SECTIONS OF UNCODIFIED ACTS WHICH WERE AMENDED BY ACTS OF THE THIRD SPECIAL SESSION

UNCODIFIED ACTS

ACTS OF 3RD SPECIAL SESSION

§2(6) & (7) of Act 2 of 1987	1
§1(1) through (4) of Act 15 of 1987	1
§3(04) of Act 244 of 1987	26
§3 of Act 401 of 1987	18
§3 of Act 402 of 1987	19
§1 of Act 543 of 1987	10
§6(01) and (02) of Act 608 of 1987	26
§7(01) and (03) of Act 608 of 1987	26
§§2 and 3 of Act 751 of 1987	16
§3(04) of Act 78 of 1987	17
§1 of Act 823 of 1987	27
§§2, 3 and 4 of Act 882 of 1987	21
§1(13) and (21) of Act 883 of 1987	26
§4(01) and (03) of Act 884 of 1987	26
§1(24 1) of Act 957 of 1987	16
§5 of Act 1058 of 1987	6
§2 of Act 38 of 1st Special Session of 1987	1