

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**
4 **By: Representative George**

A Bill

ACT 843 OF 1995
HOUSE BILL 2050

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 23-4-206 TO ELIMINATE THE
9 MINIMUM INTEREST RATE ON UTILITY DEPOSITS; AND FOR OTHER
10 PURPOSES."

Subtitle

13 "TO AMEND ARKANSAS CODE 23-4-206 TO
14 ELIMINATE THE MINIMUM INTEREST RATE ON
15 UTILITY DEPOSITS."

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

19 SECTION 1. Arkansas Code 23-4-206 is amended to read as follows:

20 "23-4-206. Interest on deposits.

21 (a) Whenever any person, company, or corporation furnishing patrons or
22 consumers with power, gas, water, electricity, or telephone service shall
23 require a deposit from the consumer before the utility will be supplied to him
24 or before a meter will be installed by the person, company, or corporation,
25 then, in every case, the person putting up the deposit, when the deposit is
26 taken down or meter removed, shall receive interest on the deposit until it is
27 returned to the patron or consumer, provided all bills due for service
28 furnished have been paid by the patron or consumer.

29 (b)(1) The interest paid on any deposit shall be computed using simple
30 interest, applying such annual rates as the commission shall determine from
31 year to year.

32 (2) The annual interest rate applicable to deposits shall be determined
33 annually by the Public Service Commission following notice and hearing. Each
34 year, the commission shall enter its order setting the annual rate of interest
35 no later than December 31 for the following year. The new annual rate shall
36 become effective January 1 of the following year and shall remain in effect

1 for the remainder of the calendar year, or until such later time as the
2 commission shall enter its order establishing a new rate.

3 (3) The annual rate of interest set by the commission for any year shall
4 not be more than ten percent (10%).

5 (c) This section shall not apply to cities or towns of a population of
6 less than three thousand (3,000) persons that have granted franchises for
7 electric current for lighting and other purposes furnished by manufacturing
8 establishments not solely engaged in the manufacture of electric current for
9 lighting and other purposes."

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11 SECTION 2. All provisions of this act of a general and permanent nature
12 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
13 Revision Commission shall incorporate the same in the Code.

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15 SECTION 3. If any provision of this act or the application thereof to
16 any person or circumstance is held invalid, such invalidity shall not affect
17 other provisions or applications of the act which can be given effect without
18 the invalid provision or application, and to this end the provisions of this
19 act are declared to be severable.

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21 SECTION 4. All laws and parts of laws in conflict with this act are
22 hereby repealed.

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25 APPROVED: 3-31-95

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