

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas As Engrossed: S3/18/03 S3/25/03 S4/1/03 H4/10/03

2 84th General Assembly

A Bill

Act 1723 of 2003

3 Regular Session, 2003

SENATE BILL 744

4

5 By: Senator Horn

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For An Act To Be Entitled

9 AN ACT TO ENSURE THE FUNDING NECESSARY TO
10 CONSTRUCT AND EQUIP A MODERN PUBLIC HEALTH
11 LABORATORY; AND FOR OTHER PURPOSES.

12

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Subtitle

14 AN ACT TO ENSURE THE FUNDING NECESSARY
15 TO CONSTRUCT AND EQUIP A MODERN PUBLIC
16 HEALTH LABORATORY.

17

18

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

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22 SECTION 1. This act shall be known and may be cited as the "Department
23 of Health Public Health Laboratory Act of 2003".

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25 SECTION 2. It is the purpose of this act to better serve the citizens
26 of Arkansas by providing for the construction and equipping of a modern
27 public health laboratory.

28

29 SECTION 3. As used in this act:

30 (1) "Authority" means the Arkansas Development Finance
31 Authority;

32 (2) "Authorizing resolution" means the resolution or resolutions
33 adopted by the board authorizing the loan;

34 (3) "Board" means the State Board of Health;

35 (4) "Building" means the State Department of Health Building,
36 located on West Markham Street in Little Rock, Arkansas;



1 (5) "Construction Fund" means the State Department of Health
2 Public Health Laboratory Fund created by this act;

3 (6) "Construct" means to acquire, construct, reconstruct,
4 remodel, install, and equip any lands, buildings, structures, improvements,
5 or other property whether real, personal, or mixed, useful in connection with
6 the expansion, by any method and manner as may be authorized by law, and in
7 the case of the acquisition of equipment and other property of a medical,
8 laboratory, or technical nature by any method as the board or the director
9 determines to be necessary or desirable to accomplish the power, purposes,
10 and authorities set forth in this act, and without regard to the provisions
11 of other laws pertaining to the construction and acquisition of property by
12 state agencies;

13 (7) "Director" means the Director of the Department of Health;

14 (8) "Renovation" means the renovation and improvement of the
15 building, including the renovation and alteration of existing properties
16 whether real, personal, or mixed;

17 (9) "Fees" means the fees generated under this act that
18 represent an increase to the allowable fees set forth in Arkansas Code § 20-
19 7-123;

20 (10) "Fee revenues" means all revenues derived from all or any
21 of the fees;

22 (11) "Laboratory" means a public health laboratory that is a
23 modern stand alone public health laboratory to be constructed on the existing
24 Department of Health site located on West Markham Street in Little Rock,
25 Arkansas;

26 (12) "Loan" means the loan which the board is authorized to
27 effect, from the authority, by the terms of this act;

28 (13) "Revenue fund" means the State Board of Health Laboratory
29 Revenue Fund created by this act; and

30 (14) "Revenue loan fund" means the State Board of Health
31 Laboratory Revenue Loan Fund created by this act.

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33 SECTION 4. (a)(1) The laboratory shall be constructed subject to
34 approval by the State Board of Health.

35 (2) The board may take such action as may be appropriate for the
36 renovation of the building and any facilities necessarily related to the

1 building.

2 (b) Subject to the approval of the board, the plans, specifications,
3 and estimates of cost for the laboratory and renovation of the building shall
4 be developed by the Director of the Department of Health, and the director is
5 authorized to employ architects and other like professional and technical
6 assistance as determined to be necessary for the construction of the
7 laboratory and renovation of the building.

8 (c) The board and the director may take such action as may be
9 appropriate for the construction of the laboratory and renovation of the
10 building and to accomplish the purposes of this act and may engage legal,
11 technical, and other assistance as necessary.

12
13 SECTION 5. (a)(1) To finance the construction of the laboratory and
14 renovation of the building, the State Board of Health is authorized to enter
15 into a loan, from the Arkansas Development Finance Authority, in the
16 principal amount of not more than twenty-six million dollars (\$26,000,000),
17 under Chapter 5 of Title 15 of the Arkansas Code.

18 (2) The amount and purpose of the loan shall be approved by the
19 board in an authorizing resolution, copies of which shall be maintained in
20 the records of the board and of the authority.

21 (b) The loan shall bear interest at a rate determined by the rate of
22 interest on funds borrowed by the authority to fund the loan, but not to
23 exceed the lesser of ten percent (10%) per annum or the maximum rate of
24 interest permitted by the Arkansas Constitution.

25 (c) The loan shall mature over a period of not more than thirty (30)
26 years.

27 (d) The board and the director may execute and deliver such
28 agreements, instruments, and other undertakings and writings and to take such
29 action as may be appropriate to evidence the loan and the security for the
30 loan, and to carry out the purposes of this act.

31
32 SECTION 6. (a) The payment and other obligations of the State Board
33 of Health under and with respect to the loan shall be secured by a pledge of
34 the fee revenues, subject to the terms of this act and the reserved power to
35 release fee revenues as set forth in this act.

36 (b) The loan shall be an obligation of the board only and shall not

1 constitute an indebtedness for which the faith and credit of the State of
2 Arkansas or any of its revenues are pledged.

3 (c) The loan shall not be secured by a lien on any land, building, or
4 other property belonging to the State of Arkansas.

5 (d) The loan shall not constitute an indebtedness within the meaning
6 of any constitutional or statutory limitation.

7
8 SECTION 7. Effective September 1, 2003, in addition to the fees
9 authorized by § 20-7-123(b)(1)(H) through (b)(1)(J), the following fees shall
10 be collected and credited to the State Board of Health Laboratory Revenue
11 Fund:

12 (1) A fee of seven dollars (\$7.00) collected by the state registrar
13 for the making and certification of any birth certificate or record;

14 (2) A fee of five dollars (\$5.00) collected for the making and
15 certification of each additional copy of any birth certificate or records;

16 (3) A fee of six dollars (\$6.00) collected by the state
17 registrar for the making and certification of a single copy of a death
18 certificate;

19 (4) A fee of seven dollars (\$7.00) collected by the state
20 registrar for the making and certification of each additional copy of a death
21 certificate;

22 (5) A fee of five dollars (\$5.00) collected by the state
23 registrar for the making and certification of any marriage or divorce
24 certificate or record;

25 (6) A fee of five dollars (\$5.00) collected by the state
26 registrar for the making and certification of each additional copy of any
27 marriage or divorce certificate or record;

28 (7) A fee of seven dollars (\$7.00) collected by the state
29 registrar for an examination and search of the files for any birth record;

30 (8) A fee of five dollars (\$5.00) collected by the state
31 registrar for an examination and search of the files for any marriage or
32 divorce record; and

33 (9) A fee of six dollars (\$6.00) collected by the state registrar
34 for an examination and search of the files for any death record.

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36 SECTION 8. (a)(1) All fee revenues shall be treated as cash funds and

1 shall not be deposited in the State Treasury, except as set forth in this
2 act, but shall be deposited, as and when received, in a bank or banks
3 approved by the State Board of Health or the Director of the Department of
4 Health, in an account or accounts of the board designated the "State Board of
5 Health Laboratory Revenue Fund".

6 (2) All moneys in the revenue fund shall, so long as the loan is
7 outstanding, not be subject to the provisions of Arkansas Code §§ 19-4-801
8 through 806 and shall be deposited, handled, and disbursed as set forth in
9 this act.

10 (b) Moneys held in the revenue fund shall, no less frequently than
11 bimonthly, be withdrawn and deposited as follows and in the following order
12 of priority:

13 (1) An annual amount sufficient to provide for principal,
14 interest, servicing fees, and reserve requirements with respect to the loan,
15 but not to exceed the sum of two million six hundred thousand dollars
16 (\$2,600,000) per fiscal year:

17 (A) Prior to the commencement of the loan, in the
18 construction fund;

19 (B) Beginning upon commencement of the loan, in an account
20 or accounts in the name of the board or the Arkansas Development Finance
21 Authority, as determined by the board and the authority, designated the
22 "State Board of Health Laboratory Revenue Loan Fund"; and

23 (2) Any balance remaining shall be distributed fifty percent
24 (50%) to the Public Health Fund and fifty percent (50%) to the State Health
25 Department Building and Local Grant Trust Fund.

26 (c)(1) All funds held in the revenue fund, the revenue loan fund, and
27 the construction fund shall be deemed to be cash funds, shall not be
28 deposited in the State Treasury and shall be transferred, deposited, and
29 applied, as set forth in this act, without the necessity of appropriation.

30 (2) All transfers from the revenue fund and the construction
31 fund shall be made by or at the direction of the director.

32 (3) All transfers from the revenue loan fund shall be made by:

33 (A) The director; or

34 (B) The authority if approved by the board.

35 (d) So long as the loan is outstanding, funds held in the revenue loan
36 fund shall be used solely for the purpose of paying and providing for

1 principal of, interest on, and servicing fees, if any, in connection with the
2 loan and providing for the creation and maintenance of necessary reserves and
3 may be pledged by the board to secure the loan and may be pledged and used by
4 the authority to pay and secure bonds issued by the authority to finance the
5 construction.

6 (e)(1) So long as the loan is outstanding, all fees shall be imposed
7 and all fee revenues shall be collected and applied as provided in this act.

8 (2) However, particular fees may be reduced or eliminated so
9 long as remaining fees are increased or new fees are added to the end that
10 the aggregate annual amount of fee revenues shall always equal at least three
11 million dollars (\$3,000,000).

12 (f) Upon payment or discharge of the loan and all bonds issued by the
13 authority hereunder, the fees authorized by this act shall terminate.

14
15 SECTION 9. The proceeds of the loan, other than amounts required to
16 establish required reserves, to pay interest on the loan for a period not to
17 exceed one (1) year, or to pay costs of the loan and of issuing bonds, all of
18 which shall be set forth in written directions executed by the Director of
19 the Department of Health, shall be deposited as cash funds in an account of
20 the board designated the "State Board of Health Public Health Laboratory
21 Construction Fund", and disbursed by the director for the construction of the
22 expansion.

23
24 SECTION 10. All moneys held at any time in the revenue fund and the
25 construction fund shall, to the extent feasible, be invested and reinvested,
26 as directed by the Director of the Department of Health, and all moneys held
27 in the revenue loan fund shall, to the extent feasible, be invested and
28 reinvested, as directed by the Arkansas Development Finance Authority, in
29 securities which are eligible for the securing of public deposits under
30 Arkansas Code § 19-8-203, subject in all cases to the term of the loan and of
31 bonds issued by the authority.

32
33 SECTION 11. (a) The authorizing resolution, and each agreement or
34 other writing executed and delivered pursuant to it or this act, together
35 with this act, shall constitute a contract between the State Board of Health
36 and the Arkansas Development Finance Authority, and the obligations of the

1 board may be enforced by mandamus or other equitable or legal remedy.

2 (b) The obligations of the board shall be freely assignable by the
3 authority, provided that the board is notified in writing of the assignment.

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5 SECTION 12. Neither the Director of the Department of Health nor any
6 member of the State Board of Health shall be personally liable on the loan or
7 on account of any of the obligations or actions undertaken in connection with
8 the loan, or for any damages sustained by anyone with respect to the
9 obligations or actions, unless he or she shall have acted with a corrupt
10 intent.

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12 SECTION 13. Arkansas Code § 19-6-485(d), concerning a sunset provision
13 of Act 957 of 2001, is amended to read as follows:

14 (d) ~~When one million eight hundred thousand dollars (\$1,800,000) has~~
15 ~~been deposited into the fund~~ After June 30, 2003:

16 (1) The fee levied by § 20-7-123(b)(1)(H)(i) shall revert to
17 five dollars (\$5.00);

18 (2) The fee levied by § 20-7-123(b)(1)(H)(ii) shall cease to be
19 collected;

20 (3) The fee levied by § 20-7-123(b)(1)(I)(i) shall revert to
21 four dollars (\$4.00);

22 (4) The fee levied by § 20-7-123(b)(1)(I)(ii) shall revert to
23 one dollar (\$1.00); and

24 (5) The fee levied by § 20-7-123(b)(1)(J)(i) shall revert to
25 five dollars (\$5.00).

26
27 SECTION 14. Arkansas Code § 20-7-123(b)(1)(L), concerning a sunset
28 provision of Act 957 of 2001, is amended to read as follows:

29 (L) ~~On and after August 15, 2003~~ After June 30, 2003, the
30 fee provisions as set forth in this subdivision (1) shall revert to those
31 fees allowed prior to August 13, 2001.

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33 SECTION 15. EMERGENCY CLAUSE. It is found and determined by the
34 Eighty-fourth General Assembly that there is a pressing and immediate need
35 for the construction of a modern public health laboratory; that this act will
36 provide adequate funding for the construction of the laboratory; and that

1 this act must become effective immediately. Therefore, an emergency is
2 declared to exist and this act being immediately necessary for the
3 preservation of the public peace, health, and safety shall become effective
4 on:

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

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

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

11

12 /s/ Horn

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APPROVED: 4/22/2003

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