

1 State of Arkansas *As Engrossed: S3/4/15 H3/19/15*

2 90th General Assembly

# A Bill

3 Regular Session, 2015

SENATE BILL 636

4

5 By: Senators J. Woods, Hester

6 By: Representative Della Rosa

7

8

## For An Act To Be Entitled

9 AN ACT TO CREATE THE DEPARTMENT OF ARKANSAS STATE  
10 POLICE HEADQUARTERS FACILITIES AND EQUIPMENT  
11 FINANCING ACT; TO PROVIDE FUNDING UNDER THE  
12 DEPARTMENT OF ARKANSAS STATE POLICE HEADQUARTERS  
13 FACILITIES AND EQUIPMENT FINANCING ACT; TO MAKE  
14 RELATED CHANGES; TO DECLARE AN EMERGENCY; AND FOR  
15 OTHER PURPOSES.

16

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18

## Subtitle

19 TO CREATE THE DEPARTMENT OF ARKANSAS  
20 STATE POLICE HEADQUARTERS FACILITIES AND  
21 EQUIPMENT FINANCING ACT; TO PROVIDE  
22 FUNDING FOR THE DEPARTMENT OF ARKANSAS  
23 STATE POLICE; AND TO DECLARE AN  
24 EMERGENCY.

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26

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

28

29 SECTION 1. DO NOT CODIFY. Legislative intent – Repeal of Acts 1997,  
30 No. 1057.

31 (a)(1) It is the intent of the General Assembly to update the  
32 Department of Arkansas State Police Headquarters Facility and Wireless Data  
33 Equipment Financing Act as established by uncodified Acts 1997, No. 1057, by  
34 repealing Acts 1997, No. 1057, and enacting this act.

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36

(2) It is not the intent of the General Assembly to:

(A) Affect any bonds issued under Acts 1997, No. 1057; or



1 (B) Allow the existence of bonds issued under Acts 1997,  
2 No. 1057, to impair the effectiveness of this act or the authority given  
3 under this act.

4 (b) Acts 1997, No. 1057, is repealed.

5  
6 SECTION 2. Arkansas Code Title 12, Chapter 8, is amended to add an  
7 additional subchapter to read as follows:

8 Subchapter 6 – Department of Arkansas State Police Headquarters Facilities  
9 and Equipment Financing Act

10  
11 12-8-601. Title.

12 This subchapter shall be known and may be cited as the "Department of  
13 Arkansas State Police Headquarters Facilities and Equipment Financing Act".

14  
15 12-8-602. Legislative findings.

16 The General Assembly finds that:

17 (1) The Department of Arkansas State Police is faced daily with:

18 (A) Maintaining the most efficient and secure methods of  
19 transmitting and processing information between officers in the field and  
20 headquarters;

21 (B) The need to maintain and develop the most efficient  
22 means of allocating department personnel and other resources, particularly in  
23 emergency circumstances; and

24 (C) The need to design, construct, and maintain facilities  
25 from which the department's personnel and resources may be stationed and  
26 deployed;

27 (2) There is a need to continuously improve, upgrade, expand,  
28 and maintain the department's headquarters facilities and communication and  
29 information technology systems and equipment to support the police force and  
30 its mission to protect and serve the citizens of the state;

31 (3) A designated method of financing is necessary to enable the  
32 department to obtain and maintain communication and information technology  
33 equipment and headquarters facilities;

34 (4) The use of tax-exempt revenue bonds to finance communication  
35 and information technology equipment and headquarters facilities has proven  
36 to be an economical and cost-efficient method for financing equipment and

1 facilities for the department;

2 (5) Certain driver license fees have been pledged and utilized  
3 by the department since 1997 to finance equipment and facilities for the  
4 department;

5 (6) These driver license fees *should continue to* be designated  
6 as a source of funding to be utilized and pledged by the department to  
7 finance or purchase communication and information technology equipment and  
8 headquarters facilities;

9 (7) Communication and information technology equipment and  
10 headquarters facilities are needed to maintain modern law enforcement and  
11 are, therefore, essential to the safety and welfare of the people of the  
12 state; and

13 (8) The most feasible and least expensive way of providing a  
14 designated source for financing the acquisition and construction of  
15 headquarters facilities and communication and information technology  
16 equipment is to authorize the use of revenue bonds and designate certain  
17 driver license fees to be utilized and pledged for that purpose.

18  
19 12-8-603. Definitions.

20 As used in this subchapter:

21 (1) "Acquire" means to acquire by purchase or otherwise,  
22 construct, repair, alter, install, restore, or place on land or in a building  
23 or motor vehicle by negotiation or bidding on terms and conditions that:

24 (A) Are determined by the Arkansas State Police Commission  
25 to be in the best interests of the Department of Arkansas State Police; and

26 (B) Will most effectively serve the purposes of this  
27 subchapter;

28 (2) "Communication and information technology equipment" means:

29 (A) Wireless data and related technologies equipment,  
30 including without limitation workstations, modems, and other vehicle-based  
31 equipment, network controllers, computer-aided dispatch equipment, central  
32 information services sites with related server computers and controllers,  
33 software and information support;

34 (B) Furnishings and fixtures used in connection with the  
35 operation of equipment described in subdivision (2)(A) of this section; and

36 (C) Other equipment, property, and items determined by the

1 commission to be necessary to accomplish the purpose of this subchapter;

2 (3) "Cost" means the costs related to a headquarters facility or  
3 communication and information technology equipment, including without  
4 limitation the following:

5 (A) The costs of the acquisition of communication and  
6 information technology equipment and the related costs, including without  
7 limitation engineering, architectural, consulting, and related services;

8 (B) The cost of acquiring an interest in real estate for  
9 the location of a headquarters facility that provides necessary or  
10 recommended access or buffer zones or that facilitates the delivery of  
11 utility services and the related costs, including without limitation  
12 engineering, architectural, consulting, and related services;

13 (C) The cost of the preparation of plans, specifications,  
14 studies, surveys, and estimates of cost and revenues;

15 (D) Other expenses necessary or incident to planning,  
16 providing, or determining the need for or the feasibility of the headquarters  
17 facility or communication and information technology equipment;

18 (E) The costs of related software for the operation and  
19 support of the communication and information technology equipment;

20 (F) The costs of database development and other  
21 information sources and the training required for the efficient use of  
22 communication and information technology equipment; and

23 (G) The costs paid or incurred in connection with the  
24 issuance of bonds by the Arkansas Development Finance Authority to finance  
25 the acquisition, development, upgrade, improvement, or expansion of a  
26 headquarters facility or communication and information technology equipment;

27 (4) "Debt service payment" means a payment to be made by the  
28 department from pledged revenues or other legally available sources to secure  
29 and provide for payments due on any bonds or other obligations issued by the  
30 authority to accomplish the purposes of this subchapter;

31 (5) "Financing documents" means a note and mortgage, loan  
32 agreement, lease purchase agreement, trust indenture, and related documents  
33 executed in connection with the issuance of bonds by the authority to finance  
34 headquarters facilities or communication and information technology  
35 equipment;

36 (6) "Headquarters facility" means part or all of one (1) or more

1 items or properties used by the department to accomplish or facilitate its  
2 purposes, including without limitation:

3 (A) Land, buildings, fixtures, infrastructure,  
4 improvements, furniture, equipment, software, and personal property necessary  
5 or convenient to the land, buildings, fixtures, infrastructure, improvements,  
6 furniture, equipment, and software; and

7 (B) Engineering, design, construction, or architectural  
8 plans related to a property used by the department;

9 (7) "Pledged revenues" means the fees generated under § 27-16-  
10 801(a) and § 27-23-118(a)(3) that may be pledged for the security and payment  
11 of debt service payments under this subchapter; and

12 (8) "Purchase agreement" means an agreement entered into by the  
13 commission with a vendor to acquire a headquarters facility or communication  
14 and information technology equipment.

15  
16 12-8-604. Pledge of revenues.

17 The fees generated under § 27-16-801(a) and § 27-23-118(a)(3) shall be:

18 (1) Pledged to meet obligations authorized under this  
19 subchapter; and

20 (2) Used by the Department of Arkansas State Police as provided  
21 in this subchapter.

22  
23 12-8-605. Arkansas State Police Commission – Powers.

24 The Arkansas State Police Commission may:

25 (1) Acquire, construct, repair, renovate, alter, maintain, and  
26 equip headquarters facilities and communication and information technology  
27 equipment;

28 (2) Contract to acquire headquarters facilities and  
29 communication and information technology equipment on the terms and  
30 conditions specified by this subchapter and approved by the Director of the  
31 Department of Arkansas State Police with the consent of the commission;

32 (3) Provide for the payment of the costs associated with the  
33 acquisition of headquarters facilities and communication and information  
34 technology equipment from any legally available source, including without  
35 limitation pledged revenues and funds appropriated and made available under §  
36 12-8-101 et seq.;

1           (4) Enter into financing documents and agreements with the  
2 Arkansas Development Finance Authority that are necessary and appropriate to  
3 secure obligations issued by the authority that will facilitate the  
4 acquisition of the headquarters facilities and communication and information  
5 technology equipment; and

6           (5) Take other action, not inconsistent with law, that may be  
7 necessary, convenient, or desirable to carry out the powers, purposes, and  
8 authority stated in this subchapter or to carry out the intent of this  
9 subchapter.

10  
11       12-8-606. Use of pledged revenues.

12       (a)(1) The debt service payments and other costs relating to a  
13 headquarters facility or communication and information technology equipment  
14 shall be secured by a lien on and pledge of the pledged revenues.

15       (2) To the extent that pledged revenues are not required to make  
16 debt service payments, the pledged revenues shall be released to the  
17 Department of Arkansas State Police to provide operating funds as described  
18 in this section.

19       (b)(1) All pledged revenues are cash funds restricted in their use and  
20 dedicated and to be used solely as provided in this subchapter.

21       (2) When pledged revenues are received by the Commissioner of  
22 Motor Vehicles, the Office of Motor Vehicle, the Department of Arkansas State  
23 Police, the Arkansas State Police Commission, the Department of Finance and  
24 Administration, or any other state agency, the pledged revenues shall be  
25 deposited as cash funds into a bank selected by the Department of Arkansas  
26 State Police to the credit of the Department of Arkansas State Police  
27 Financing Fund.

28       (c)(1) On the date that the Arkansas Development Financing Authority  
29 issues bonds under this subchapter and the Arkansas Development Finance  
30 Authority Act, §§ 15-5-201 – 15-5-211, 15-5-213, and 15-5-301 – 15-5-316, any  
31 revenues in the Department of Arkansas State Police Financing Fund shall be  
32 pledged revenues.

33       (2) Debt service payments shall be paid from the Department of  
34 Arkansas State Police Financing Fund as stated in the financing documents.

35       (3)(A) If all debt service payments have been properly made on  
36 the last day of each fiscal quarter, the pledged revenues remaining in the

1 Department of Arkansas State Police Financing Fund shall be withdrawn from  
 2 the Department of Arkansas State Police Financing Fund and deposited into the  
 3 State Treasury as special revenues to the credit of the Department of  
 4 Arkansas State Police Fund.

5 (B) However, if any debt service payments remain to be  
 6 paid under this subchapter, all moneys in the Department of Arkansas State  
 7 Police Financing Fund shall continue to be pledged to the debt service  
 8 payments and other costs in connection with the bonds and the maintenance of  
 9 reserves, notwithstanding the right of the Department of Arkansas State  
 10 Police to withdraw funds on the last day of each fiscal quarter if debt  
 11 service payments are current.

12 (d) If any debt service payments remain to be made, the General  
 13 Assembly may modify or change the pledged revenues only if there is always  
 14 maintained in effect and made available for the payment of debt service  
 15 payments, sources of revenue comparable in amount and time of receipt that  
 16 produce revenues sufficient to provide for and secure debt service payments  
 17 when due.

18  
 19 12-8-607. Department of Arkansas State Police Financing Fund.

20 (a) There is created the Department of Arkansas State Police Financing  
 21 Fund.

22 (b) The fund is a cash fund of the Department of Arkansas State Police  
 23 and shall be used as provided in this subchapter.

24  
 25 12-8-608. Sunset.

26 This subchapter shall expire twenty (20) years from the effective date  
 27 of this act.

28  
 29 SECTION 3. Arkansas Code § 19-6-301(128), concerning the enumeration  
 30 of special revenues, is repealed.

31 ~~(128) Driving test examination fees, § 27-16-801(a)(1)(C);~~  
 32

33 SECTION 4. Arkansas Code § 19-6-301(150), concerning the enumeration  
 34 of special revenues, is amended to read as follows:

35 (150) Commercial driver license examination fees, § 27-23-  
 36 110(d), ~~and that portion of commercial driver license application fees, § 27-~~

1 ~~23-118(a)(3);~~

2

3 SECTION 5. Arkansas Code § 19-6-301(202), concerning the enumeration  
4 of special revenues, is repealed.

5 ~~(202) Additional driver's license fees, § 27-16-801;~~

6

7 SECTION 6. Arkansas Code § 19-6-301(220), concerning the enumeration  
8 of special revenues, is amended to read as follows:

9 (220) That portion of ~~driver's~~ driver license special fees for  
10 duplicate and identification licenses, ~~as enacted by Acts 1977, No. 311, and~~  
11 ~~all laws amendatory thereto, § 27-16-801, § 27-16-805, and § 27-16-806(c);~~

12

13 SECTION 7. Arkansas Code § 19-6-404 is amended to read as follows:

14 19-6-404. Department of Arkansas State Police Fund.

15 The Department of Arkansas State Police Fund shall consist of:

16 (1) Those special revenues as specified in § 19-6-301(1), (5),  
17 (7), (8), (38)-(40), (94), ~~(128)~~, (150), (168), (175), (184)-(186), (190),  
18 ~~(202)~~, (218)-(220), (222), (226), (227), (234), and (252);

19 (2) Moneys transferred or deposited from the State  
20 Administration of Justice Fund; ~~and~~

21 (3) Those general revenues as may be provided by law, there to  
22 be used for the maintenance, operation, and improvement of the Department of  
23 Arkansas State Police in carrying out the functions, powers, and duties as  
24 ~~set out by~~ stated in § 12-8-106 or other duties imposed by law upon the  
25 department; and

26 (4) Any revenues credited to the Department of Arkansas State  
27 Police Fund under the Department of Arkansas State Police Headquarters  
28 Facilities and Equipment Financing Act, § 12-8-601 et seq.

29

30 SECTION 8. Arkansas Code § 27-16-801(d), concerning the disposition of  
31 certain driver license and examination fees, is amended to read as follows:

32 (d) All license fees collected under subsection (a) of this section  
33 shall be ~~deposited into the State Treasury as special revenues, and the net~~  
34 ~~amount thereof shall be credited to the Department of Arkansas State Police~~  
35 ~~Fund, to be used for the operation, maintenance, and improvement of the~~  
36 ~~Department of Arkansas State Police~~ cash funds restricted in their use and



1 shall be deposited into a bank selected by the Department of Arkansas State  
2 Police to the credit of the Department of Arkansas State Police Financing  
3 Fund.

4  
5 SECTION 9. Arkansas Code § 27-16-801(g), concerning the disposition of  
6 certain driver license and examination fees, is repealed.

7 ~~(g) Such fees as are collected under subsection (a) of this section~~  
8 ~~shall be remitted to the State Treasury, there to be deposited as special~~  
9 ~~revenues to the credit of the Department of Arkansas State Police Fund, to be~~  
10 ~~used for the operation, maintenance, and improvement of the Department of~~  
11 ~~Arkansas State Police.~~

12  
13 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the  
14 General Assembly of the State of Arkansas that certain driver license fees  
15 are needed to provide vital services to the Department of Arkansas State  
16 Police; that this act will allow the use of those fees; and that this act is  
17 immediately necessary to provide a source of revenues to the department.  
18 Therefore, an emergency is declared to exist, and this act being immediately  
19 necessary for the preservation of the public peace, health, and safety shall  
20 become effective on:

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

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

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

27  
28 /s/J. Woods

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31 **APPROVED: 03/31/2015**