State of Arkansas  
92nd General Assembly  
Regular Session, 2019

A Bill

SENATE BILL 540

By: Senator J. English
By: Representative Brown

For An Act To Be Entitled
AN ACT TO AMEND THE LAW CONCERNING CERTAIN FINANCIAL
PROCEDURES OF A FIRE PROTECTION DISTRICT; AND FOR
OTHER PURPOSES.

Subtitle
TO AMEND THE LAW CONCERNING CERTAIN
FINANCIAL PROCEDURES OF A FIRE PROTECTION
DISTRICT.

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

SECTION 1. Arkansas Code § 14-284-117 is amended to read as follows:
14-284-117. Issuance of notes.
(a)(1) In order to acquire and maintain equipment and facilities and
do the work of the fire protection district, the board of commissioners
may issue the negotiable notes of the fire protection district signed by the
members of the board and bearing a rate of interest not exceeding eight
percent (8%) per annum the maximum rate of interest under § 4-57-104, and it
the board may pledge and mortgage a portion of the future annual benefit
assessments as collected for the payment thereof.
(2) The petition for the creation of a fire protection district
in the court order creating the fire protection district shall limit the
total amount of notes that may be outstanding at any time, but the limits may
be increased to the maximum prescribed in subdivision (a)(3) of this section
by a vote of a majority in value of the owners of real property in the
district.
(3) Subject to Arkansas Constitution, Amendment 78, if applicable, a fire protection district created under this section subchapter shall not have notes outstanding at any one time in:

(A) In excess of one hundred fifty thousand dollars ($150,000); or

(B) With an annual amortized amount that exceeds two (2) times the available cash reserves of the fire protection district.

(b) The district shall have no authority to issue bonds. A fire protection district shall not issue bonds.

APPROVED: 4/5/19