

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.

Act 642 of the Regular Session

1 State of Arkansas  
2 87th General Assembly  
3 Regular Session, 2009  
4

As Engrossed: H3/16/09

A Bill

HOUSE BILL 1979

5 By: Representative J. Edwards  
6  
7

8 **For An Act To Be Entitled**

9 AN ACT TO ALLOW ELECTRONIC FUNDS TRANSFERS BY  
10 CERTAIN WATER SYSTEMS FOR PAYMENT OF DEBTS; AND  
11 FOR OTHER PURPOSES.  
12

13 **Subtitle**

14 TO ALLOW ELECTRONIC FUNDS TRANSFERS BY  
15 CERTAIN WATER SYSTEMS FOR PAYMENT OF  
16 DEBTS.  
17  
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 *SECTION 1. Arkansas Code § 14-237-106(a), concerning disbursement of*  
22 *water and sewer department funds, is amended to read as follows:*

23 *(a) All disbursements of water and sewer department funds, ~~except as~~*  
24 *~~noted in § 14-237-107,~~ are to be made by prenumbered checks drawn upon the*  
25 *bank account of that department except:*

26 *(1) Petty cash under § 14-237-107; or*

27 *(2) An electronic funds transfer used for payment of debts*  
28 *provided that:*

29 *(A) The person responsible for the disbursement shall*  
30 *maintain a ledger including without limitation the following information:*

31 *(i) The name and address of the entity receiving*  
32 *payment;*

33 *(ii) The routing number of the bank in which the*  
34 *funds are held;*

35 *(iii) The account number and the accounts*



1 clearinghouse trace number pertaining to the transfer; and  
 2 (iv) The date and amount transferred; and  
 3 (B) Written consent for payment by electronic funds  
 4 transfer is given by the entity to whom the transfer is made.

5  
 6 SECTION 2. Arkansas Code Title 14, Chapter 229 is amended to add an  
 7 additional section to read as follows:

8 14-229-104. Rural water and wastewater entities - Electronic funds  
 9 transfers.

10 All rural water and rural wastewater entities, however organized, may  
 11 disburse funds for payment of debts by electronic funds transfer if:

12 (1) The person responsible for the disbursement maintains a  
 13 ledger including without limitation the following information:

14 (A) The name and address of the entity receiving payment;

15 (B) The routing number of the bank in which the funds are  
 16 held;

17 (C) The account number and the accounts clearinghouse  
 18 trace number pertaining to the transfer; and

19 (D) The date and amount transferred; and

20 (2) Written consent for payment by electronic funds transfer is  
 21 given by the entity to whom the transfer is made.

22  
 23 /s/ J. Edwards

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 25 APPROVED: 3/27/2009