

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

A Bill

HOUSE BILL 1590

5 By: Representatives Summers, T. Bradford, English, Vines
6 By: Senators B. Sample, E. Williams
7

For An Act To Be Entitled

9 AN ACT CONCERNING CERTAIN FINANCIAL PROCEDURES OF
10 MUNICIPALITIES; AND FOR OTHER PURPOSES.
11

Subtitle

12 CONCERNING CERTAIN FINANCIAL PROCEDURES
13 OF MUNICIPALITIES.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code § 14-58-202 is amended to read as follows:

21 14-58-202. Adoption. Under this subchapter, the governing body of the
22 municipality shall, on or before February 1 of each year, adopt a budget by
23 ordinance or resolution for operation of the city or town.
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25 SECTION 2. Arkansas Code § 14-58-306 is amended to read as follows:

26 14-58-306. Disposal of municipal supplies, etc.

27 (a) In a city of the first class, city of the second class, or
28 incorporated town, the mayor or his duly authorized representative may sell
29 or exchange any municipal supplies, materials, or equipment with a value of
30 twenty thousand dollars (\$20,000) or less, unless the municipal governing
31 body shall, by ordinance, establish a lesser amount.

32 (b) ~~The municipal governing body shall, by ordinance, establish a~~
33 ~~maximum amount which may be sold or exchanged.~~ No item or lot of supplies,
34 material, or equipment, ~~which~~ that is to be disposed of as one (1) unit,
35 shall be sold without competitive bidding if the amount exceeds twenty
36 thousand dollars (\$20,000) or the maximum provided by ordinance unless the



1 mayor shall certify in writing to the governing body that, in his opinion,
2 the fair market value of the item or lot is less than the amount established
3 by ordinance as indicated.

4 (c)(1) If an item of personal property belonging to a municipality
5 becomes obsolete or is no longer used by a municipality, it may be:

6 (A) Sold at public or Internet auction;

7 (B) Sent to the Marketing and Redistribution Section of the
8 Office of State Procurement of the Department of Finance and Administration;
9 or

10 (C) Transferred to another governmental entity within the
11 state.

12 (2) If an item is not disposed of under subdivision (c)(1) of
13 this section, the item may be disposed of in the landfill used by the
14 municipality if the mayor or his or her authorized representative certifies
15 in writing and the governing body of the municipality approves that it has:

16 (A) Been rendered worthless by damage or prolonged use; or

17 (B)(i) Only residual value; and

18 (ii) Been through public auction and not sold.

19 (d)(1) A record shall be maintained of all items disposed of and
20 reported to the governing body.

21 (2) The municipal fixed asset listing shall be amended to
22 reflect all disposal of property made under this section.

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25 **APPROVED: 03/23/2011**
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