

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4  
5 By: Senator Teague  
6 By: Representative Jean  
7

# A Bill

SENATE BILL 155

## For An Act To Be Entitled

9 AN ACT TO CREATE THE DEVELOPMENT AND ENHANCEMENT FUND  
10 TO PROVIDE AUTHORITY TO COMPLETE PROJECTS AND PROVIDE  
11 A MECHANISM FOR STATE INFRASTRUCTURE AND  
12 UNANTICIPATED NEEDS; TO REPEAL THE GENERAL  
13 IMPROVEMENT FUND; TO DECLARE AN EMERGENCY; AND FOR  
14 OTHER PURPOSES.

## Subtitle

18 TO CREATE THE DEVELOPMENT AND ENHANCEMENT  
19 FUND; AND TO DECLARE AN EMERGENCY.  
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22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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24 SECTION 1. DO NOT CODIFY. LEGISLATIVE INTENT. It is the intent of  
25 the General Assembly that the creation of the Development and Enhancement  
26 Fund is necessary to provide a mechanism to disburse funds for:

27 (1) Various construction and improvement projects;

28 (2) Unforeseen needs;

29 (3) Funding deficiencies; and

30 (4) The completion of projects previously funded by the General  
31 Assembly.  
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33 SECTION 2. Arkansas Code § 6-62-709(b), concerning the Arkansas  
34 College Savings Bond Act, is amended to read as follows:

35 (b) Upon receipt thereof, the Governor shall confer with the Chief  
36 Fiscal Officer of the State concerning the amount available in the state



1 General Improvement Fund or its successor fund or fund accounts, including  
 2 the Development and Enhancement Fund, which ~~such~~ funds shall be used to  
 3 defray ~~said the~~ debt service requirements in ~~such~~ amounts as are determined  
 4 to be available. The Chief Fiscal Officer of the State shall then determine  
 5 whether the annual amount of general revenue funds required to be set aside  
 6 from the net general revenue as ~~such term is~~ defined in the Revenue  
 7 Stabilization Law, § 19-5-101 et seq., for payment of the remaining debt  
 8 service requirements in connection with the bonds during either year of the  
 9 fiscal biennium in which the bonds are to be issued, would work undue  
 10 hardship upon any agency or program supported from general revenues under the  
 11 ~~provisions of the~~ Revenue Stabilization Law, § 19-5-101 et seq.

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 13 SECTION 3. Arkansas Code § 6-62-1104(b)(1), concerning higher  
 14 education technology and facility improvement, is amended to read as follows:

15 (b)(1) Upon receipt of the plan, the Governor shall confer with the  
 16 Chief Fiscal Officer of the State concerning the amount and availability of  
 17 unrestricted funds in the General Improvement Fund or its successor fund or  
 18 fund accounts, including the Development and Enhancement Fund, that would be  
 19 used to meet the debt service requirements.

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 21 SECTION 4. Arkansas Code § 8-5-807(b)(2)(A), concerning the Small  
 22 Business Revolving Loan Fund, is amended to read as follows:

23 (A) All funds transferred from the General Improvement  
 24 Fund or its successor fund or fund accounts, including the Development and  
 25 Enhancement Fund, to be otherwise provided by law for the Small Business  
 26 Revolving Loan Fund;

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 28 SECTION 5. Arkansas Code § 12-8-125(a), concerning the Small  
 29 Municipality Law Enforcement Vehicle Grant Program, is amended to read as  
 30 follows:

31 (a) There is created the “Small Municipality Law Enforcement Vehicle  
 32 Grant Program”, to be administered by the Department of Arkansas State Police  
 33 with funding from the General Improvement Fund or its successor fund or fund  
 34 accounts, including the Development and Enhancement Fund.

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 36 SECTION 6. Arkansas Code § 14-171-218 is amended to read as follows:

1 14-171-218. Future applicants.

2 Any applications submitted after January 1, 2001, for state aid for the  
 3 expansion of eligible facilities or for new facilities shall be submitted to  
 4 the General Assembly and any appropriation for the expansion or new facility  
 5 shall be made from the General Improvement Fund or its successor fund or fund  
 6 accounts, including the Development and Enhancement Fund.

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 8 SECTION 7. Arkansas Code § 19-4-1412(a), concerning the construction  
 9 of buildings and facilities, is amended to read as follows:

10 (a) If, after the expiration date of the second biennial period for  
 11 which funds have been appropriated for the benefit of any specific capital  
 12 improvement project, there remains a balance of funds or appropriations, then  
 13 such fund balances as may remain in the General Improvement Fund or its  
 14 successor fund or fund accounts, including the Development and Enhancement  
 15 Fund, for the benefit of the capital improvement project shall be reallocated  
 16 for the benefit of proposed new or existing capital improvement projects of  
 17 the various state agencies as may be enacted.

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 19 SECTION 8. Arkansas Code § 19-5-304(9)(B)(ii), concerning general  
 20 revenue operating funds and fund accounts, is amended to read as follows:

21 (ii) Moneys transferred from the General Improvement Fund  
 22 or its successor fund or fund accounts, including the Development and  
 23 Enhancement Fund; and

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 25 SECTION 9. Arkansas Code § 19-5-501(b)(4), concerning the Budget  
 26 Stabilization Trust Fund, is amended to read as follows:

27 (4) Making transfers to the General Improvement Fund or  
 28 its successor fund or fund accounts, including the Development and  
 29 Enhancement Fund, as established in § 19-5-1005 in order to provide  
 30 supplemental funding for appropriations supported from the General  
 31 Improvement Fund or its successor fund or fund accounts, including the  
 32 Development and Enhancement Fund, as may be provided by law;

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 34 SECTION 10. Arkansas Code § 19-5-1004(c), concerning the General  
 35 Revenue Allotment Reserve Fund, is amended to read as follows:

36 (c) Any funds that remain in the Department of Career Education Fund

1 Account or the fund accounts created in § 19-5-304(8) at the end of a fiscal  
 2 year due to the provisions of this section shall be transferred by the Chief  
 3 Fiscal Officer of the State to the General Improvement Fund or its successor  
 4 fund or fund accounts, including the Development and Enhancement Fund, there  
 5 to be used exclusively to provide additional funding for appropriations for  
 6 the applicable vocational and technical schools, technical institutes, or  
 7 comprehensive lifelong learning centers, that are made payable from the  
 8 General Improvement Fund or its successor fund or fund accounts, including  
 9 the Development and Enhancement Fund.

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 11 SECTION 11. Arkansas Code § 19-5-1005 is amended to read as follows:  
 12 19-5-1005. ~~General Improvement Fund~~ Development and Enhancement Fund.

13 (a) There is established on the books of the Treasurer of State, the  
 14 Auditor of State, and the Chief Fiscal Officer of the State a fund to be  
 15 known as the ~~"General Improvement Fund"~~ "Development and Enhancement Fund".

16 (b) The ~~fund~~ Development and Enhancement Fund shall consist of those  
 17 special revenues specified in § 19-6-301(171) and any other funds made  
 18 available by the General Assembly from time to time.

19 (c) The fund shall be used to provide financing of various projects  
 20 authorized by the General Assembly and to make temporary loans ~~to funds~~  
 21 ~~receiving general revenue as set out in § 19-5-302~~ or provide funding for  
 22 appropriations authorized by the General Assembly.

23 (d) The Development and Enhancement Fund shall be the successor fund  
 24 to the General Improvement Fund for the payment of any outstanding balances,  
 25 warrants, and reappropriations enacted by the General Assembly previously  
 26 payable from the General Improvement Fund.

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 28 SECTION 12. Arkansas Code § 19-5-1039(b), concerning the Rural Health  
 29 Services Revolving Fund, is amended to read as follows:

30 (b) The Rural Health Services Revolving Fund shall consist of funds  
 31 transferred from the General Improvement Fund or its successor fund or fund  
 32 accounts, including the Development and Enhancement Fund, or any other funds  
 33 made available by the General Assembly, there to be used to provide matching  
 34 funds, on a fifty-fifty (50:50) cash basis up to a maximum of two hundred  
 35 thousand dollars (\$200,000) per applicant, for assisting in the stabilizing  
 36 of necessary medical services provided by county, local, commercial, or

1 nonprofit operations, all as administered by the Department of Health as set  
2 out in the Rural Health Services Revolving Fund Act, § 20-12-401 et seq.

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4 SECTION 13. Arkansas Code § 19-5-1105(b)(1), concerning the Small  
5 Business Revolving Loan Fund, is amended to read as follows:

6 (b)(1) The Small Business Revolving Loan Fund shall consist of moneys  
7 transferred from the General Improvement Fund or its successor fund or fund  
8 accounts, including the Development and Enhancement Fund, interest earnings,  
9 repayment of loans, and moneys recovered for loan losses under the loan  
10 program created in the Small Business Revolving Loan Fund for Pollution  
11 Control and Prevention Technologies Act, § 8-5-801 et seq., and any other  
12 moneys made available by law or from any other source.

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14 SECTION 14. Arkansas Code § 19-5-1205(b)(1), concerning the Youth  
15 Services Facilities Needs Fund, is amended to read as follows:

16 (b)(1) The Youth Services Facilities Needs Fund shall consist of funds  
17 transferred to it from the General Improvement Fund or its successor fund or  
18 fund accounts, including the Development and Enhancement Fund, and ~~such~~ other  
19 funds authorized by law.

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21 SECTION 15. Arkansas Code § 19-5-1206(b)(1), concerning the Building  
22 Authority Division Real Estate Fund, is amended to read as follows:

23 (b)(1) The Building Authority Division Real Estate Fund shall consist  
24 of funds transferred to it from the General Improvement Fund or its successor  
25 fund or fund accounts, including the Development and Enhancement Fund, or  
26 other funds, gifts, bequests, foundation grants and gifts, Governor's  
27 Emergency Fund or other emergency funds, federal grants and matching funds,  
28 short-term loans and advances, proceeds from bond issues, leases, service  
29 charges or fees, interagency transfers of funds, partnerships and debentures,  
30 and other funds as may be appropriated by the General Assembly.

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32 SECTION 16. Arkansas Code § 19-5-1236(b)(1), concerning the Technology  
33 Acceleration Fund, is amended to read as follows:

34 (b)(1) The Technology Acceleration Fund shall consist of funds  
35 transferred to it from the General Improvement Fund or its successor fund or  
36 fund accounts, including the Development and Enhancement Fund, or other

1 funds, gifts, bequests, foundation grants and gifts, Governor's Emergency  
 2 Fund or other emergency funds, federal grants and matching funds, proceeds  
 3 from bond issues, service charges or fees, interagency transfers of funds,  
 4 and other funds as may be appropriated by the General Assembly.

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 6 SECTION 17. Arkansas Code § 19-5-1238(b)(1), concerning the  
 7 Sustainable Building Design Revolving Loan Fund, is amended to read as  
 8 follows:

9 (b)(1) The Sustainable Building Design Revolving Loan Fund shall  
 10 consist of funds transferred to it from the General Improvement Fund or its  
 11 successor fund or fund accounts, including the Development and Enhancement  
 12 Fund, or other funds, gifts, bequests, foundation grants and gifts,  
 13 Governor's Emergency Fund or other emergency funds, federal grants and  
 14 matching funds, proceeds from bond issues, service charges or fees,  
 15 interagency transfers of funds, and other funds as may be appropriated by the  
 16 General Assembly.

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 18 SECTION 18. Arkansas Code § 19-5-1240(b), concerning the Minority and  
 19 Women-Owned Business Loan Mobilization Revolving Fund, is amended to read as  
 20 follows:

21 (b) The Minority and Women-Owned Business Loan Mobilization Revolving  
 22 Fund shall consist of the unexpended fund balances remaining in the Small  
 23 Business Loan Fund Account of the 82nd Session General Improvement Fund or  
 24 its successor fund or fund accounts, including the Development and  
 25 Enhancement Fund, as of the close of business on June 30, 2009, and such  
 26 other funds as may be authorized by law.

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 28 SECTION 19. Arkansas Code § 19-5-1244(b)(2), concerning the Health  
 29 Information Technology Fund, is amended to read as follows:

30 (2) The Health Information Technology Fund shall also consist of  
 31 funds transferred to it from the General Improvement Fund or its successor  
 32 fund or fund accounts, including the Development and Enhancement Fund, or  
 33 other funds, gifts, bequests, foundation grants and gifts, Governor's  
 34 Emergency Fund or other emergency funds, federal grants and matching funds,  
 35 proceeds from bond issues, service charges or fees, interagency transfer of  
 36 funds, and other funds that may be appropriated by the General Assembly.

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SECTION 20. Arkansas Code § 19-5-1262 is amended to read as follows:  
19-5-1262. Rainy Day Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous fund to be known as the "Rainy Day Fund".

(b) The Rainy Day Fund shall consist of:

(1) Funds transferred to the Rainy Day Fund from the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund;

(2) Attorney General settlement funds;

(3) Interagency transfers of funds to the Rainy Day Fund;

(4) Any revenues provided by law; and

(5) Any other funds and fund transfers provided for by law.

(c) The Chief Fiscal Officer of the State shall use the Rainy Day Fund for transfers to:

(1)(A) Provide funding for one (1) or more ~~General Improvement Fund appropriations or General Improvement Fund reappropriations enacted by the General Assembly~~ appropriations or reappropriations enacted by the General Assembly from the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund.

(B) At the time of a transfer under subdivision (c)(1)(A) of this section, the Chief Fiscal Officer of the State shall notify the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee, of the transfer of funds, the amount of funds transferred, and the purpose of the transfer; and

(2) One (1) or more funds or fund accounts authorized by the General Assembly, other than the General Improvement Fund or its successor fund or fund accounts, including the Development and Enhancement Fund, upon prior approval by the Legislative Council or, if the General Assembly is in session, the Joint Budget Committee.

SECTION 21. Arkansas Code § 26-51-2412(a)(1), concerning the Arkansas Central Business Improvement District Rehabilitation and Development Investment Tax Credit Act, is amended to read as follows:

(a)(1) This subchapter takes effect only if the Chief Fiscal Officer

1 of the State certifies that sufficient funding for this subchapter is  
2 available in the General Improvement Fund or its successor fund or fund  
3 accounts, including the Development and Enhancement Fund.  
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5 SECTION 22. Arkansas Code § 26-59-122(a), concerning the disposition  
6 and allocation of funds, is amended to read as follows:

7 (a) All taxes, fees, penalties, and costs received by the Director of  
8 the Department of Finance and Administration under ~~the provisions of this~~  
9 chapter shall be general revenues and shall be deposited into the State  
10 Treasury to the credit of the State Apportionment Fund, except that the  
11 amount of estate taxes collected in a calendar year that exceeds ten percent  
12 (10%) of the average annual estate taxes collected for a five-year period  
13 immediately preceding the calendar year or fifteen million dollars  
14 (\$15,000,000), whichever is greater, shall be deposited into the State  
15 Treasury as special revenues and credited to the General Improvement Fund or  
16 its successor fund or fund accounts, including the Development and  
17 Enhancement Fund.  
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19 SECTION 23. EMERGENCY CLAUSE. It is found and determined by the  
20 General Assembly of the State of Arkansas that the General Improvement Fund  
21 should no longer be utilized; that the Development and Enhancement Fund is  
22 necessary to complete unfinished state projects; and that this act is  
23 necessary to address infrastructure needs and unanticipated needs of the  
24 State of Arkansas. Therefore, an emergency is declared to exist, and this  
25 act being necessary for the preservation of the public peace, health, and  
26 safety shall become effective on July 1, 2019.  
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