

APPROVED MINUTES

STATE AGENCIES AND GOVERNMENTAL AFFAIRS SENATE CONSTITUTIONAL ISSUES SUBCOMMITTEE

Tuesday, March 27, 2018

9:00 AM

Berryville Community Center, 601 Dr. Spurlin Circle
Berryville, Arkansas

Committee Members Present: **Senators** Bryan King, Chair and Gary Stubblefield
Representatives Charlotte Douglas, Trevor Drown, Kim Hendren, Brandt Smith, Jeff Wardlaw, and Richard Womack.

Other Legislators Present: **Senator** Scott Flippo and **Representative** Ron McNair.

Senator King called the meeting to order.

Opening Remarks by Committee Chair- Senator King discussed the following topics, General Improvement Funds (GIF), allocation of state surplus funds through grants to economic development districts, rural services, and volunteer fire departments.

Senator King recognized Madison County Judge Frank Weaver for testimony of how general improvement funds have helped Madison County. Judge Weaver gave examples of projects where GIF funds helped organizations in the county:

- The Northwest Arkansas Development District awarded the Kingston Community Volunteer Fire Department \$5,000 towards the purchase of a rescue vehicle
- The Library systems in Madison and Carroll County received assistance to improve their facilities
- The Madison County Fair Board received assistance for the installation of air conditioning in their fair grounds exhibit buildings
- The GIF funds helped unincorporated cities and incorporated cities such as St. Paul who received money for its fire department
- The City of Huntsville received monies for its fire department

Legislators discussed how the local communities could obtain financial assistance in the absence of GIF funding. One suggestion was made to process funding grants through economic development districts allowing counties to apply for assistance.

Senator King recognized Mayor Butch Berry, City of Eureka Springs who gave highlights of issues the city has experienced. He described the city's dependence on tourism revenue because there are no big box retail stores generating large sales tax revenues. However, the tourism also creates problems. A significant number of motorcyclists visit the area and being unfamiliar with the roadways they experience a large number of accidents. This requires a full-time police department, the fire department, and the Emergency Medical Service (EMS) personnel. Mayor Berry described the city's dependence on grant funding for the fire and police departments. He gave the example of the fire department's efforts in trying to buy self-contained breathing apparatus. The tanks cost \$8,000 each and there is a need for 50 of the tanks. Grants

have been approved by the Arkansas Rural Development Commission for the purchase of ten of the tanks for a total of \$80,000. Additional funding is needed to purchase generators that fill the tanks at a cost of \$25,000. Mayor Berry then gave highlights of the collapse of a parking lot because of the aging infrastructure of the underground drainage system that runs underneath the courthouse and throughout the city. Mayor Berry contacted Senator King and Representative Ballinger asking for funding assistance to make repairs with the total cost of the project totaling \$200,000. The city did not have the funding. He said the Arkansas Rural Development Commission approved a grant for the necessary funding. Mayor Berry believes this is a good example of city, county, and state entities working together. He referenced the Economic Development District, which consists of nine counties, county judges and mayors as board members. The Board reviews all of the grant applications providing transparency and a good process.

Legislators discussed the fair distribution of funding to Economic Development Districts, the Department of Rural Services, cities and counties.

There being no other business, the meeting adjourned at 9:45 a.m.