

1 **State of Arkansas**
2 **79th General Assembly**
3 **Second Extraordinary Session, 1994**
4 **By: Senators Holiman, Fitch, Yates, and Bell**

Call Item 10

A Bill

SENATE BILL 8

For An Act To Be Entitled

8 "AN ACT TO AMEND SUBCHAPTER 3 OF TITLE 14, CHAPTER 164, OF
9 THE ARKANSAS CODE OF 1987, ANNOTATED, TO ADD A NEW SECTION
10 § 14-164-340 AUTHORIZING LOCAL GOVERNMENTS TO FINANCE
11 CAPITAL IMPROVEMENTS FOR CRIMINAL JUSTICE PROJECTS ON A
12 SHORT-TERM BASIS WITHOUT ISSUING BONDS; TO DECLARE AN
13 EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

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16 "TO AUTHORIZE LOCAL GOVERNMENTS TO
17 FINANCE CAPITAL IMPROVEMENTS FOR
18 CRIMINAL JUSTICE PROJECTS WITHOUT
19 ISSUING BONDS."

20
21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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23 SECTION 1. Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of
24 1987, Annotated, is hereby amended to add a new section to read as follows:

25 "14-164-340. Alternative to issuance of bonds - Criminal justice
26 projects.

27 (a) In addition to the options provided for by Arkansas Code
28 § 14-164-338 for financing capital improvements of a public nature, if a
29 legislative body determines that a sales and use tax of one percent (1%) or
30 less authorized by § 14-164-327 would, if levied for no longer than thirty-six
31 (36) months, produce sufficient revenue to finance capital improvements for
32 criminal justice purposes without resorting to a bond issue, the legislative
33 body may dispense with the issuance of bonds, levy the tax for no longer than
34 the thirty-six (36) month period, and appropriate the resulting revenues,
35 subject to the Arkansas Constitution, Article 12, Section 4, provided that:

1 (1) A majority of the qualified electors of the county or
2 municipality voting on the question at a general or special election shall
3 have approved the tax and the projects of capital improvements for criminal
4 justice purpose; and

5 (2) The revenues from the tax are expended solely for the
6 projects authorized by the electorate.

7 (b) Under this section, the term "capital improvements for criminal
8 justice purposes" means, whether obtained by purchase, lease, construction,
9 reconstruction, restoration, improvement, alteration, repair, or other means,
10 any physical public facility, betterment or improvement with the purpose of
11 furthering or promoting law enforcement, or the apprehension, prosecution,
12 probation, rehabilitation, or detention of any criminals, accused defendants,
13 suspects, or juvenile detainees, and any preliminary plans, studies, or
14 surveys relative thereto; land or rights in land, including, without
15 limitations, leases, air rights, easements, rights-of-way, or licenses, and
16 any furnishings, machinery, vehicles, apparatus, or equipment for any such
17 public facility, betterment or improvement, which shall include, but is not
18 limited to, the following: any and all facilities for city or town halls,
19 courthouses and other administrative, executive, or other public offices for
20 law enforcement officials or agencies; court facilities; jails; police
21 stations and sheriff_s offices; police precinct or sheriff_s station or
22 substations; law enforcement training facilities; probation or parole offices
23 and facilities; alternative learning centers; county and municipal criminal
24 *detention and correctional facilities; and juvenile detention facilities.*

25 (c) The portion of the tax authorized by § 14-164-327 which is not
26 utilized under this section may be used as otherwise provided in this
27 subchapter.

28 (d) The provisions of this section shall not preclude or affect the
29 ability of a municipality or county to levy a sales and use tax beyond the
30 thirty-six month period, unless so restricted on the ballot, or for less than
31 the thirty-six month period, if stated on the ballot, under §§ 26-74-201 -
32 26-74-223, 26-74-301 - 26-74-319, 26-75-201 - 26-75-223, and 26-75-301 -
33 26-75-318 and use all or a portion of the proceeds thereof to finance capital
34 improvements for criminal justice purposes, with or without issuing bonds and
35 with or without an election approving the use of the tax collections for

1 capital improvements.

2 (e)(1) This section shall not limit the authority of municipalities
3 and counties to levy taxes for thirty-six (36) months or less only under
4 §§ 26-74-201 - 26-74-223, 26-74-301 - 26-74-319, 26-75-201 - 26-75-223, and
5 26-75-301 - 26-75-318 and use the proceeds thereof to finance capital
6 improvements, and the General Assembly hereby finds and determines that
7 §§ 26-74-201 - 26-74-223, 26-74-301 - 26-74-319, 26-75-201 - 26-75-223, and
8 26-75-301 - 26-75-318 each provide for the levy of up to a one percent (1%)
9 sales and use tax and the use thereof for any purpose for which the general
10 funds of the municipality or county may be used unless restricted on the
11 ballot to a specified purpose.

12 (2) This section is intended to supplement all other laws which
13 are designed to finance capital improvements for county and municipal
14 governments and, when applicable in accordance with the provisions of this
15 section, may be used by a county or a municipality as an alternative to
16 financing capital improvements for criminal justice purposes.

17 (f) The revenues derived from this tax may also be used to retire
18 existing bonds issued for the acquisition, renovation, or construction of
19 capital improvements for criminal justice purposes.

20 (g) *The revenues derived from this tax may also be used to establish a*
21 *trust fund whose income would provide operating funds for the same purposes*
22 *enumerated above in subsection (b).*

23 (h) *The purpose of this act is to authorize an extension of the tax*
24 *authorized by § 14-164-327 for an additional period of twelve (12) months.*
25 *This act shall not be construed to authorize the imposition of any tax in*
26 *addition to that authorized by § 14-164-327."*

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28 SECTION 2. All provisions of this act of general and permanent nature
29 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
30 Revision Commission shall incorporate the same in the Code.

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32 SECTION 3. If any provisions of this act or the application thereof to
33 any person or circumstance is held invalid, the invalidity shall not affect
34 other provisions or applications of the act which can be given effect without
35 the invalid provisions or application, and to this end the provisions of this

1 act are declared to be severable.

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3 SECTION 4. All laws and parts of laws in conflict with this act are
4 hereby repealed.

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6 SECTION 5. Emergency. It is hereby found and determined by the
7 Seventy-Ninth General Assembly of the State of Arkansas meeting in the Second
8 Extraordinary Session of 1994 that some local governments have an immediate
9 and pressing need to finance capital improvements for criminal justice
10 projects without incurring unnecessary bond issue expenses; that until this
11 act becomes effective, the local governments must either finance those capital
12 improvements through bond issues or delay commencing the capital improvements
13 which would in either case result in greater cost than using the method
14 provided by this act and a greater threat to the general public safety from
15 criminals; and that this act should be given effect immediately in order to
16 minimize the amount of taxes necessary to finance capital improvements for
17 criminal justice purposes and to insure the public safety. Therefore, in
18 order to authorize the people of counties and cities to vote as soon as
19 possible on the issue of levying sales taxes for capital improvements for
20 criminal justice projects, an emergency is hereby declared to exist, and this
21 act being necessary for the immediate preservation of the public peace,
22 health, and safety, shall be in full force and effect from and after its
23 passage and approval.

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/s/Holiman, et al.

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