

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995  
4 By: Representative George

# A Bill

HOUSE BILL 2050

## For An Act To Be Entitled

"AN ACT TO AMEND ARKANSAS CODE 23-4-206 TO ELIMINATE THE  
MINIMUM INTEREST RATE ON UTILITY DEPOSITS; AND FOR OTHER  
PURPOSES."

## Subtitle

"TO AMEND ARKANSAS CODE 23-4-206 TO  
ELIMINATE THE MINIMUM INTEREST RATE ON  
UTILITY DEPOSITS."

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

SECTION 1. Arkansas Code 23-4-206 is amended to read as follows:

"23-4-206. Interest on deposits.

(a) Whenever any person, company, or corporation furnishing patrons or consumers with power, gas, water, electricity, or telephone service shall require a deposit from the consumer before the utility will be supplied to him or before a meter will be installed by the person, company, or corporation, then, in every case, the person putting up the deposit, when the deposit is taken down or meter removed, shall receive interest on the deposit until it is returned to the patron or consumer, provided all bills due for service furnished have been paid by the patron or consumer.

(b)(1) The interest paid on any deposit shall be computed using simple interest, applying such annual rates as the commission shall determine from year to year.

(2) The annual interest rate applicable to deposits shall be determined annually by the Public Service Commission following notice and hearing. Each year, the commission shall enter its order setting the annual rate of interest no later than December 31 for the following year. The new annual

1 rate shall become effective January 1 of the following year and shall remain  
2 in effect for the remainder of the calendar year, or until such later time as  
3 the commission shall enter its order establishing a new rate.

4 (3) The annual rate of interest set by the commission for any year shall  
5 not be more than ten percent (10%).

6 (c) This section shall not apply to cities or towns of a population of  
7 less than three thousand (3,000) persons that have granted franchises for  
8 electric current for lighting and other purposes furnished by manufacturing  
9 establishments not solely engaged in the manufacture of electric current for  
10 lighting and other purposes."

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12 SECTION 2. All provisions of this act of a general and permanent  
13 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
14 Code Revision Commission shall incorporate the same in the Code.

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16 SECTION 3. If any provision of this act or the application thereof to  
17 any person or circumstance is held invalid, such invalidity shall not affect  
18 other provisions or applications of the act which can be given effect without  
19 the invalid provision or application, and to this end the provisions of this  
20 act are declared to be severable.

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

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