

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/31/05

A Bill

SENATE BILL 427

5 By: Senator Steele
6 By: Representative Rosenbaum
7
8

For An Act To Be Entitled

10 AN ACT TO PROVIDE FOR THE IMPROVEMENT OF SURFACE
11 TRANSPORTATION SYSTEMS IN THE STATE OF ARKANSAS
12 BY AUTHORIZING THE CREATION OF REGIONAL MOBILITY
13 AUTHORITIES; AND FOR OTHER PURPOSES.
14

Subtitle

15 THE REGIONAL MOBILITY AUTHORITY ACT.
16
17
18

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

21 SECTION 1. Arkansas Code Title 27, Chapter 70, is amended to add an
22 additional subchapter to read as follows:

23 Subchapter 3. Regional Mobility Authority Act.

24 27-70-301. Title.

25 This subchapter may be cited as the "Regional Mobility Authority Act".
26

27 27-70-302. Legislative intent.

28 It is the intent of the Arkansas General Assembly that revenues raised
29 in furtherance to this subchapter are supplemental to and not a substitute
30 for the state and federal transportation funds normally invested within the
31 boundaries of the various regional mobility authorities created under this
32 subchapter.
33

34 27-70-303. Definitions.

35 As used in this subchapter:

36 (1) "Authority" means a regional mobility authority created



1 under this subchapter with the powers and duties designated in this
2 subchapter;

3 (2) "Board" means the board of directors of an authority;

4 (3)(A) "Bond" means a bond, certificate, or note.

5 (B) "Bond" includes any other obligation of an authority
6 authorized by this subchapter, the laws of the State of Arkansas, or the
7 Arkansas Constitution;

8 (4) "Governing body" means the quorum court of a county;

9 (5) "Member" means any county that is a participant in an
10 authority;

11 (6) "Project development" means all phases of implementation
12 conducted in relation to a particular project, including, but not limited to:

13 (A) Planning;

14 (B) Environmental clearances;

15 (C) Surveys;

16 (D) Right-of-way acquisition; and

17 (E) Construction; and

18 (7) "Surface transportation system" means a system of surface
19 transportation that includes, but is not limited to:

20 (A) Roads;

21 (B) Streets;

22 (C) Highways;

23 (D) Bridges;

24 (E) Tunnels;

25 (F) Sidewalks;

26 (G) Bicycle paths;

27 (H) Toll facilities;

28 (I) Pedestrian ways;

29 (J) Intermodal facilities;

30 (K) Parking facilities;

31 (L) Public transit systems;

32 (M) Traveler information systems;

33 (N) Intelligent transportation systems;

34 (O) Traffic management systems;

35 (P) Traffic signal systems;

36 (Q) Safety improvements;

1 (R) All other means of surface transportation, or
 2 (S) The preservation and maintenance of existing surface
 3 transportation facilities.

4
5 27-70-304. Regional Mobility Authority – Creation.

6 (a) A single county or any combination of contiguous counties may
7 create an authority.

8 (b) The purpose of an authority created under this subchapter is to
9 plan, construct, operate, fund, or purchase improvements to a surface
10 transportation system.

11 (c)(1) A member of an authority shall only participate in the
12 authority if the member’s governing body:

13 (A) By ordinance provides for the member’s participation
14 in the authority; and

15 (B) Enters into an agreement with the other participating
16 members, if such members exist.

17 (2) The agreement between members of an authority shall
18 establish the terms and conditions of the operation of the authority within
19 the limitations provided in this subchapter and the other laws of the State of
20 Arkansas that may be applicable.

21 (d) To the extent that it is consistent with this subchapter, the
22 agreement shall specify the information provided for in § 25-20-104(c) of the
23 Interlocal Cooperation Act, § 25-20-101 et seq.

24
25 27-70-305. Public corporation.

26 (a) Upon creation of an authority:

27 (1) The authority and its members shall:

28 (A) Constitute a public corporation; and

29 (B) Have perpetual succession; and

30 (2) The authority and its members may:

31 (A) Contract and be contracted with;

32 (B) Sue and be sued; and

33 (C) Have and use a common seal.

34 (b) The exercise of the powers and performance of the duties under
35 this subchapter by each authority are declared to be public and governmental
36 functions that are exercised for a public purpose and for matters of public

1 necessity and that confer upon each authority governmental immunity from suit
2 in tort.

3
4 27-70-306. Board.

5 (a) The management and control of each authority, its property,
6 operations, business, and affairs shall be governed by a board composed of at
7 least the following directors:

8 (1) The county judge or designated representative of the
9 county judge of each county in which the authority is geographically situated;
10 and

11 (2) The mayor or designated representative of the mayor of
12 each city of the first class within each county that is a member of an
13 authority.

14 (b)(1) The directors of the board shall appoint one (1) or more
15 citizen representatives who hold no public office to form a board that has a
16 minimum of five (5) directors.

17 (2) The terms of the citizen representatives shall be staggered
18 and shall not exceed five (5) years.

19 (c)(1) The directors of the board shall serve as such throughout their
20 terms in office.

21 (2) If any director ceases for any reason to be a director, that
22 director shall be replaced by the elected official succeeding the director or
23 as may be provided further in the bylaws created under this subchapter.

24 (d) The directors shall be solely responsible for selecting the chair
25 of the board.

26 (e) All directors of each authority shall be qualified electors within
27 the judicial boundaries of the authority that the directors represent.

28 (f)(1) No director of an authority shall receive any compensation
29 whether in form of salary, per diem allowance, or otherwise for or in
30 connection with his or her services as a director.

31 (2) However, each director shall be entitled to reimbursement by
32 the authority for any necessary expenditures in connection with the performance
33 of his or her general duties as a director.

34
35 27-70-307. Powers.

36 Each authority is given the following powers:

- 1 (1) To make and adopt all necessary bylaws for its organization
2 and operations;
- 3 (2) To elect officers and to employ personnel necessary for its
4 operation;
- 5 (3) To enter into contracts necessary or incidental to its powers
6 and duties under this subchapter;
- 7 (4) To apply for, receive, and spend grants for any purpose of
8 this subchapter;
- 9 (5) To acquire lands and hold title to the lands acquired in its
10 own name;
- 11 (6) To build, fund, own, operate, or contract the operation of
12 any surface transportation system;
- 13 (7) To acquire, own, use, and dispose of property in the
14 exercise of its powers and the performance of its duties under this
15 subchapter;
- 16 (8) To borrow money and execute and deliver negotiable
17 notes in the exercise of its powers and the performance of its duties
18 under this subchapter;
- 19 (9) To issue bonds;
- 20 (10) To enter into any agreement with any road or street
21 improvement district established pursuant to §§ 14-316-101 et seq.; 14-317-
22 101 et seq.; and 14-322-101 et seq.;
- 23 (11) To enter into any agreement with the Arkansas State Highway
24 Commission;
- 25 (12) To impose and collect tolls, charges, and rates on
26 surface transportation systems owned or operated by the authority;
- 27 (13) To request and receive from time to time from counties
28 or cities within the boundaries of the authority, funds to finance and
29 support the authority, including county or city turnback funds as set
30 forth in § 27-70-206 and § 27-70-207 for the purpose of matching
31 federal transportation funds;
- 32 (14) To receive property or funds by gift or donation for
33 the finance and support of the authority; and
- 34 (15) To do all things necessary or appropriate to carry out the
35 powers and duties expressly granted or imposed under this subchapter.
36

1 27-70-308. Eminent domain.

2 (a) An authority shall have the right to acquire any property
3 necessary to carry out the purposes of this subchapter by exercising the
4 power of eminent domain.

5 (b) The authority, its agents, and its employees may seek a court
6 order to enter upon real property and make surveys, examinations,
7 photographs, tests, and samplings or to engage in other activities for the
8 purpose of appraising the property or determining whether it is suitable for
9 the authority's purpose.

10
11 27-70-309. Condemnation petition – Notice.

12 (a) The authority may exercise its power of eminent domain by filing
13 an appropriate petition in condemnation in the circuit court of the county in
14 which the property sought to be taken is situated to have the compensation
15 for right-of-way determined, giving the owner of the property to be taken at
16 least ten (10) days' notice in writing of the time and place where the
17 petition will be heard.

18 (b)(1) If the property sought to be condemned is located in more than
19 one (1) county, the petition may be filed in any circuit court having
20 jurisdiction in any county in which any part of the property may be located.

21 (2) The proceedings had in the circuit court shall apply to all
22 of the property described in the petition.

23 (c)(1)(A) If the owner of the property sought to be taken is a
24 nonresident of the state, notice shall be by publication in any newspaper in
25 the county that is authorized by law to publish legal notices.

26 (B) This notice shall be published for the same length of
27 time as may be required in other civil causes.

28 (2) If there is no such newspaper published in the county, then
29 publication shall be made in a newspaper designated by the circuit clerk, and
30 one (1) written or printed notice thereof shall be posted on the door of the
31 county courthouse.

32 (d)(1) The condemnation petition shall describe the lands and property
33 sought.

34 (2) When the immediate possession of lands and property is
35 sought to be obtained, the authority may file a declaration of taking under
36 this subchapter at any time before judgment or together with the condemnation

1 petition.

2
3 27-70-310. Declaration of taking.

4 (a)(1) The petitioner may file a declaration of taking at any time
5 before a judgment is signed by the chair of the board, or with the
6 condemnation petition, in any proceeding instituted by and in the name of the
7 authority that involves the acquisition of real property, an interest in real
8 property, or an easement.

9 (2) The declaration shall declare that the authority is taking
10 the real property, an interest in the real property, or the easement for the
11 use of the authority.

12 (b) The declaration of taking shall contain or have annexed to it the
13 following:

14 (1) A statement that the authority is taking the real property,
15 an interest in real property, or an easement;

16 (2) A statement of the purpose for which the authority is taking
17 the real property, an interest in real property, or an easement;

18 (3) A description of the real property, an interest in the real
19 property, or an easement that the authority is taking, sufficient for the
20 identification thereof; and

21 (4) A plat showing the real property, an interest in the real
22 property, or an easement that the authority is taking;

23 (5) A statement of the amount of money estimated by the
24 acquiring authority to be just compensation for the taking of the real
25 property, an interest in the real property, or an easement.

26
27 27-70-311. Condemnation proceedings and judgment.

28 (a) The circuit court shall impanel a jury of twelve (12) persons, as
29 in other civil cases, to ascertain the amount of compensation that the
30 authority shall pay for the real property, an interest in the real property,
31 or an easement which the authority is taking.

32 (b) The matter shall proceed and be determined as in other civil
33 cases.

34 (c) In all cases of infants or incompetent persons, when no legal
35 representative or guardian appears in their behalf at the hearing, it shall
36 be the duty of the court to appoint a guardian ad litem who shall represent

1 their interest for all purposes.

2 (d) Compensation shall be ascertained and awarded in the proceeding
3 and established by judgment therein.

4
5 27-70-312. Finance.

6 (a) Each authority may be financed or supported by receiving from
7 time to time as revenue the following:

8 (1) All or any part of any proceeds derived from the levy
9 and collection of a sales tax by a county that is a member of an
10 authority, pursuant to § 26-74-201 et seq., § 26-74-301 et seq., and §
11 26-74-401 et seq.;

12 (2) All or any part of any proceeds derived from the levy
13 and collection of a sales tax by a city that is within the boundaries
14 of an authority, pursuant to § 26-75-201 et seq. and § 26-75-301 et
15 seq.;

16 (3) Proceeds from a motor vehicle tax imposed by a county
17 that is a member of an authority pursuant to § 26-78-101 et seq.;

18 (4) Proceeds from tolls, charges, and rates imposed on
19 surface transportation systems owned or operated by the authority; and

20 (5) State turnback funds pursuant to § 27-70-206 and § 27-
21 70-207 received from counties and cities.

22 (b) Taxes imposed under subdivisions (a)(1) through (3) of this
23 section shall be approved by voters pursuant to all applicable election laws.

24
25 27-70-313. Approval.

26 Any design or proposal for road or highway improvements must be
27 approved by the city or county government or the State Highway Commission
28 that owns the roadway prior to the commencement of project development.

29
30 27-70-314. Improvement financing with bonds.

31 (a) Whenever any authority created under this subchapter shall own or
32 operate a surface transportation system and shall desire to construct
33 improvements, betterments, and extensions thereto the authority may issue
34 revenue bonds under the provisions of this subchapter to pay the costs.

35 (b)(1) Bonds issued in accordance with this subchapter shall be
36 authorized by resolution of the board of directors of the authority.

1 (2) The bonds may be issued as registered bonds and may be
2 exchangeable for bonds of another denomination or in another form.

3 (3) The bonds may:

4 (A) Be in such form and denominations;

5 (B) Have such date or dates;

6 (C) Be stated to mature at such time or times;

7 (D) Bear interest payable at such times and at such rate
8 or rates;

9 (E) Be payable at such places within or without the state;

10 (F) Be subject to such terms of redemption in advance of
11 maturity at such prices; and

12 (G) Contain such terms and conditions, all as the board of
13 directors shall determine.

14 (4) The bonds shall have all of the qualities of and shall be
15 deemed to be negotiable instruments under the laws of the State of Arkansas,
16 subject to provisions as to registration as set forth in this subsection.

17 (5) The authorizing resolution may contain any other terms,
18 covenants, and conditions that the board of directors deems reasonable and
19 desirable, including, without limitation, those pertaining to:

20 (A) The maintenance of various funds and reserves;

21 (B) The nature and extent of any security for payment of
22 the bonds;

23 (C) The custody and application of the proceeds of the
24 bonds;

25 (D) The collection and disposition of revenues;

26 (E) The investing for authorized purposes; and

27 (F) The rights, duties, and obligations of the public body
28 and the holders and registered owners of the bonds.

29 (c)(1) The authorizing resolution may provide for the execution of a
30 trust indenture between the authority and any financial institution within or
31 without the State of Arkansas.

32 (2) The trust indenture may contain any terms, covenants, and
33 conditions that are deemed desirable by the board of directors, including,
34 without limitation, those pertaining to:

35 (A) The maintenance of various funds and reserves;

36 (B) The nature and extent of any security for the payment

1 of the bonds;

2 (C) The custody and application of the proceeds of the
3 bonds;

4 (D) The collection and disposition of revenues;

5 (E) The investing and reinvesting of any moneys during
6 periods not needed for authorized purposes; and

7 (F) The rights, duties, and obligations of the public body
8 and the holders and registered owners of the bonds.

9 (d)(1) Any authorizing resolution and trust indenture relating to the
10 issuance and security of the bonds shall constitute a contract between the
11 authority and holders and registered owners of the bonds.

12 (2) The contract and all covenants, agreements, and obligations
13 therein shall be promptly performed in strict compliance with the terms and
14 provisions of the contract, and the covenants, agreements, and obligations of
15 the authority may be enforced by mandamus or other appropriate proceeding at
16 law or in equity.

17 (e)(1) The resolution shall fix the minimum fees, fares, tolls, or
18 charges to be collected prior to the payment of all of the bonds, with
19 exceptions as may be provided in the resolution, and shall pledge the
20 revenues derived from the authority's surface transportation system or any
21 specified portion of the authority's surface transportation system for the
22 purpose of paying the bonds and interest thereon.

23 (2) The rates to be charged for the use of the authority's
24 surface transportation system shall be sufficient to provide for the payment
25 of all principal of and interest on all bonds as and when due.

26 (f)(1) The proceeds derived from the sale of the bonds shall be used
27 solely for the purpose of:

28 (A) Making betterments, improvements, and extensions to
29 the surface transportation system owned and operated by the authority;

30 (B) Paying interest on the bonds during the period of
31 construction of the betterments, improvements, and extensions;

32 (C) Establishing any necessary reserves for the bonds;

33 (D) Paying the costs of issuing the bonds; and

34 (E) Paying any other costs and expenditures of whatever
35 nature incidental to the accomplishment of the betterments, improvements, and
36 extensions.

1 (2) The terms “betterments”, “improvements”, and “extensions”
2 include surface transportation systems as well as all other real and personal
3 property, buildings, structures, or other improvements or facilities as may
4 be necessary or advisable for the proper and efficient operation of the
5 authority’s surface transportation system.

6 (g)(1) Bonds issued under the provisions of this section shall be
7 payable solely from revenues derived from the authority’s surface
8 transportation system.

9 (2) The bonds shall not in any event constitute an indebtedness
10 of, nor pledge the faith and credit of, the State of Arkansas or the county
11 or counties creating the authority within the meaning of any constitutional
12 provisions or limitations.

13 (3) It shall be plainly stated on the face of each bond that it:

14 (A) Is issued under the provisions of this subchapter;

15 (B) Does not constitute an indebtedness of the State of
16 Arkansas or the county or counties creating the authority within any
17 constitutional provisions or limitations; and

18 (C) Is not backed by the full faith and credit of the
19 State of Arkansas or the county or counties creating the authority.

20 (4) The bonds and the interest thereon shall be exempt from all
21 state, county, and municipal taxation. This exemption includes income
22 taxation and inheritance taxation.

23 (h)(1) The bonds may be sold in such manner, either at public or
24 private sale, and upon such terms as the board of directors shall determine
25 to be reasonable and expedient for effectuating the purposes of the
26 authority.

27 (2) The bonds may be sold at a price the board of directors may
28 accept, including sale at discount.

29 (i)(1) The bonds shall be executed by manual or facsimile signature of
30 the chair of the board of directors and the manual or facsimile signature of
31 the secretary of the board of directors or any other officer of the authority
32 authorized to do so by resolution of the board of directors.

33 (2) In case any of the officers whose signatures appear on the
34 bonds shall cease to be the officers before delivery of the bonds, their
35 signatures nevertheless shall be valid and sufficient for all purposes.

36 (3) Each bond shall be impressed or imprinted with the seal of

1 the public body.

2
3 27-70-315. Lien in favor of bondholders.

4 (a) The payment of the principal of bonds issued under this subchapter
5 and the interest thereon may be secured by a lien on and security interest in
6 the authority's surface transportation system or any specified portion of the
7 authority's surface transportation system.

8 (b) It shall not be necessary to the perfection of the lien and pledge
9 for such purposes that the trustee in connection with the bond issue or the
10 holders of the bonds take possession of the collateral security.

11 (c) Subject to whatever restrictions may be contained in the
12 resolution or indenture governing the bonds, any holder of bonds issued under
13 the provisions of this subchapter may enforce either at law or in equity the
14 mortgage lien and may compel by proper suit the performance of the duties of
15 the officers of the issuing authority set forth in this subchapter.

16 (d) If there be default in the payment of the principal of or interest
17 on any of the bonds, any court having jurisdiction in any proper action may
18 appoint a receiver to administer the authority's surface transportation
19 system or the specified portion of the authority's surface transportation
20 system pledged to the payment of the bonds on behalf of the public body, with
21 power to charge and collect rates sufficient to provide for the payment of
22 the bonds and the interest thereon and for the payment of the operating
23 expenses and to apply the income and revenues in conformity with this
24 subchapter and the resolution or indenture providing for the issuance of the
25 bonds.

26
27 27-70-316. Refunding bonds.

28 (a) Bonds may be issued for the purpose of refunding any obligations
29 issued under this subchapter or otherwise. The refunding bonds may be
30 combined with bonds issued under the provisions of § 27-70-314 into a single
31 issue.

32 (b) When bonds are issued under this section for refunding purposes,
33 the bonds may either be sold or delivered in exchange for the outstanding
34 obligations. If sold, the proceeds may be either applied to the payment of
35 the obligations refunded or deposited in escrow for the retirement thereof
36 either at maturity or upon any authorized redemption date.

1 (c)(1) All bonds issued under this section shall in all respects be
 2 authorized, issued, and secured in the manner provided for other bonds issued
 3 under this subchapter and shall have all the attributes of such bonds.

4 (2) The resolution or indenture under which the refunding bonds
 5 are issued may provide that any of the refunding bonds shall have the same
 6 priority of lien on the revenues pledged for their payment as was enjoyed by
 7 the obligations refunded thereby.

8
 9 SECTION 2. Arkansas Code § 26-74-203(2), regarding definitions for
 10 sales and use tax for capital improvements, is amended to read as follows:

11 (2) "Capital improvements of a public nature" means:

- 12 (A) Streets;
- 13 (B) Roads;
- 14 (C) Public parks;
- 15 (D) Port facilities;
- 16 (E) Tourism facilities;
- 17 (F) Airport facilities;
- 18 (G) Sewerage facilities;
- 19 (H) Waterworks facilities;
- 20 (I) Fire protection facilities;
- 21 (J) Convention center facilities;
- 22 (K) Courthouses;
- 23 (L) Police facilities;
- 24 (M) Public transit facilities;
- 25 (N) Auditoriums;
- 26 (O) Prisons;
- 27 (P) Libraries;
- 28 (Q) Hospital and nursing home facilities;
- 29 (R) Solid waste facilities;
- 30 (S) Sanitation facilities;
- 31 (T) Bridges;
- 32 (U) Electric facilities;
- 33 (V) Hydroelectric facilities;
- 34 (W) Facilities for the securing and developing of
 35 industry;
- 36 (X) Natural gas facilities;

- 1 (Y) *Parking facilities;*
- 2 (Z) *Public housing facilities;*
- 3 (AA) *Pollution control facilities;*
- 4 (BB) *Public education facilities;*
- 5 (CC) *Drainage facilities;*
- 6 (DD) *Pedestrian facilities;*
- 7 (EE) *Lakes;*
- 8 (FF) *Dams; ~~and~~*
- 9 (GG) *Waterways; and*
- 10 (HH) *Regional mobility authority surface transportation*
- 11 *systems;*

13 SECTION 3. Arkansas Code § 26-74-303(2), regarding definitions for
 14 sales tax for capital improvements, is amended to read as follows:

15 (2) "Capital improvements of a public nature" means:

- 16 (A) *Streets;*
- 17 (B) *Roads;*
- 18 (C) *Public parks;*
- 19 (D) *Port facilities;*
- 20 (E) *Tourism facilities;*
- 21 (F) *Airport facilities;*
- 22 (G) *Sewerage facilities;*
- 23 (H) *Waterworks facilities;*
- 24 (I) *Fire protection facilities;*
- 25 (J) *Convention center facilities;*
- 26 (K) *Courthouses;*
- 27 (L) *Police facilities;*
- 28 (M) *Public transit facilities;*
- 29 (N) *Auditoriums;*
- 30 (O) *Prisons;*
- 31 (P) *Libraries;*
- 32 (Q) *Hospital and nursing home facilities;*
- 33 (R) *Solid waste facilities;*
- 34 (S) *Sanitation facilities;*
- 35 (T) *Bridges;*
- 36 (U) *Electric facilities;*

- 1 (V) *Hydroelectric facilities;*
 2 (W) *Facilities for the securing and developing of*
 3 *industry;*
 4 (X) *Natural gas facilities;*
 5 (Y) *Parking facilities;*
 6 (Z) *Public housing facilities;*
 7 (AA) *Pollution control facilities;*
 8 (BB) *Public education facilities;*
 9 (CC) *Drainage facilities;*
 10 (DD) *Pedestrian facilities;*
 11 (EE) *Lakes;*
 12 (FF) *Dams; ~~and~~*
 13 (GG) *Waterways; and*
 14 (HH) *Regional mobility authority surface transportation*
 15 *systems;*
 16

17 SECTION 4. Arkansas Code § 26-75-203(3), regarding definitions for
 18 sales tax for capital improvements, is amended to read as follows:

- 19 (3) "Capital improvements of a public nature" means:
 20 (A) *Streets;*
 21 (B) *Roads;*
 22 (C) *Public parks;*
 23 (D) *Port facilities;*
 24 (E) *Tourism facilities;*
 25 (F) *Airport facilities;*
 26 (G) *Sewerage facilities;*
 27 (H) *Waterworks facilities;*
 28 (I) *Fire protection facilities;*
 29 (J) *Convention center facilities;*
 30 (K) *City halls;*
 31 (L) *Courthouses;*
 32 (M) *Police facilities;*
 33 (N) *Public transit facilities;*
 34 (O) *Auditoriums;*
 35 (P) *Prisons;*
 36 (Q) *Libraries;*

- 1 (R) Hospital and nursing home facilities;
- 2 (S) Solid waste facilities;
- 3 (T) Sanitation facilities;
- 4 (U) Bridges;
- 5 (V) Electric facilities;
- 6 (W) Hydroelectric facilities;
- 7 (X) Facilities for the securing and developing of
- 8 *industry;*
- 9 (Y) Natural gas facilities;
- 10 (Z) Parking facilities;
- 11 (AA) Public housing facilities;
- 12 (BB) Pollution control facilities;
- 13 (CC) Public education facilities;
- 14 (DD) Drainage facilities;
- 15 (EE) Pedestrian facilities;
- 16 (FF) Lakes;
- 17 (GG) Dams; ~~and~~
- 18 (HH) Waterways; and
- 19 (II) Regional mobility authority surface transportation
- 20 systems;

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SECTION 5. Arkansas Code § 26-75-303(3), regarding definitions for sales tax for capital improvements, is amended to read as follows:

(3) "Capital improvements of a public nature" means:

- (A) Streets;
- (B) Roads;
- (C) Public parks;
- (D) Port facilities;
- (E) Tourism facilities;
- (F) Airport facilities;
- (G) Sewerage facilities;
- (H) Waterworks facilities;
- (I) Fire protection facilities;
- (J) Convention center facilities;
- (K) City halls;
- (L) Courthouses;

- 1 (M) Police facilities;
 2 (N) Public transit facilities;
 3 (O) Auditoriums;
 4 (P) Prisons;
 5 (Q) Libraries;
 6 (R) Hospital and nursing home facilities;
 7 (S) Solid waste facilities;
 8 (T) Sanitation facilities;
 9 (U) Bridges;
 10 (V) Electric facilities;
 11 (W) Hydroelectric facilities;
 12 (X) Facilities for the securing and developing of
 13 industry;
 14 (Y) Natural gas facilities;
 15 (Z) Parking facilities;
 16 (AA) Public housing facilities;
 17 (BB) Pollution control facilities;
 18 (CC) Public education facilities;
 19 (DD) Drainage facilities;
 20 (EE) Pedestrian facilities;
 21 (FF) Lakes;
 22 (GG) Dams; ~~and~~
 23 (HH) Waterways; and
 24 (II) Regional mobility authority surface transportation
 25 systems;
 26

27 SECTION 6. Arkansas Code Title 26, Chapter 78 is amended to add an
 28 additional section to read as follows:

29 26-78-120. Authority to levy a tax to finance or support a regional
 30 mobility authority.

31 (a)(1) In addition to all other taxes imposed under this subchapter
 32 for the privilege of using and operating vehicles, a county that is a member
 33 of a regional mobility authority may impose an additional tax upon the owners
 34 of motor vehicles for the privilege of operating vehicles upon the public
 35 roads, streets, and other public ways in the county.

36 (2) The revenues collected under this section shall be used only

1 for the finance or support of the regional mobility authority.

2 (b) The tax shall be collected by the county tax collector pursuant to
3 § 26-78-105 and § 26-78-106.

4 (c) Notwithstanding the provisions of § 26-78-104, the amount of the
5 tax collected under this section shall be determined by the county quorum
6 court and may exceed the maximum amount set forth in § 26-78-104.

7
8 SECTION 7. Arkansas Code § 27-70-207 is amended to read as follows:
9 27-70-207. Distribution to county funds.

10 (a)(1)(A) All highway revenues transferred to the County Aid Fund
11 under this subchapter shall be paid over by the Treasurer of State to the
12 treasurers of the respective counties of this state for credit to the county
13 highway fund, there to be used for the maintenance, construction, and
14 reconstruction of roads and bridges in the county highway system, provided,
15 however, that no more than twenty percent (20%) of the revenues received by a
16 county during any fiscal year may also be used for public transportation.

17 (B) A county may also use these funds to construct and
18 maintain parking for county courthouses, county administration buildings,
19 county health units, and county parks and to construct and maintain sidewalks
20 that serve county courthouses, county administration buildings, county health
21 units, county parks, public schools, and other publicly owned property.

22 (C) A county may use these funds to pay for local projects
23 eligible for funding under state programs of the Arkansas State Highway and
24 Transportation Department and under federal programs of the Federal Highway
25 Administration of the United States Department of Transportation.

26 (D) Furthermore, the funds may be used to install and
27 maintain traffic signals where needed to preserve public health, safety, and
28 welfare.

29 (E) A county may provide these funds to a regional
30 mobility authority to match federal transportation funds for the financing of
31 surface transportation system improvements on state highways, county roads
32 and city streets.

33 (2) The Treasurer of State shall on or before the tenth day next
34 following the last day of each calendar month make distribution of the
35 revenues on the following basis:

36 (A) Thirty-one percent (31%) of the amount according to

1 area, with each county to receive the proportion that its area bears to the
2 area of the state;

3 (B) Seventeen and one-half percent (17.5%) of the amount
4 according to the amount of state motor vehicle license fees collected in the
5 calendar year next preceding any distribution as certified to the Treasurer
6 of State by the Director of the Department of Finance and Administration,
7 with each county to receive the proportion that the total of fees collected
8 from the county bears to the total of fees collected in the state;

9 (C) Seventeen and one-half percent (17.5%) of the amount
10 according to population based upon the most recent federal decennial census,
11 with each county to receive the proportion that its population bears to the
12 population of the state;

13 (D) Thirteen and one-half percent (13.5%) of the amount
14 according to rural population based upon the most recent federal decennial
15 census, with each county to receive the proportion that its rural population
16 bears to the rural population of the state; and

17 (E) Twenty and one-half percent (20.5%) of the amount
18 shall be divided equally among the seventy-five (75) counties.

19 (b)(1)(A) All highway revenues transferred to the Municipal Aid Fund
20 under the provisions of this subchapter shall be paid over by the Treasurer
21 of State to the treasurers of the respective cities of the first class,
22 cities of the second class, and incorporated towns for credit to the street
23 fund, there to be used for the maintenance, construction, and reconstruction
24 of streets which are not continuations of state highways.

25 (B)(i) Provided, however, that cities with a population in
26 excess of fifty thousand (50,000) inhabitants may use no more than ten
27 percent (10%) of the revenues for public transportation; ~~and.~~

28 (ii) All other cities may use no more than twenty
29 percent (20%) of the revenues for public transportation.

30 (C) A city may provide these funds to a regional mobility
31 authority to match federal transportation funds for the financing of surface
32 transportation system improvements on state highways, county roads, and city
33 streets.

34 (2) The Treasurer of State shall on or before the tenth day next
35 following the last day of each calendar month make distribution of the funds
36 on the basis of population according to the most recent federal census, with

1 the amount to be paid over to each city or incorporated town in the
2 proportion that its population bears to the total population of all cities
3 and towns.

4 (c)(1) All highway revenues transferred to the State Highway and
5 Transportation Department Fund under the provisions of this subchapter shall
6 be used for the construction, reconstruction, and maintenance of highways and
7 bridges in the state highway system.

8 (2)(A) However, the department may use highway revenues
9 transferred to the State Highway and Transportation Department Fund for the
10 installation, upgrading, or improvement of any highway-railroad crossing
11 safety device, railroad crossing traffic control device, warning lights,
12 crossing gates, or other railroad crossing safety devices at public highway
13 railroad crossings and for the construction, reconstruction, and maintenance
14 of any highway-railroad crossing, including the construction or installation
15 of any underpasses or overpasses.

16 (B) Except for the construction or installation of
17 underpasses or overpasses, the department's goal is to expend one dollar
18 (\$1.00) of state funds for each dollar of federal funds received to improve
19 railroad crossing safety and to reduce railroad crossing accidents.

20 (C) It is the intent of this subdivision (c)(2) to
21 encourage the State Highway Commission to continue to upgrade the state's
22 highway-railway crossings with traffic control devices, warning lights,
23 crossing gates, and other appropriate devices in order to increase the safety
24 of persons using the state's highways.

25
26 /s/ Steele
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