

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

# A Bill

HOUSE BILL 1158

5 By: Representative M. Gray  
6 By: Senator J. Sturch  
7

## For An Act To Be Entitled

9 AN ACT CONCERNING THE PRISON CONSTRUCTION TRUST FUND;  
10 TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.  
11

## Subtitle

12 CONCERNING THE PRISON CONSTRUCTION TRUST  
13 FUND; AND TO DECLARE AN EMERGENCY.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code § 22-3-1225 is amended to read as follows:

21 22-3-1225. Prison Construction Trust Fund.

22 (a) (1) The Arkansas Development Finance Authority shall establish in  
23 its records a trust fund to be entitled the "Prison Construction Trust Fund".

24 (2) All moneys derived by or remitted to the Arkansas  
25 Development Finance Authority, from the sale of annual license plate  
26 validation decals, ~~pursuant to~~ under § 27-14-1015(c), shall be deposited to  
27 the credit of the Prison Construction Trust Fund.

28 (3) The moneys in the Prison Construction Trust Fund shall not  
29 be general funds or revenues of the Arkansas Development Finance Authority  
30 and shall not be subject to the claims of the general creditors of the  
31 Arkansas Development Finance Authority.

32 (b) (1) The Arkansas Development Finance Authority shall pay from the  
33 Prison Construction Trust Fund into the Public Facilities Debt Service Fund  
34 created by §§ 19-5-932 and 22-3-1210 the amount necessary, when added to  
35 other funds listed in § 22-3-1210, to pay the next-succeeding principal and  
36 interest payment for the certificates of indebtedness, but not to exceed



1 twenty-five cents (25¢) times the number of annual license plate validation  
2 decals sold by the Department of Finance and Administration in each six-month  
3 period.

4 (2) Such payments shall be made by the Arkansas Development  
5 Finance Authority semiannually two (2) business days prior to each July 1 and  
6 January 1 so long as the certificates of indebtedness permitted by the Public  
7 Facilities Finance Act of 1983, § 22-3-1201 et seq., are outstanding.

8 (3) All such payments by the Arkansas Development Finance  
9 Authority to the Public Facilities Debt Service Fund shall cease when the  
10 certificates of indebtedness have been paid or redeemed.

11 (c) All other funds in the Prison Construction Trust Fund shall be  
12 segregated, held, and upon the review and approval of the Secretary of the  
13 Department of Corrections and the Board of Corrections, used by the Arkansas  
14 Development Finance Authority solely to fund, or to provide for the funding  
15 of, the construction ~~and, purchasing, or~~ equipping of:

16 (1) Correction or prison facilities to be used by the ~~Division~~  
17 ~~of Correction~~ Department of Corrections;

18 (2) Regional jail facilities operated by the ~~Division of~~  
19 ~~Correction~~ Department of Corrections; or

20 (3) Regional jail facilities operated jointly by cities,  
21 counties, or regional jail commissions.

22 (d) The Arkansas Development Finance Authority shall be authorized to  
23 fund or to provide for the funding of facilities described in subdivisions  
24 (c)(1)-(3) of this section by loans, leases, other contracts, or the issuance  
25 of bonds all in accordance with the provisions of the Arkansas Development  
26 Finance Authority Act, § 15-5-101 et seq., and §§ 15-5-201 – 15-5-211, 15-5-  
27 213, and 15-5-301 – 15-5-316, and to pledge the cash funds collected by it  
28 from the sale of annual license plate validation decals and deposited into  
29 the Prison Construction Trust Fund, after payment of the amounts as specified  
30 in subsection (b) of this section to the repayment of any loans, leases,  
31 contracts, or bonds.

32 (e)(1) The Arkansas Development Finance Authority shall not fund or  
33 provide for the funding of ~~any a~~ facility described in subsection (c) of this  
34 section to be operated or utilized by the ~~Division of Correction~~ Department  
35 of Corrections unless the project, the plans therefor, and the construction  
36 thereof have been reviewed and approved by the Building Authority Division.

1           (2) The Arkansas Development Finance Authority shall not fund or  
 2 provide for the funding of any other regional jail facility not utilized by  
 3 the ~~Division of Correction~~ Department of Corrections unless the project is in  
 4 compliance with the minimum standards for jail facilities adopted by the  
 5 state.

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 7           SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
 8 General Assembly of the State of Arkansas that overcrowding within the  
 9 Division of Correction and increasing parole and probation caseloads within  
 10 the Division of Community Correction are among the most pressing problems  
 11 currently burdening the state both from a public safety and budgetary  
 12 standpoint; that safe and effective measures are needed to immediately combat  
 13 these problems; and that this act is immediately necessary and in the  
 14 interest of public safety and the state budget of the Department of  
 15 Corrections, the department should be allowed to immediately utilize the  
 16 Prison Construction Trust Fund for the acquisition of existing facilities.  
 17 Therefore, an emergency is declared to exist, and this act being immediately  
 18 necessary for the preservation of the public peace, health, and safety shall  
 19 become effective on:

20                   (1) The date of its approval by the Governor;

21                   (2) If the bill is neither approved nor vetoed by the Governor,  
 22 the expiration of the period of time during which the Governor may veto the  
 23 bill; or

24                   (3) If the bill is vetoed by the Governor and the veto is  
 25 overridden, the date the last house overrides the veto.