

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

HOUSE BILL 1360

5 By: Representative A. Davis
6 By: Senator Hester
7

For An Act To Be Entitled

9 AN ACT TO CREATE THE TRANSFORMATION AND EFFICIENCIES
10 ACT OF 2019; TO ESTABLISH CABINET-LEVEL DEPARTMENTS;
11 TO ESTABLISH THE CABINET-LEVEL DEPARTMENT OF THE
12 DEPARTMENT OF FINANCE AND ADMINISTRATION; TO TRANSFER
13 VARIOUS STATE AGENCIES; TO DECLARE AN EMERGENCY; AND
14 FOR OTHER PURPOSES.
15
16

Subtitle

17 TO CREATE THE TRANSFORMATION AND
18 EFFICIENCIES ACT OF 2019; TO ESTABLISH
19 THE CABINET-LEVEL DEPARTMENT OF THE
20 DEPARTMENT OF FINANCE AND ADMINISTRATION;
21 AND TO TRANSFER VARIOUS STATE AGENCIES.
22
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24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code Title 25, Chapter 43, is amended to add an
28 additional subchapter to read as follows:

Subchapter 7 – Department of Finance and Administration

25-43-701. Department of Finance and Administration.

31 There is created the Department of Finance and Administration as a
32 cabinet-level department.
33
34

35 25-43-702. State entities transferred to the Department of Finance and
36 Administration.



1 (a) The administrative functions of the following state entities are
 2 transferred to the Department of Finance and Administration pursuant to a
 3 cabinet level transfer:

4 (1) Alcoholic Beverage Control Division, created under § 25-8-
 5 101;

6 (2) Assessment Coordination Department, created under § 25-28-
 7 101;

8 (3) Arkansas Tobacco Control Board, created under § 26-57-255;

9 (4) Arkansas Tobacco Control, created under § 26-57-257;

10 (5) Arkansas Racing Commission, created under § 23-110-201;

11 (6) Medical Marijuana Commission, created under Arkansas
 12 Constitution, Amendment 98, § 19;

13 (7) Office of the Arkansas Lottery, created under § 23-115-201;

14 (8) Office of Motor Vehicle, created under § 27-14-401;

15 (9) Office of Driver Services, created under § 27-16-402; and

16 (10) Office of Child Support Enforcement, created under § 9-14-
 17 206.

18 (b) Each state entity transferred shall retain its specified statutory
 19 duties.

20
 21 25-43-703. Secretary of the Department of Finance and Administration.

22 (a) The Secretary of the Department of Finance and Administration is
 23 the executive head of the Department of Finance and Administration.

24 (b) The secretary shall be appointed by the Governor, unless otherwise
 25 specified by law.

26 (c) The secretary shall serve at the pleasure of the Governor.

27 (d) The secretary may:

28 (1) Delegate to the employees of the department, or any state
 29 entity transferred to the department under § 25-43-702, any of the powers or
 30 duties of the department required to administer the department;

31 (2) Hire department personnel;

32 (3) Perform or assign duties assigned to the department; and

33 (4) Serve as the director, or the administrative or executive
 34 head, of any state entity under the administrative control of the department,
 35 if the secretary meets all statutory requirements for the position.

36

1 SECTION 2. Arkansas Code § 2-9-106(c), concerning the Arkansas Catfish
2 Promotion Board's list of commercial producers who are entitled to vote in
3 referenda, is amended to read as follows:

4 (c) The ~~Director~~ Secretary of the Department of Finance and
5 Administration shall be reimbursed from funds collected for the costs of
6 holding referenda.

7
8 SECTION 3. Arkansas Code § 2-9-107(c)(1), concerning the Arkansas
9 Catfish Board's vote on the levy of an assessment on the sale of catfish
10 feed, is amended to read as follows:

11 (c)(1) The assessment imposed and levied by this section shall be
12 collected by the ~~Director~~ Secretary of the Department of Finance and
13 Administration from each seller of catfish feed, who shall add the assessment
14 to the purchase price of catfish feed sold in this state to commercial
15 catfish producers.

16
17 SECTION 4. Arkansas Code § 2-9-109(a)(3), concerning catfish
18 assessment records, is amended to read as follows:

19 (3) The records shall be preserved for a period of two (2) years
20 and shall be offered for inspection at any time upon written demand by the
21 ~~Director~~ Secretary of the Department of Finance and Administration or his or
22 her authorized agent or representative.

23
24 SECTION 5. Arkansas Code § 2-9-109(b), concerning catfish assessment
25 records, is amended to read as follows:

26 (b)(1) At such times as the ~~director~~ secretary may require, every
27 person required to pay the assessment provided for in this chapter shall
28 submit reports or otherwise document any information deemed necessary for the
29 efficient collection of the assessment imposed in this chapter.

30 (2) The ~~director~~ secretary has the power to cause any authorized
31 agent or representative to enter upon the premises of any person required to
32 pay the assessment provided for in this chapter and examine or cause to be
33 examined by the agent any books, papers, and records which deal in any way
34 with the payment of the assessment or enforcement of the provisions of this
35 chapter.

36

1 SECTION 6. Arkansas Code § 2-9-110 is amended to read as follows:
 2 2-9-110. Assessment refund.

3 (a) So long as the assessment on the sale of catfish feed continues to
 4 be levied as provided in this chapter, any catfish producer may request and
 5 receive a refund of such assessment, provided he or she makes a written
 6 application therefor with the ~~Director~~ Secretary of the Department of Finance
 7 and Administration within sixty (60) calendar days after the date of sale,
 8 supported by copies of sales slips from the seller of the catfish feed and a
 9 refund form approved by the Arkansas Catfish Promotion Board.

10 (b) The ~~director~~ secretary shall create and approve a refund claim
 11 form.

12
 13 SECTION 7. Arkansas Code § 2-9-111 is amended to read as follows:
 14 2-9-111. Penalty.

15 (a)(1) Any seller who fails to file a report, collect an assessment,
 16 or remit any assessment when due shall pay a penalty not to exceed five
 17 percent (5%) of the amount of the assessment that should have been collected
 18 or remitted, plus an additional penalty not to exceed one percent (1%) of the
 19 amount of the assessment that should have been collected or remitted for each
 20 month of delay, or fraction of a month, after the first month the report was
 21 required to be filed or the assessment became due.

22 (2) The penalty shall be paid to the ~~Director~~ Secretary of the
 23 Department of Finance and Administration and shall be disposed of in the same
 24 manner as funds derived from the payment of an assessment as provided in this
 25 chapter.

26 (b) The ~~director~~ secretary shall collect the penalties levied in this
 27 section, together with the delinquent assessment, by any or all of the
 28 following methods:

29 (1) Voluntary payment; or

30 (2) Legal proceedings instituted in a court of competent
 31 jurisdiction seeking any remedies available, including, but not limited to,
 32 injunctive relief to enjoin any seller owing the assessment or penalties from
 33 engaging in business as a seller of catfish feed until the amount of the
 34 assessment due and all penalties are paid.

35 (c) Any person required to pay the assessment provided for in this
 36 chapter who refuses to allow full inspection of the premises or any book,

1 record, or other document relating to the liability of the person for the
 2 assessment imposed or who shall hinder or in any way delay or prevent the
 3 inspection shall be guilty of a violation punishable by a fine not exceeding
 4 five hundred dollars (\$500).

5
 6 SECTION 8. Arkansas Code § 2-10-205 is amended to read as follows:
 7 2-10-205. Rules.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
 9 and the Secretary of the ~~Arkansas Agriculture~~ Department of Agriculture shall
 10 adopt rules to implement this subchapter.

11
 12 SECTION 9. Arkansas Code § 2-20-403 is amended to read as follows:
 13 2-20-403. Penalties.

14 (a)(1) Any first purchaser or other person required to pay an
 15 assessment under this subchapter who fails to pay any assessment when due
 16 shall forfeit a penalty of two percent (2%) of the assessment each month
 17 beginning the day following the date the assessment was due.

18 (2) The penalty shall be paid to the Arkansas Soybean Promotion
 19 Board or to its designee, the ~~Director~~ Secretary of the Department of Finance
 20 and Administration, and shall be disposed of in the same manner as funds
 21 derived from the payment of an assessment as provided in this subchapter.

22 (b) The board or its designee shall collect the penalty levied in this
 23 section, together with the delinquent assessment, by any and all of the
 24 following methods:

- 25 (1) Voluntary payment by the person liable;
- 26 (2) Legal proceedings instituted in a court of competent
 27 jurisdiction; or

28 (3) Injunctive relief to enjoin any person owing the assessment
 29 or penalty from operating his or her business or engaging in business as a
 30 buyer or seller of soybeans until the delinquent assessment or penalty is
 31 paid.

32 (c)(1) Any person required to pay the assessment provided for in this
 33 subchapter who refuses to allow full inspection of the premises or any book,
 34 record, or other document relating to the liability of the person for the
 35 assessment imposed or who shall hinder or in any way delay or prevent the
 36 inspection shall be guilty of a violation.

1 (2) Upon conviction, an offender shall be punished by a fine not
2 exceeding five hundred dollars (\$500).

3
4 SECTION 10. Arkansas Code § 2-20-405(a)(3), concerning the powers of
5 the Arkansas Soybean Promotion Board, is amended to read as follows:

6 (3) To collect assessments paid on soybeans marketed within the
7 state and to establish procedures for ensuring compliance with regard to the
8 payment of such assessments; provided, that the Arkansas Soybean Promotion
9 Board may designate the ~~Director~~ Secretary of the Department of Finance and
10 Administration to collect assessments and ensure compliance with regard to
11 the payment of such assessments, subject to such rules as may be promulgated
12 by the Arkansas Soybean Promotion Board and as may be reasonably necessary to
13 comply with the Soybean Promotion, Research and Consumer Information Act of
14 1990;

15
16 SECTION 11. Arkansas Code § 2-20-406(a)(1), concerning assessments on
17 Arkansas-grown soybeans, is amended to read as follows:

18 (a)(1) Except as otherwise prescribed by regulations approved by the
19 United States Secretary of Agriculture or the Arkansas Soybean Promotion
20 Board, each person purchasing from, and making payment to, a producer for
21 soybeans produced by such producer and marketed for commercial use,
22 including, in any case in which soybeans are pledged as collateral for a loan
23 issued under any federal price support loan program, the Commodity Credit
24 Corporation, shall be a first purchaser and shall collect an assessment from
25 the producer, and each producer shall pay such assessment to the first
26 purchaser, at the applicable rate prescribed in this section. Each first
27 purchaser shall remit such assessment to the board or to its designee, the
28 ~~Director~~ Secretary of the Department of Finance and Administration. For the
29 purpose of this section, purchases from a producer of soybeans or contracts
30 with a producer for production of soybeans for livestock feed or any other
31 application shall constitute marketing for commercial use.

32
33 SECTION 12. Arkansas Code § 2-20-406(c)(1), concerning assessments on
34 Arkansas-grown soybeans, is amended to read as follows:

35 (c)(1) The proceeds of the assessment shall be deposited with the
36 Treasurer of State in a special fund to be established for the Arkansas

1 Soybean Promotion Board; provided, that the ~~director~~ secretary may deduct not
2 more than three percent (3%) to cover the cost of collections.

3
4 SECTION 13. Arkansas Code § 2-20-407(b)(1), concerning reports, books,
5 and records to be sent to the Arkansas Soybean Promotion Board, is amended to
6 read as follows:

7 (b)(1) Each person who is subject to this subchapter shall maintain
8 and make available for inspection by the ~~secretary~~ United States Department
9 of Agriculture, the board or its designee, the ~~Director~~ Secretary of the
10 Department of Finance and Administration, such books and records as are
11 necessary to carry out the provisions of this subchapter and the rules issued
12 thereunder, including such records as are necessary to verify any reports
13 required. Such records shall be retained for at least two (2) years beyond
14 the fiscal period of their applicability.

15
16 SECTION 14. The introductory language of Arkansas Code § 2-20-407(c),
17 concerning reports, books, and records to be sent to the Arkansas Soybean
18 Promotion Board, is amended to read as follows:

19 (c) All information obtained from books, records, or reports required
20 to be filed or kept under this section shall be kept confidential by all
21 persons, including employees and former employees of the board, all officers
22 and employees and all former officers and employees of the Department of
23 Finance and Administration, and by all officers and employees and all former
24 officers and employees of contracting parties having access to such
25 information, and shall not be available to board members or any other
26 producers. Only those persons having a specific need for such information in
27 order to effectively administer the provisions of this subchapter shall have
28 access to such information. In addition, only such information so furnished
29 or acquired as the ~~secretary~~ United States Department of Agriculture or the
30 board deems relevant shall be disclosed by them, and then only in a suit or
31 administrative hearing brought at the direction, or upon the request, of the
32 ~~secretary~~ United States Department of Agriculture or the board, or to which
33 the ~~secretary~~ United States Department of Agriculture, any officer of the
34 United States, the board, or the ~~director~~ Secretary of the Department of
35 Finance and Administration, is a party. This section shall not be deemed to
36 prohibit:

1
2 SECTION 15. Arkansas Code § 2-20-408 is amended to read as follows:

3 2-20-408. Refunds to producers.

4 (a) So long as the assessment on soybeans is as provided in § 2-20-
5 406(b)(1), any soybean producer may request and receive a refund of such
6 assessment, provided he or she makes a written application therefor with the
7 Arkansas Soybean Promotion Board or its designee, the ~~Director~~ Secretary of
8 the Department of Finance and Administration, within forty-five (45) days
9 from the date of sale, supported by copies of sales slips signed by the
10 purchaser, and provided further, that the application is filed before the
11 annual accounting is made of the funds not later than July 1 each year.

12 (b) So long as the assessment on soybeans is as provided in § 2-20-
13 406(b)(2), any soybean producer may request and receive a refund of such
14 assessment to the extent provided by the Soybean Promotion, Research and
15 Consumer Information Act of 1990. Such producer shall make written
16 application therefor with the board or its designee, the ~~director~~ secretary,
17 within forty-five (45) days from the date the assessment was due from such
18 producer, supported by copies of sales slips signed by the purchaser.

19
20 SECTION 16. Arkansas Code § 2-20-504(a) and (b), concerning penalties
21 in regards to rice promotion, are amended to read as follows:

22 (a)(1) Any buyer who fails to file a report or pay any assessment
23 within the required time set by the ~~Director~~ Secretary of the Department of
24 Finance and Administration shall forfeit to the ~~director~~ secretary a penalty
25 of five percent (5%) of the assessment determined to be due plus one percent
26 (1%) for each month of delay, or fraction of a month, after the first month
27 after the report was required to be filed or the assessment became due.

28 (2) The penalty shall be paid to the ~~director~~ secretary and
29 shall be disposed of by him or her in the same manner as funds derived from
30 the payment of assessment imposed in this subchapter.

31 (b) The ~~director~~ secretary shall collect the penalty levied in this
32 subchapter, together with the delinquent assessment, by any or all of the
33 following methods:

- 34 (1) Voluntary payment by the person liable;
35 (2) Legal proceedings instituted in a court of competent
36 jurisdiction; or

1 (3) Injunctive relief to enjoin any buyer owing an assessment or
 2 penalty from operating his or her business or engaging in business as a buyer
 3 of rice until the delinquent assessment or penalty is paid.

4
 5 SECTION 17. Arkansas Code § 2-20-507(b), concerning assessments on
 6 grown rice, is amended to read as follows:

7 (b) The assessment imposed and levied by this section shall be
 8 collected by the ~~Director~~ Secretary of the Department of Finance and
 9 Administration from the buyer of rice at the first point of sale or at the
 10 point the rice enters into the United States Department of Agriculture loan
 11 program.

12
 13 SECTION 18. Arkansas Code § 2-20-508(a)(3), concerning records and
 14 other documentation in regards to the Arkansas Rice Research and Promotion
 15 Board, is amended to read as follows:

16 (3) The record shall be preserved for a period of one (1) year
 17 and shall be offered for inspection at any time upon written demand by the
 18 ~~Director~~ Secretary of the Department of Finance and Administration or any
 19 duly authorized agent or representative of him or her.

20
 21 SECTION 19. Arkansas Code § 2-20-508(b), concerning records and other
 22 documentation in regards to the Arkansas Rice Research and Promotion Board,
 23 is amended to read as follows:

24 (b)(1) At such times as the ~~director~~ secretary may require, every
 25 buyer shall submit reports or otherwise document any information deemed
 26 necessary for the efficient collection of the assessment imposed in this
 27 subchapter.

28 (2) The ~~director~~ secretary shall have the power to cause any
 29 duly authorized agent or representative to enter upon the premises of any
 30 buyer of rice and examine or cause to be examined by the agent any books,
 31 papers, and records which deal in any way with respect to the payment of the
 32 assessment or enforcement of the provisions of this subchapter.

33
 34 SECTION 20. Arkansas Code § 2-20-603(a), concerning penalties in
 35 regard to wheat promotion, is amended to read as follows:

36 (a)(1) Any buyer who fails to file a report or pay any assessment

1 within the required time set by the ~~Director~~ Secretary of the Department of
 2 Finance and Administration shall forfeit to the ~~director~~ secretary a penalty
 3 of five percent (5%) of the assessment determined to be due plus one percent
 4 (1%) for each month of delay, or fraction of a month, after the first month
 5 after the report was required to be filed or the assessment became due.

6 (2) The penalty shall be paid to the ~~director~~ secretary and
 7 shall be disposed of by him or her in the same manner as funds derived from
 8 the payment of assessment imposed in this subchapter.

9
 10 SECTION 21. The introductory language of Arkansas Code § 2-20-603(b),
 11 concerning penalties in regards to wheat promotion, is amended to read as
 12 follows:

13 (b) The ~~director~~ secretary shall collect the penalty levied in this
 14 subchapter, together with the delinquent assessment, by any or all of the
 15 following methods:

16
 17 SECTION 22. Arkansas Code § 2-20-606(b)(1), concerning the assessments
 18 on grown wheat, is amended to read as follows:

19 (b)(1) The assessment imposed and levied by this section shall be
 20 collected by the ~~Director~~ Secretary of the Department of Finance and
 21 Administration from the buyer of wheat at the first point of sale or when the
 22 wheat enters the United States Department of Agriculture loan program.

23
 24 SECTION 23. Arkansas Code § 2-20-607(a)(3), concerning records and
 25 other documentation in regard to the Arkansas Wheat Promotion Board, is
 26 amended to read as follows:

27 (3) The record shall be preserved for a period of one (1) year
 28 and shall be offered for inspection at any time upon written demand by the
 29 ~~Director~~ Secretary of the Department of Finance and Administration or any
 30 duly authorized agent or representative of him or her.

31
 32 SECTION 24. Arkansas Code § 2-20-607(b), concerning records and other
 33 documentation in regard to the Arkansas Wheat Promotion Board, is amended to
 34 read as follows:

35 (b)(1) At such times as the ~~director~~ secretary may require, every
 36 buyer shall submit reports or otherwise document any information deemed

1 necessary for the efficient collection of the assessment imposed in this
2 subchapter.

3 (2) The ~~director~~ secretary shall have the power to cause any
4 duly authorized agent or representative to enter upon the premises of any
5 buyer of wheat and examine or cause to be examined by the agent any books,
6 papers, and records which deal in any way with respect to the payment of the
7 assessment or enforcement of the provisions of this subchapter.

8
9 SECTION 25. Arkansas Code § 2-20-608(1), concerning refunds to wheat
10 producers, is amended to read as follows:

11 (1) He or she makes a written application with the ~~Director~~
12 Secretary of the Department of Finance and Administration within forty-five
13 (45) days from the date of sale, supported by copies of sales slips signed by
14 the purchaser; and

15
16 SECTION 26. Arkansas Code § 2-20-802(a), concerning penalties
17 regarding corn and grain sorghum promotion, is amended to read as follows:

18 (a)(1) Any buyer who fails to file a report or pay any assessment
19 within the required time set by the ~~Director~~ Secretary of the Department of
20 Finance and Administration shall forfeit to the ~~director~~ secretary a penalty
21 of five percent (5%) of the assessment determined to be due plus one percent
22 (1%) for each month of delay, or fraction of a month, after the first month
23 after the report was required to be filed or the assessment became due.

24 (2) The penalty shall be paid to the ~~director~~ secretary and
25 shall be disposed of by him or her in the same manner as funds derived from
26 the payment of the assessment imposed in this subchapter.

27
28 SECTION 27. The introductory language of Arkansas Code § 2-20-802(b),
29 concerning penalties regarding corn and grain sorghum promotion, is amended
30 to read as follows:

31 (b) The ~~director~~ secretary shall collect the penalty levied in this
32 section, together with the delinquent assessment, by any or all of the
33 following methods:

34
35 SECTION 28. Arkansas Code § 2-20-805(c)(1), concerning the powers and
36 duties, assessments, and buyers' records in regard to the Arkansas Corn and

1 Grain Sorghum Promotion Board, is amended to read as follows:

2 (c)(1) The assessment imposed and levied by this section shall be
3 collected by the ~~Director~~ Secretary of the Department of Finance and
4 Administration from the buyer of corn or grain sorghum at the first point of
5 sale or when the corn or grain sorghum enters the United States Department of
6 Agriculture loan program.

7
8 SECTION 29. Arkansas Code § 2-20-805(d)(3)-(5), concerning the powers
9 and duties, assessments, and buyers' records in regards to the Arkansas Corn
10 and Grain Sorghum Promotion Board, are amended to read as follows:

11 (3) The record shall be preserved for a period of one (1) year
12 and shall be offered for inspection at any time upon written demand by the
13 ~~director~~ secretary or any duly authorized agent or representative of the
14 ~~director~~ secretary.

15 (4) Every buyer, at such time or times as the ~~director~~ secretary
16 may require, shall submit reports or otherwise document any information
17 deemed necessary for the efficient collection of the assessment imposed in
18 this section.

19 (5) The ~~director~~ secretary shall have the power to cause any
20 duly authorized agent or representative to enter upon the premises of any
21 buyer of corn or grain sorghum and examine or cause to be examined by the
22 agent any book, paper, and record which deal in any way with respect to the
23 payment of the assessment or enforcement of the provisions of this
24 subchapter.

25
26 SECTION 30. Arkansas Code § 2-35-310 is amended to read as follows:

27 2-35-310. Refunds.

28 Any cattle producer may request and receive a refund of the amount
29 deducted from the sale of his or her cattle if he or she makes a written
30 application with the ~~Director~~ Secretary of the Department of Finance and
31 Administration within forty-five (45) days from the date of sale, supported
32 by copies of sales slips signed by the buyer and, if the application is filed
33 before the annual accounting is made of the funds, not later than July 1 each
34 year.

35
36 SECTION 31. Arkansas Code § 2-35-403(a), concerning the assessment and

1 the conduct of the program regarding beef promotion and research, is amended
2 to read as follows:

3 (a) The assessment levied under the national beef promotion and
4 research program in the amount of one dollar (\$1.00) per head of cattle sold
5 shall be collected, reported, and remitted to the ~~Director~~ Secretary of the
6 Department of Finance and Administration by the persons, in the manner, and
7 at the times prescribed by the federal Beef Promotion and Research Act of
8 1985 and the administrative orders and rules issued under the provisions of
9 that act.

10
11 SECTION 32. Arkansas Code § 2-35-404 is amended to read as follows:
12 2-35-404. Rules.

13 The ~~Director~~ Secretary of the Department of Finance and Administration
14 is authorized to adopt appropriate rules not inconsistent with this
15 subchapter or the federal law, orders, and rules regarding the national beef
16 promotion and research program as he or she may deem necessary to carry out
17 the intent and purposes of, and to assure compliance with, this subchapter
18 and the federal laws, orders, and rules relating to the national beef
19 promotion and research program.

20
21 SECTION 33. The introductory language of Arkansas Code § 2-35-405(a),
22 concerning the disposition of funds, is amended to read as follows:

23 (a) The ~~Director~~ Secretary of the Department of Finance and
24 Administration shall deposit in the State Treasury all funds collected by him
25 or her under this subchapter and the federal Beef Promotion and Research Act
26 of 1985 and the federal administrative orders and rules issued under that
27 act. Beginning with funds collected by him or her on and after the first day
28 of the month next following January 22, 1987, the Treasurer of State shall:
29

30 SECTION 34. Arkansas Code § 2-40-206(b), concerning the funding of a
31 bovine disease program, is amended to read as follows:

32 (b)(1) The fee shall be collected by the purchaser and remitted
33 monthly to the ~~Director~~ Secretary of the Department of Finance and
34 Administration, except that if the sale occurs through a livestock auction
35 market or any other agent of the seller, the livestock auction market or
36 other agent shall collect and remit the fee. The ~~director~~ secretary may

1 promulgate such rules as it deems necessary to implement the collection of
2 the fee.

3 (2)(A) After deducting three percent (3%) for credit to the
4 Constitutional Officers Fund and the State Central Services Fund the
5 remainder of funds so remitted to the ~~director~~ secretary shall be deposited
6 into the State Treasury as special revenues and credited to the Livestock and
7 Poultry Commission Disease and Pest Control Fund.

8 (B) Before the close of each fiscal year, the Chief Fiscal
9 Officer of the State shall determine the amount of funds which will remain at
10 the end of the fiscal year in the Livestock and Poultry Commission Disease
11 and Pest Control Fund from fees collected under the provisions of this
12 section. He or she shall allow such funds to be carried forward and made
13 available for the same purposes in the next-succeeding fiscal year.

14 (C) The ~~director~~ secretary shall release all information
15 related to the fee levied per head on all cattle sold in the state to be used
16 for the bovine disease control and eradication fund when requested by the
17 Secretary of the ~~Arkansas Agriculture~~ Department of Agriculture.

18
19 SECTION 35. Arkansas Code § 2-40-1201(b) and (c), concerning fees and
20 disposition of funds, are amended to read as follows:

21 (b)(1) Each livestock market operator shall collect fees and remit
22 monthly to the ~~Director~~ Secretary of the Department of Finance and
23 Administration.

24 (2) The ~~director~~ secretary may promulgate such rules as it deems
25 necessary to implement the collection of the fee.

26 (c) After deducting three percent (3%) for credit to the
27 Constitutional Officers Fund and the State Central Services Fund, the
28 remainder of funds so remitted to the ~~director~~ secretary shall be deposited
29 into the State Treasury as special revenues and credited to the Livestock and
30 Poultry Commission Swine Testing Fund.

31
32 SECTION 36. Arkansas Code § 3-2-101(a), concerning the prohibition of
33 interest in alcoholic beverages by enforcement officers, is amended to read
34 as follows:

35 (a) Neither the ~~Director~~ Secretary of the Department of Finance and
36 Administration nor any officer, employee, deputy, or assistant thereof shall

1 have any direct or indirect interest in or on any premises where alcoholic
2 liquors are manufactured or sold, nor shall he or she have any direct or
3 indirect interest in any business wholly or partially devoted to the
4 manufacture or sale of alcoholic liquors or own any stock in any corporation
5 which has any direct or indirect interest in the premises where alcoholic
6 liquors are manufactured or sold or in any business wholly or partially
7 devoted to the manufacture or sale of alcoholic liquors.

8
9 SECTION 37. Arkansas Code § 3-2-203(a), concerning the director and
10 staff of the Alcoholic Beverage Control Enforcement Division, is amended to
11 read as follows:

12 (a) The Director of the Alcoholic Beverage Control Enforcement
13 Division shall be appointed by the ~~Director~~ Secretary of the Department of
14 Finance and Administration and shall serve at the pleasure of the ~~Director~~
15 Secretary of the Department of Finance and Administration.

16
17 SECTION 38. Arkansas Code § 3-2-205(b)(5)(A), concerning the powers
18 and duties of the Alcohol Beverage Control Division and the Alcoholic
19 Beverage Control Enforcement Division, is amended to read as follows:

20 (5)(A) To keep records in proper form, to be prescribed by the
21 Director of the Alcoholic Beverage Control Division and the ~~Director~~
22 Secretary of the Department of Finance and Administration, of all permits
23 issued and all permits revoked under the provisions of this act and to keep
24 records in such form so as to provide ready information as to the identity of
25 all permit holders, including the names of stockholders who are not exempted
26 under subdivision (b)(5)(B) of this section, and directors of corporations
27 holding permits, and also the location of all permitted premises.

28
29 SECTION 39. Arkansas Code § 3-2-205(c)(6), concerning the powers and
30 duties of the Alcohol Beverage Control Division and the Alcoholic Beverage
31 Control Enforcement Division, is amended to read as follows:

32 (6) Any other powers, functions, and duties pertaining to the
33 control of alcoholic beverages which previously were granted to the ~~Director~~
34 Secretary of the Department of Finance and Administration and which are not
35 specifically delegated to the Alcoholic Beverage Control Board by the
36 provisions of this subchapter.

1
2 SECTION 40. Arkansas Code § 3-2-205(d)(4), concerning the powers and
3 duties of the Alcohol Beverage Control Division and the Alcoholic Beverage
4 Control Enforcement Division, is amended to read as follows:

5 (4) Any other powers, functions, and duties pertaining to the
6 control of alcoholic beverages which previously were granted to the ~~Director~~
7 Secretary of the Department of Finance and Administration and which are not
8 specifically delegated to the Director of the Alcoholic Beverage Control
9 Division or the board by the provisions of this subchapter.

10
11 SECTION 41. Arkansas Code § 3-2-205(e)(2)-(4), concerning the powers
12 and duties of the Alcohol Beverage Control Division and the Alcoholic
13 Beverage Control Enforcement Division, are amended to read as follows:

14 (2) The collection of all such taxes and permit or license fees
15 shall be by the ~~Director~~ Secretary of the Department of Finance and
16 Administration and his or her agents and employees, as provided by law.

17 (3) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall make a biennial report to the Governor and the General
19 Assembly of his or her activities for the past year, which shall include
20 statistics as to the amount of vinous (except wines), spirituous, or malt
21 liquors manufactured in the State of Arkansas and the disposition thereof;
22 the increase or decrease in their consumption over the preceding year; the
23 amount of taxes and permit fees collected; and such other information as he
24 or she deems advisable.

25 (4) The ~~Director~~ Secretary of the Department of Finance and
26 Administration shall report by June 1 of each year to the Alcoholic Beverage
27 Control Division and the board any and all permit and license holders who are
28 more than ninety (90) days delinquent on any alcoholic beverage sales tax,
29 excise tax, supplemental mixed drink tax, any other tax relating to the sale
30 or dispensing of alcoholic beverages, or any state or local gross receipts or
31 compensating use taxes.

32
33 SECTION 42. Arkansas Code § 3-4-103(e), concerning the continuation of
34 a permitted business that holds an alcoholic beverage permit by a benefiting
35 fiduciary, is amended to read as follows:

36 (e) For each endorsement, a fee of five dollars (\$5.00) shall be paid

1 to the ~~Director~~ Secretary of the Department of Finance and Administration by
2 the applicant, which shall be paid into the same fund as other permit fees
3 herein provided.

4
5 SECTION 43. Arkansas Code § 3-4-301(a)(7), concerning the grounds for
6 revocation of any permit issued for alcoholic beverages, is amended to read
7 as follows:

8 (7) For failure or default of a permittee to pay any license or
9 permit tax or any part thereof or penalties imposed by this act and for a
10 violation of any rule or regulation of the ~~Director~~ Secretary of the
11 Department of Finance and Administration or the Director of the Alcoholic
12 Beverage Control Division in pursuance thereof;

13
14 SECTION 44. Arkansas Code § 3-4-301(b)(1), concerning the grounds for
15 revocation of any permit issued for alcoholic beverages, is amended to read
16 as follows:

17 (b)(1) Whenever any person holding a retailer's permit to sell and
18 dispense vinous or spirituous liquors for beverage purposes at retail shall
19 fail to pay any Arkansas gross receipts tax, franchise tax, or the three
20 percent (3%) special alcoholic beverage excise tax within sixty (60) days
21 after the taxes become due, the ~~Director~~ Secretary of the Department of
22 Finance and Administration shall notify the Alcoholic Beverage Control Board
23 of that fact and the board shall immediately revoke such permit.

24
25 SECTION 45. Arkansas Code § 3-4-501(b) and (c), concerning when fees
26 are due, are amended to read as follows:

27 (b) It shall be the duty of the person required to pay the license to
28 make a report giving the facts in such form and substance as the Director of
29 the Alcoholic Beverage Control Division shall by rule require. All payments
30 therefor shall be made to the ~~Director~~ Secretary of the Department of Finance
31 and Administration, payable to the Treasurer of State, and all permit fees
32 shall likewise be made to the ~~Director~~ Secretary of the Department of Finance
33 and Administration and payable to the Treasurer of State.

34 (c)(1) Except for grocery store wine permit fees under § 3-5-1802, all
35 permits or license fees or taxes, penalties, fines, and costs received by the
36 ~~Director~~ Secretary of the Department of Finance and Administration under the

1 provisions of this act shall be general revenues and shall be deposited into
2 the State Treasury to the credit of the State Apportionment Fund.

3 (2) The Treasurer of State shall allocate and transfer the
4 amounts to the various State Treasury funds participating in general revenues
5 in the respective proportions to each as provided by and to be used for the
6 respective purposes set forth in the Revenue Stabilization Law, § 19-5-101 et
7 seq.

8
9 SECTION 46. Arkansas Code § 3-5-216(c), concerning the warehousing of
10 beer and light wines, is amended to read as follows:

11 (c) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall provide for the collection of all fees and taxes imposed
13 by this subchapter upon beer and wine at designated warehouses as provided
14 for in subdivision (b)(1) of this section.

15
16 SECTION 47. Arkansas Code § 3-5-223(a), concerning actions to recover
17 taxes, is amended to read as follows:

18 (a) Where the ~~Director~~ Secretary of the Department of Finance and
19 Administration finds upon investigation that the state has lost tax on
20 account of the evasion of any provision of law, he or she may bring suit in
21 his or her own name in the proper court for the recovery of such taxes.

22
23 SECTION 48. Arkansas Code § 3-5-224 is amended to read as follows:
24 3-5-224. Disposition of funds.

25 All permits or license fees or taxes, penalties, fines, proceeds of all
26 forfeitures, special inspection fees, and costs received by the ~~Director~~
27 Secretary of the Department of Finance and Administration under the
28 provisions of this subchapter shall be general revenues and shall be
29 deposited in the State Treasury to the credit of the State Apportionment
30 Fund. The Treasurer of State shall allocate and transfer those revenues to
31 the various State Treasury funds participating in general revenues in the
32 respective proportions to each as provided by and to be used for the
33 respective purposes set forth in the Revenue Stabilization Law, § 19-5-101 et
34 seq.

35
36 SECTION 49. Arkansas Code § 3-5-225 is amended to read as follows:

1 3-5-225. Additional administrative personnel.

2 The ~~Director~~ Secretary of the Department of Finance and Administration
3 and the Director of the Alcoholic Beverage Control Division are authorized to
4 employ such additional clerks, inspectors, and assistants as may be necessary
5 for the enforcement of this subchapter.

6
7 SECTION 50. Arkansas Code § 3-5-602 is amended to read as follows:

8 3-5-602. Rules and regulations.

9 (a) The ~~Director~~ Secretary of the Department of Finance and
10 Administration is authorized to establish appropriate rules and regulations,
11 if he or she deems it advisable, to simplify the furnishing of information to
12 the Department of Finance and Administration as required under the provisions
13 of this subchapter.

14 (b) The ~~director~~ secretary may promulgate forms which are to be filed
15 with the department abbreviating information now required to be furnished
16 under this subchapter or may waive in writing the filing of any information
17 with the department on condition that the information and records will be
18 kept by Arkansas wineries for department inspection and audit.

19
20 SECTION 51. Arkansas Code § 3-5-803 is amended to read as follows:

21 3-5-803. Acquisition of ingredients from outside state.

22 Whenever reference is made in this subchapter ~~and § 3-5-405 [repealed]~~
23 to the acquisition of grapes, berries, fruits, or vegetables from sources
24 outside this state to be used for the purposes and in the quantities
25 authorized in this subchapter ~~and § 3-5-405 [repealed]~~, for the production of
26 native wines, the term shall also be deemed to mean the acquisition of
27 equivalent amounts thereof in the form of juice, pulp, or blendable wines to
28 be used in the manufacture or blending of native wines in this state within
29 the allowable percentages of such products used in the preparation of juices,
30 pulp, or blendable wines as set forth in the order by the ~~Director~~ Secretary
31 of the Department of Finance and Administration.

32
33 SECTION 52. Arkansas Code § 3-5-804(b)(3), concerning the construction
34 of the Native Wine Industry Disaster Relief Act with existing laws, is
35 amended to read as follows:

36 (3) To authorize the importation of products to offset losses of

1 production of products in this state, only in accordance with a native wine
2 industry disaster relief order of the ~~Director~~ Secretary of the Department of
3 Finance and Administration.

4
5 SECTION 53. Arkansas Code § 3-5-805 is amended to read as follows:

6 3-5-805. Declaration of a relief program – Effect.

7 (a) Whenever, due to excessive heat, drought, flood, plant disease, or
8 other natural disaster, the production of Arkansas-grown grapes, fruits,
9 berries, or vegetables necessary to sustain the operation of native wineries
10 on a full production basis is severely curtailed, upon petition therefor by
11 one (1) or more native wineries licensed to do business in this state, and
12 upon certification from the University of Arkansas Division of Agriculture
13 Cooperative Extension Service that the production of such products has been
14 curtailed due to natural disaster and outlining the estimated extent of the
15 curtailment, the ~~Director~~ Secretary of the Department of Finance and
16 Administration shall determine, within thirty (30) days, whether
17 circumstances exist which justify the declaration of a native wine industry
18 disaster relief program. In connection therewith, the ~~director~~ secretary
19 shall make independent studies and obtain information as he or she may deem
20 appropriate or necessary to reach a proper decision in regard to the
21 petition.

22 (b)(1) Upon conclusion of the studies, and in no event later than
23 thirty (30) days after the date of the receipt of the petition, the ~~director~~
24 secretary shall issue a ruling.

25 (2) If the ~~director~~ secretary shall determine that circumstances
26 justify the invoking of a native wine industry disaster relief program, as
27 authorized in this subchapter and ~~§ 3-5-405 [repealed]~~, he or she shall state
28 in his or her order the facts which justify the establishment of the program,
29 the anticipated loss in production of Arkansas-grown grapes, fruits, berries,
30 or vegetables, or varieties thereof, to result from the natural disaster, and
31 the duration for which the native wine industry disaster relief program shall
32 extend.

33 (3) Copies of the order shall be filed by the ~~director~~ secretary
34 with each licensed native winery in this state and with other interested
35 parties who may request copies of the order.

36 (c) During the period of the native wine industry disaster relief

1 program, as determined by the ~~director~~ secretary, native wineries in this
2 state may acquire from sources outside this state supplies of grapes, fruits,
3 berries, or vegetables within the percentage of their total consumption of
4 such products as set forth by the ~~director~~ secretary.

5
6 SECTION 54. Arkansas Code § 3-5-807 is amended to read as follows:

7 3-5-807. Tax on wines produced under program.

8 (a) During a period of native wine industry disaster relief order
9 issued by the ~~Director~~ Secretary of the Department of Finance and
10 Administration under the provisions of § 3-5-805, any native wine produced
11 from grapes, berries, fruits, or vegetables within the permissible quantities
12 authorized to be imported from sources of supply outside this state to
13 replace losses in production of such products in this state resulting from
14 natural disaster, within the percentages set forth in the native wine
15 industry disaster relief order of the ~~director~~ secretary, shall be subject to
16 the native wine tax imposed under the provisions of § 3-5-409 [repealed]. The
17 provisions of subchapter 6 of this chapter shall be inoperative with respect
18 to wines produced from the grapes, fruits, berries, and vegetables imported
19 from sources of supply outside this state within the quantities set forth in
20 the order of the ~~director~~ secretary.

21 (b) However, if quantities of wine are produced from the grapes,
22 berries, fruits, and vegetables, or juices, pulp, or blendable wines thereof
23 produced outside this state in excess of the percentage of the products
24 authorized in the order of the ~~director~~ secretary to offset losses of
25 production in this state resulting from natural disaster, the tax on such
26 excess native wine produced from imported grapes, fruits, berries, and
27 vegetables, or from juices, pulp, or blendable wines derived therefrom, shall
28 be reported and paid as provided in subchapter 6 of this chapter.

29
30 SECTION 55. Arkansas Code § 3-5-903 is amended to read as follows:

31 3-5-903. Rules and regulations.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 may establish reasonable rules and regulations to be followed by wineries in
34 this state in making application for the subsidy payments and to prevent
35 abuse of the subsidy payments.

36

1 SECTION 56. Arkansas Code § 3-5-904(c), concerning the eligibility of
2 an Arkansas-bonded winery, is amended to read as follows:

3 (c) However, in any year in which there are losses in production of
4 Arkansas-grown grapes, fruits, berries, or vegetables used in the production
5 of wine resulting from droughts, floods, tornadoes, extreme weather
6 conditions, or other natural causes, the percentage of Arkansas-grown and
7 Arkansas-produced grapes, fruits, berries, or vegetables used in producing
8 wine, as required in this subchapter, shall be reduced in the proportion of
9 the losses in production of the products as determined and set forth in a
10 disaster relief order issued by the ~~Director~~ Secretary of the Department of
11 Finance and Administration prepared under the same procedures as set forth in
12 the Native Wine Industry Disaster Relief Act, ~~§ 3-5-405 [repealed]~~ and § 3-
13 5-801 et seq.

14
15 SECTION 57. Arkansas Code § 3-5-905 is amended to read as follows:
16 3-5-905. Applications.

17 Any winery in this state that produces wine from grapes, fruits,
18 berries, or vegetables grown in this state and complies with the provisions
19 of § 3-5-904, that desires to receive the grants authorized in this
20 subchapter with respect to the purchase of such products or with respect to
21 such products produced in vineyards or of other growing facilities in this
22 state belonging to the winery, may make application for grant payments under
23 this subchapter upon forms and in accordance with the rules and regulations
24 promulgated by the ~~Director~~ Secretary of the Department of Finance and
25 Administration.

26
27 SECTION 58. Arkansas Code § 3-5-907(a), concerning grant payments and
28 amounts, is amended to read as follows:

29 (a) Grant payments as authorized in this subchapter shall be made by
30 the ~~Director~~ Secretary of the Department of Finance and Administration from
31 moneys appropriated by the General Assembly for that purpose at each regular
32 session and fiscal session of the General Assembly.

33
34 SECTION 59. Arkansas Code § 3-5-1005 is amended to read as follows:
35 3-5-1005. Applications.

36 Any winery in this state which produces wines from grapes, berries,

1 fruits, or vegetables grown in this state, which desires to receive the
 2 subsidy authorized in this subchapter with respect to such purchases, may
 3 make application for the subsidy with the Department of Finance and
 4 Administration upon forms and in accordance with rules and regulations
 5 promulgated by the ~~Director~~ Secretary of the Department of Finance and
 6 Administration.

7
 8 SECTION 60. Arkansas Code § 3-5-1007(a), concerning the creation of
 9 the Arkansas Wine Grape, Berry, Fruit, and Vegetable Subsidy Fund, is amended
 10 to read as follows:

11 (a) In order to provide moneys to be used in paying the subsidies to
 12 Arkansas grape, berry, fruit, and vegetable producers whose production is
 13 sold to wineries in this state for making wine, the ~~Director~~ Secretary of the
 14 Department of Finance and Administration is authorized and directed to cause
 15 to be set aside in the State Treasury an amount of sixty-nine cents (69¢) for
 16 each seventy-five cents (75¢) gallonage tax collected on wines produced by
 17 wineries in this state from grapes, berries, fruits, or vegetables used in
 18 the production of wines in this state.

19
 20 SECTION 61. Arkansas Code § 3-5-1208 is amended to read as follows:

21 3-5-1208. Rules and regulations.

22 The Director of the Alcoholic Beverage Control Division, ~~and~~ the
 23 Alcoholic Beverage Control Board, ~~and~~ the ~~Director~~ Secretary of the
 24 Department of Finance and Administration, and any other applicable agency of
 25 this state, shall promulgate and adopt such regulations as they deem
 26 necessary for the implementation of this subchapter, which regulations may
 27 consist in whole or in part of the federal regulations.

28
 29 SECTION 62. Arkansas Code § 3-5-1413 is amended to read as follows:

30 3-5-1413. Rules.

31 The Director of the Alcoholic Beverage Control Board and the ~~Director~~
 32 Secretary of the Department of Finance and Administration may adopt rules for
 33 the implementation of this subchapter.

34
 35 SECTION 63. Arkansas Code § 3-5-1608 is amended to read as follows:

36 3-5-1608. Bond.

1 By consent of the ~~Director~~ Secretary of the Department of Finance and
2 Administration, the small farm winery may file a bond with the ~~director~~
3 secretary, the bond to be approved by him or her, which will entitle the
4 small farm winery to the privilege of making settlement of its taxes every
5 thirty (30) days, the time to be set by the ~~director~~ secretary.

6
7 SECTION 64. Arkansas Code § 3-5-1609 is amended to read as follows:
8 3-5-1609. Penalty.

9 Upon conviction, a person who violates this subchapter or any
10 reasonable rule adopted under this subchapter by the Director of the
11 Alcoholic Beverage Control Division or the ~~Director~~ Secretary of the
12 Department of Finance and Administration is guilty of a Class B misdemeanor.

13
14 SECTION 65. Arkansas Code § 3-5-1707 is amended to read as follows:
15 3-5-1707. Rules.

16 The Director of the Alcoholic Beverage Control Division, the Alcoholic
17 Beverage Control Board, the ~~Director~~ Secretary of the Department of Finance
18 and Administration, and any other affected agency of this state may adopt
19 rules to implement this subchapter.

20
21 SECTION 66. Arkansas Code § 3-5-1708(a), concerning the disposition of
22 funds, is amended to read as follows:

23 (a) Permit fees or taxes, label fees, penalties, fines, proceeds of
24 all forfeitures, special inspection fees, and costs received by the ~~Director~~
25 Secretary of the Department of Finance and Administration under this
26 subchapter shall be general revenues and shall be deposited into the State
27 Treasury to the credit of the State Apportionment Fund.

28
29 SECTION 67. Arkansas Code § 3-6-106(a), concerning the collection of
30 fees and taxes, is amended to read as follows:

31 (a) The permit fees and the tax herein provided shall be collected in
32 the same manner as all other liquor taxes and under such reasonable rules and
33 regulations as the ~~Director~~ Secretary of the Department of Finance and
34 Administration or his or her successor may provide.

35
36 SECTION 68. Arkansas Code § 3-7-105 is amended to read as follows:

1 3-7-105. Malt liquor tax – Reporting and payments.

2 (a) The excise tax levied on malt liquors by § 3-7-104 shall be
3 reported and paid to the ~~Director~~ Secretary of the Department of Finance and
4 Administration on or before the fifteenth day of the month following the
5 month in which the wholesaler or other person authorized to sell malt liquors
6 obtains delivery of such malt liquors from the supplier.

7 (b) The ~~director~~ secretary shall provide forms necessary for reporting
8 the tax due and shall enforce the tax pursuant to the Arkansas Tax Procedure
9 Act, § 26-18-101 et seq.

10
11 SECTION 69. Arkansas Code § 3-7-107 is amended to read as follows:

12 3-7-107. Enforcement – Rules and regulations.

13 (a) Sections 3-7-101 – 3-7-104 and 3-7-106 – 3-7-110 shall be
14 administered and enforced by the Director of the Alcoholic Beverage Control
15 Division and the ~~Director~~ Secretary of the Department of Finance and
16 Administration.

17 (b) The Director of the Alcoholic Beverage Control Division and the
18 ~~Director~~ Secretary of the Department of Finance and Administration are
19 authorized and directed to issue permits as provided for in §§ 3-7-101 – 3-7-
20 104 and 3-7-106 – 3-7-110, for the manufacture, sale, and transportation of
21 distilled spirits and to enforce the license tax provisions of §§ 3-7-101 –
22 3-7-104 and 3-7-106 – 3-7-110 and the collection of the license taxes imposed
23 hereby and to promulgate reasonable rules and regulations for those purposes.
24

25 SECTION 70. Arkansas Code § 3-7-108 is amended to read as follows:

26 3-7-108. Disposition of funds.

27 All taxes, penalties, and costs collected by the ~~Director~~ Secretary of
28 the Department of Finance and Administration under the provisions of §§ 3-7-
29 101 – 3-7-104 and 3-7-106 – 3-7-110 shall be general revenues and shall be
30 deposited in the State Treasury to the credit of the State Apportionment
31 Fund. The Treasurer of State, on or before the fifth day of the month next
32 following the month during which such funds shall have been received by him
33 or her, shall allocate and transfer the funds to the various State Treasury
34 funds in the proportions to each as provided by law, after first transferring
35 to the General Revenue Fund of the State Apportionment Fund an amount
36 equivalent to the cost of collection and other charges as also provided by

1 law.

2

3 SECTION 71. Arkansas Code § 3-7-111(b)(3), concerning additional taxes
4 for native wine and beer, is amended to read as follows:

5 (3) All taxes, penalties, fines, and costs received by the
6 ~~Director~~ Secretary of the Department of Finance and Administration under the
7 provisions of this subsection shall be deposited into the State Treasury as
8 general revenues to the credit of the State Apportionment Fund. There those
9 amounts shall be allocated to the various funds, fund accounts, and accounts
10 participating in general revenues in the respective proportions to each as
11 provided by law and shall be used for the respective purposes set forth in
12 the Revenue Stabilization Law, § 19-5-101 et seq.

13

14 SECTION 72. Arkansas Code § 3-7-201(b)-(d), concerning the collection
15 of taxes imposed for a special alcoholic beverage excise tax, are amended to
16 read as follows:

17 (b) It shall be the duty of every retailer in this state to collect
18 the tax from the consumer in addition to the established retail price of
19 beer, liquor, cordials, liqueurs, specialties, and sparkling and still wines
20 and to file a return and remittance with the ~~Director~~ Secretary of the
21 Department of Finance and Administration on or before the twentieth day of
22 each calendar month for the preceding month.

23 (c) Failure to file the return and remittance on the due date shall be
24 cause for the ~~director~~ secretary to enter an assessment for the return and
25 remittance and add as a penalty ten percent (10%) of the amount of tax found
26 to be due.

27 (d) Returns shall be filed upon forms prescribed by the ~~director~~
28 secretary in accordance with such regulations as the ~~director~~ secretary may
29 promulgate hereunder.

30

31 SECTION 73. Arkansas Code § 3-7-202(a), concerning the procedure for
32 obtaining a lien, is amended to read as follows:

33 (a) If the taxpayer fails to demand a hearing before the ~~Director~~
34 Secretary of the Department of Finance and Administration within twenty (20)
35 days after an assessment of the tax due the state has been made under this
36 subchapter or, if the taxpayer shall fail to pay the tax assessed by the

1 ~~director~~ secretary after a hearing and an order by the ~~director~~ secretary
2 establishing the tax, as hereinbefore provided, then the ~~director~~ secretary
3 may as soon as practicable thereafter issue to the circuit clerk of any
4 county of the state a certificate certifying that the person therein named is
5 indebted to the state for the tax established by the ~~director~~ secretary to be
6 due.

7
8 SECTION 74. Arkansas Code § 3-7-203(a), concerning a lien and
9 execution of the lien, is amended to read as follows:

10 (a) On the entry of the certificate of the ~~Director~~ Secretary of the
11 Department of Finance and Administration, the circuit clerk shall issue an
12 execution directed to the sheriff of the county, commanding him or her to
13 levy upon and against all real and personal property of the taxpayer, which
14 execution shall be by the clerk placed in the hands of the sheriff for
15 levying thereon. The ~~director~~ secretary shall thereby have all the remedies
16 and may take all the proceedings for the collection of the tax which may be
17 had or taken upon the recovery of a judgment at law.

18
19 SECTION 75. Arkansas Code § 3-7-203(d), concerning a lien and
20 execution of the lien, is amended to read as follows:

21 (d) However, in the event the sheriff is unable, after diligent
22 effort, to effect collection of the tax, interest, penalties, and costs, the
23 ~~director~~ secretary shall be empowered and authorized to pay such fees as are
24 properly shown to be due to the clerk and sheriff out of the Miscellaneous
25 Tax Refund Account.

26
27 SECTION 76. Arkansas Code § 3-7-204 is amended to read as follows:

28 3-7-204. Alternative remedies.

29 Nothing in this subchapter shall preclude the ~~Director~~ Secretary of the
30 Department of Finance and Administration from resorting to any other legal
31 means of collecting taxes as may now be provided by law. The issuance of a
32 certificate of indebtedness, the entry thereof by the clerk, and the levy of
33 execution, as provided herein, shall not constitute an election of remedies
34 in respect to the collection of the tax.

35
36 SECTION 77. Arkansas Code § 3-7-205 is amended to read as follows:

1 3-7-205. Disposition of funds.

2 All taxes, interest, penalties, and costs received by the ~~Director~~
3 Secretary of the Department of Finance and Administration under the
4 provisions of this subchapter shall be general revenues and shall be
5 deposited in the State Treasury to the credit of the State Apportionment
6 Fund. The Treasurer of State shall allocate and transfer the revenues to the
7 various State Treasury funds participating in general revenues in the
8 respective proportions to each as provided by and to be used for the
9 respective purposes set forth in the Revenue Stabilization Law, § 19-5-101 et
10 seq.

11
12 SECTION 78. The introductory language of Arkansas Code § 3-7-302(a),
13 concerning monthly reports and payments of excise tax, is amended to read as
14 follows:

15 (a) Each licensee responsible for the payment of excise tax shall file
16 on or before the fifteenth day of each month a verified report on forms
17 provided by the ~~Director~~ Secretary of the Department of Finance and
18 Administration showing, for the preceding calendar month, the exact quantity
19 of spirituous liquor:

20
21 SECTION 79. Arkansas Code § 3-7-302(b) and (c), concerning monthly
22 reports and payments of excise tax, are amended to read as follows:

23 (b) The report on forms prescribed by the ~~director~~ secretary shall
24 also show the amount of excise tax payable after allowance for all proper
25 deductions for all spirituous liquors received by him or her in this state
26 and shall include such additional information as the ~~director~~ secretary may
27 require for the proper administration of this subchapter.

28 (c) Payment of the excise tax levied by law in the amount disclosed by
29 the report shall accompany the report and shall be paid to the ~~director~~
30 secretary.

31
32 SECTION 80. Arkansas Code § 3-7-303 is amended to read as follows:

33 3-7-303. Records – Penalties.

34 (a) Each wholesale distributor and importer of spirituous liquors
35 required to file a return shall keep such complete and accurate books,
36 papers, invoices, and other records as may be necessary to substantiate the

1 accuracy of his or her report and the amount of excise tax due and shall
2 retain the records for not less than three (3) years, subject to the use and
3 inspection of the ~~Director~~ Secretary of the Department of Finance and
4 Administration or his or her agents.

5 (b) Any person required by this subchapter to retain books, papers,
6 invoices, and other records who fails to produce them upon demand by the
7 ~~director~~ secretary or his or her agent or agents of the Alcoholic Beverage
8 Control Division or its successor agency, unless the failure to produce is
9 due to providential or other causes beyond his or her control, shall be
10 guilty of a Class A misdemeanor.

11
12 SECTION 81. Arkansas Code § 3-7-307 is amended to read as follows:

13 3-7-307. Rules and regulations – Sales to the military.

14 The ~~Director~~ Secretary of the Department of Finance and Administration
15 shall continue the present, and if necessary promulgate additional, rules and
16 regulations to relieve wholesale distributors and importers from the
17 liability of paying the excise tax levied and imposed on beverages covered by
18 this subchapter which are sold to agencies of the United States Armed Forces.

19
20 SECTION 82. Arkansas Code § 3-7-404 is amended to read as follows:

21 3-7-404. Rules and regulations.

22 (a) The rules and regulations required by § 3-7-401 pertaining to a
23 reporting method for paying and collecting excise tax on beer shall be
24 adopted and promulgated by the ~~Director~~ Secretary of the Department of
25 Finance and Administration.

26 (b) The rules and regulations shall be jointly enforced by both the
27 ~~Director~~ Secretary of the Department of Finance and Administration and the
28 Alcoholic Beverage Control Board.

29 (c) The Director of the Alcoholic Beverage Control Division shall have
30 authority to promulgate rules and regulations pertaining to the possession,
31 transportation, or importation of beer into the State of Arkansas.

32 (d) The express purpose of this section is to carry out the intention
33 of §§ 3-7-401 – 3-7-403 to provide authority for protecting the state against
34 loss of revenues derived from the levy of the excise tax on beer. The
35 ~~Director~~ Secretary of the Department of Finance and Administration shall have
36 full authority to adopt whatever rules and regulations he or she may deem

1 necessary to this end.

2

3 SECTION 83. Arkansas Code § 3-7-501(a), concerning the authorization
 4 of the Director of the Department of Finance and Administration to adopt
 5 rules and regulations, is amended to read as follows:

6 (a) The ~~Director~~ Secretary of the Department of Finance and
 7 Administration is authorized and directed to adopt and issue rules and
 8 regulations to protect the revenues of this state by prescribing a reporting
 9 method for paying and collecting the tax on wines.

10

11 SECTION 84. Arkansas Code § 3-7-502 is amended to read as follows:
 12 3-7-502. Reports and payment.

13 The rules and regulations shall require reports to be filed with the
 14 ~~Director~~ Secretary of the Department of Finance and Administration on or
 15 before the fifteenth day of the month following the month in which the
 16 wholesaler or importer of wines shall obtain delivery of wines from the
 17 supplier. The tax due shall accompany this report.

18

19 SECTION 85. Arkansas Code § 3-7-505 is amended to read as follows:
 20 3-7-505. Joint enforcement.

21 The ~~Director~~ Secretary of the Department of Finance and Administration
 22 and the Alcoholic Beverage Control Division or its successor agency shall
 23 jointly enforce the provisions of this subchapter.

24

25 SECTION 86. Arkansas Code § 3-9-213(c)(1), concerning the gross
 26 receipts and supplemental taxes on sale of alcoholic beverages, is amended to
 27 read as follows:

28 (c)(1) The supplemental tax shall be reported and paid to the ~~Director~~
 29 Secretary of the Department of Finance and Administration in the same manner
 30 and at the same time as the gross receipts tax and shall be subject to such
 31 reasonable rules and regulations as the ~~director~~ secretary may prescribe,
 32 including the maintenance of permanent records showing all purchases and
 33 sales of alcoholic beverages.

34

35 SECTION 87. Arkansas Code § 3-9-223(c)(1), concerning private clubs,
 36 permit renewal fees, and taxes, is amended to read as follows:

1 (c)(1) The supplemental tax shall be reported and paid to the ~~Director~~
 2 Secretary of the Department of Finance and Administration in the same manner
 3 and at the same time as the gross receipts tax under the Arkansas Gross
 4 Receipts Act of 1941, § 26-52-101 et seq., and shall be in addition to the
 5 tax.

6
 7 SECTION 88. Arkansas Code § 3-9-223(d), concerning private clubs,
 8 permit renewal fees, and taxes, is amended to read as follows:

9 (d) The ~~director~~ secretary shall promulgate reasonable rules and
 10 regulations for the enforcement and collection of the tax levied herein,
 11 including a requirement that each permittee maintain records showing all such
 12 charges made.

13
 14 SECTION 89. Arkansas Code § 3-9-229 is amended to read as follows:

15 3-9-229. Collection of taxes.

16 The ~~Director~~ Secretary of the Department of Finance and Administration
 17 may assess and collect delinquent state and local taxes from the owner or
 18 owners of the hotel or restaurant, file claims for unpaid taxes against bonds
 19 or other security required to be posted by the permittee, and enforce liens
 20 against assets held by the owner or owners. The Alcoholic Beverage Control
 21 Division may suspend or refuse to renew a permit held by a nonpartner if the
 22 hotel or restaurant owner fails to remit state taxes.

23
 24 SECTION 90. Arkansas Code § 3-9-232(a), concerning the inspection and
 25 records of licensed premises and private clubs, is amended to read as
 26 follows:

27 (a) No permit shall be issued under this subchapter unless the
 28 permittee has consented in writing that the licensed premises and its books
 29 and records shall be open at all times to all law enforcement and tax
 30 officials and officials of the Alcoholic Beverage Control Division, the
 31 Alcoholic Beverage Control Enforcement Division, and the ~~Director~~ Secretary
 32 of the Department of Finance and Administration without requirement of
 33 warrant or other legal process.

34
 35 SECTION 91. Arkansas Code § 3-9-234(b), concerning the failure to pay
 36 renewal fees or taxes, is amended to read as follows:

1 (b) If any permittee shall fail to remit the supplemental tax upon
2 gross receipts within the time provided in § 3-9-223, a penalty of twenty-
3 five percent (25%) shall be due and payable. If such taxes plus penalty are
4 not paid within thirty (30) days from the due date, the Director of the
5 Alcoholic Beverage Control Division shall revoke the permit of the permittee,
6 and the ~~Director~~ Secretary of the Department of Finance and Administration
7 shall seek recovery of the amount of such taxes and penalties due from the
8 permittee.

9
10 SECTION 92. Arkansas Code § 4-60-102 is amended to read as follows:

11 4-60-102. Applicability.

12 This chapter does not apply to the laws governing the imposition of a
13 penalty for checks written on accounts which have insufficient funds and
14 which checks are payable to either the ~~Director~~ Secretary of the Department
15 of Finance and Administration or to the Department of Finance and
16 Administration for any taxes, licenses, or fees imposed by any laws of this
17 state.

18
19 SECTION 93. Arkansas Code § 4-90-206(a)(4), concerning the disclosure
20 requirements when transferring a motor vehicle, is amended to read as
21 follows:

22 (4) The ~~Director~~ Secretary of the Department of Finance and
23 Administration shall adopt, pursuant to the Arkansas Administrative Procedure
24 Act, § 25-15-201 et seq., rules not inconsistent with this subchapter or
25 Title 49, Chapter 327 of the United States Code, or any rules promulgated
26 thereunder prescribing the manner in which the written disclosure shall be
27 made.

28
29 SECTION 94. Arkansas Code § 4-90-206(b)(2)(B), concerning the
30 disclosure requirements when transferring a motor vehicle, is amended to read
31 as follows:

32 (B) The ~~director~~ secretary shall adopt, pursuant to the
33 Arkansas Administrative Procedure Act, § 25-15-201 et seq., rules not
34 inconsistent with this subchapter or Title 49, Chapter 327 of the United
35 States Code, or any rules promulgated thereunder prescribing the form of the
36 power of attorney.

1
2 SECTION 95. Arkansas Code § 5-65-102(6), concerning the definition of
3 "sworn report" under the Omnibus DWI or BWI Act, is amended to read as
4 follows:

5 (6) "Sworn report" means a signed and written statement of a
6 certified law enforcement officer, under penalty of perjury, on a form
7 provided by the ~~Director~~ Secretary of the Department of Finance and
8 Administration;

9
10 SECTION 96. Arkansas Code § 5-65-106(b), concerning the impoundment of
11 license plates, is amended to read as follows:

12 (b) If the court determines it is in the best interest of the
13 dependents of the person, the court shall instruct the ~~Director~~ Secretary of
14 the Department of Finance and Administration to issue a temporary substitute
15 motor vehicle license plate for the motor vehicle, and the temporary
16 substitute motor vehicle license plate shall indicate that the original motor
17 vehicle license plate has been impounded.

18
19 SECTION 97. Arkansas Code § 5-65-401(3), concerning the definition of
20 "sworn report" under the laws governing an administrative driver's license
21 suspension, is amended to read as follows:

22 (3) "Sworn report" means a signed and written statement of a
23 certified law enforcement officer, under penalty of perjury, on a form
24 provided by the ~~Director~~ Secretary of the Department of Finance and
25 Administration.

26
27 SECTION 98. Arkansas Code § 5-65-402(c)(1)(C), concerning the
28 surrender of a license or a permit to an arresting officer, is amended to
29 read as follows:

30 (C) The petition shall be served on the ~~Director~~ Secretary
31 of the Department of Finance and Administration under Rule 4 of the Arkansas
32 Rules of Civil Procedure.

33
34 SECTION 99. Arkansas Code § 5-65-403(d)(1)(B), concerning a notice and
35 a receipt from an arresting officer, is amended to read as follows:

36 (B) Submitted by mail or in person to the ~~Director~~

1 Secretary of the Department of Finance and Administration or his or her
 2 designated representative within seven (7) days of the issuance of the
 3 receipt.

4
 5 SECTION 100. Arkansas Code § 5-65-403(k), concerning a notice and a
 6 receipt from an arresting officer, is amended to read as follows:

7 (k) If the ~~director~~ secretary orders immobilization of a motor
 8 vehicle, notice of immobilization shall be sent by first-class mail to any
 9 persons, other than the arrested person, listed as an owner or co-owner of
 10 the immobilized motor vehicle in the records of the Office of Motor Vehicle.

11
 12 SECTION 101. Arkansas Code § 6-13-618(b)(3), concerning the
 13 organization and disbursing officer for school district boards of directors,
 14 is amended to read as follows:

15 (3) Such a resolution must be filed with the county treasurer
 16 and the ~~Director~~ Secretary of the Department of Finance and Administration.

17
 18 SECTION 102. Arkansas Code § 6-13-701(c) and (d), concerning the
 19 powers and duties of the board of directors of Arkansas school districts, are
 20 amended to read as follows:

21 (c) An executed certificate of appointment shall be filed with the
 22 county clerk, the county treasurer, and the ~~Director~~ Secretary of the
 23 Department of Finance and Administration.

24 (d) School district treasurers shall execute a surety bond in such
 25 amount as may be required by the ~~director~~ secretary, who shall approve the
 26 bond. The premium on the bond shall be paid out of the funds of the school
 27 district.

28
 29 SECTION 103. Arkansas Code § 6-13-1006(d)(9)(C), concerning the board
 30 of directors of education service cooperatives, is amended to read as
 31 follows:

32 (C) Borrowing from other sources for limited or unusual
 33 circumstances upon approval of the Commissioner of Primary and Secondary
 34 Education and ~~Director~~ Secretary of the Department of Finance and
 35 Administration; and

1 SECTION 104. Arkansas Code § 6-17-406 is amended to read as follows:
2 6-17-406. License revocation generally – Superintendents and
3 supervisors.

4 The State Board of Education may revoke the license of any
5 superintendent or supervisor in any and every instance where the ~~Director~~
6 Secretary of the Department of Finance and Administration has found it
7 necessary to proceed upon the bond of the superintendent or supervisor to
8 recover funds wrongfully used. Revocation shall be mandatory in any and every
9 instance where there is recovery on the bond.

10
11 SECTION 105. Arkansas Code § 6-17-911(b) and (c), concerning the
12 effect of failure to make records and settlements, are amended to read as
13 follows:

14 (b) If the county collector fails to make settlements with the county
15 treasurer as now provided by law, the county treasurer shall forthwith notify
16 the Commissioner of Primary and Secondary Education and the ~~Director~~
17 Secretary of the Department of Finance and Administration of such failure.

18 (c)(1) If such delinquent settlement is not made within two (2) weeks,
19 the Treasurer of State shall withhold the monthly distribution of county aid
20 provided for under § 19-5-602(b) upon notification from the ~~Director~~
21 Secretary of the Department of Finance and Administration that the county has
22 failed to make such settlement.

23 (2) The monthly distribution shall be withheld until such
24 settlement is made to the satisfaction of the ~~director~~ secretary.

25
26 SECTION 106. Arkansas Code § 6-17-1118(a)(6) and (7), concerning the
27 creation of the School Worker Defense Program Advisory Board, are amended to
28 read as follows:

29 (6) The ~~Director~~ Secretary of the Department of Finance and
30 Administration or his or her designee; and

31 (7)(A) The Commissioner of Primary and Secondary Education or
32 his or her designee.

33 (B) Provided, however, no employee of the Department of
34 Education who is charged with administering the defense fund and protection
35 program shall be eligible to serve as the designee of the commissioner.

36

1 SECTION 107. Arkansas Code § 6-21-104 is amended to read as follows:

2 6-21-104. Distribution of surplus commodities in school lunch program.

3 Upon the request of the State Board of Education and with the approval
4 of the ~~Director~~ Secretary of the Department of Finance and Administration,
5 the Department of Finance and Administration may administer the program of
6 distribution of surplus commodities in the school lunch program under such
7 arrangements with respect to the employment of personnel and the payment of
8 the salaries of personnel, and maintenance, as may be mutually agreeable with
9 the agencies above mentioned.

10
11 SECTION 108. Arkansas Code § 6-21-112(e)(2), concerning the creation
12 of the Division of Public School Academic Facilities and Transportation, is
13 amended to read as follows:

14 (2) The ~~Director~~ Secretary of the Department of Finance and
15 Administration shall assign one (1) individual from the staff of the Building
16 Authority Division ~~of the Department of Finance and Administration~~ to serve
17 as a physical plant liaison to the Division of Public School Academic
18 Facilities and Transportation.

19
20 SECTION 109. Arkansas Code § 6-21-114(a)(1) and (2), concerning the
21 creation of the Commission for Arkansas Public School Academic Facilities and
22 Transportation, are amended to read as follows:

23 (1) The ~~Director~~ Secretary of the Department of Finance and
24 Administration;

25 (2) The Commissioner of Primary and Secondary Education; and

26
27 SECTION 110. Arkansas Code § 6-21-114(b)(1), concerning the creation
28 of the Commission for Arkansas Public School Academic Facilities and
29 Transportation, is amended to read as follows:

30 (b)(1) The members of the commission shall meet and organize
31 immediately after March 29, 2005. The Commissioner of Primary and Secondary
32 Education shall be the chair of the commission.

33
34 SECTION 111. Arkansas Code § 6-45-109(b), concerning certification by
35 the Division of Child Care and Early Childhood Education, is amended to read
36 as follows:

1 (b) Upon certification of the child care facilities, the division
2 shall provide a listing of all certified facilities and their certification
3 numbers to the ~~Director~~ Secretary of the Department of Finance and
4 Administration for the purpose of the income tax credit or refund provided
5 for in §§ 26-51-502 and 26-51-507.

6
7 SECTION 112. Arkansas Code § 6-63-602(f) and (g), concerning the
8 administration of the Department of Finance and Administration, are amended
9 to read as follows:

10 (f) The ~~Director~~ Secretary of the Department of Finance and
11 Administration or his or her designee shall promulgate necessary rules and
12 regulations as deemed necessary to carry out the provisions of this section.

13 (g) Nothing in this subchapter shall be construed to repeal in any way
14 the exclusion of nonclassified employees of state-supported institutions of
15 higher learning under the Uniform Attendance and Leave Policy Act, § 21-4-201
16 et seq.

17
18 SECTION 113. Arkansas Code § 8-7-903(a), concerning the rules,
19 regulations, and powers of the Director of the Department of Finance and
20 Administration, the Arkansas Pollution Control and Ecology Commission, and
21 the Arkansas Department of Environmental Quality, is amended to read as
22 follows:

23 (a) The ~~Director~~ Secretary of the Department of Finance and
24 Administration is authorized to adopt appropriate rules and regulations not
25 inconsistent with this subchapter as he or she may deem necessary to carry
26 out the intent and purposes of and to assure compliance with this subchapter.

27
28 SECTION 114. Arkansas Code § 8-7-903(c), concerning the rules,
29 regulations, and powers of the Director of the Department of Finance and
30 Administration, the Arkansas Pollution Control and Ecology Commission, and
31 the Arkansas Department of Environmental Quality, is amended to read as
32 follows:

33 (c) The Arkansas Department of Environmental Quality shall have the
34 authority to enter upon the property of any owner or operator of an
35 aboveground storage tank to obtain information, conduct surveys, or review
36 records for the purpose of determining substantial compliance, as defined by

1 this subchapter and regulations promulgated thereunder, with all state and
2 federal laws and regulations relating to aboveground storage tanks prior to
3 the ~~director's~~ secretary's approval of a claim for reimbursement or
4 disbursement.

5
6 SECTION 115. Arkansas Code § 8-7-906(e), concerning petroleum
7 environmental assurance fees, is amended to read as follows:

8 (e) The fee shall be remitted to the ~~Director~~ Secretary of the
9 Department of Finance and Administration at the time, in the manner, and on
10 forms prescribed by the ~~director~~ secretary and may be collected and remitted
11 at the same time and in the same manner as the motor fuels tax and special
12 motor fuels tax under § 26-55-101 et seq. and the Special Motor Fuels Tax
13 Law, § 26-56-101 et seq.

14
15 SECTION 116. Arkansas Code § 8-7-906(g)(3), concerning petroleum
16 environmental assurance fees, is amended to read as follows:

17 (3) The commission shall review the Petroleum Storage Tank Trust
18 Fund balance, as adjusted to reflect the obligations and liabilities of the
19 Petroleum Storage Tank Trust Fund, at least quarterly and report the rate of
20 collection for the fee for the upcoming quarter to the ~~director~~ secretary.

21
22 SECTION 117. Arkansas Code § 8-9-404(a)(5)(A), concerning rim removal
23 fees, is amended to read as follows:

24 (5)(A) The rim removal fees imposed under this section shall be
25 paid monthly to the ~~Director~~ Secretary of the Department of Finance and
26 Administration.

27
28 SECTION 118. Arkansas Code § 8-9-404(a)(6), concerning rim removal
29 fees, is amended to read as follows:

30 (6)(A) The rim removal fees remitted under subdivision (a)(5)(A)
31 of this section shall be collected by the ~~director~~ secretary and shall be
32 subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq.

33 (B)(i) Each tire retailer shall file a return with the
34 ~~director~~ secretary on or before the twentieth of each month.

35 (ii) The return shall show the total rim removal
36 fees collected for each tire removed from the rim during the preceding

1 calendar month.

2 (iii) The tire retailer shall remit the rim removal
3 fees with the return.

4 (iv) The ~~director~~ secretary shall prescribe the form
5 and contents of the return.

6
7 SECTION 119. Arkansas Code § 8-9-404(d)(5)(A), concerning commercial
8 generator fees, is amended to read as follows:

9 (5)(A) The commercial generator fees imposed under this section
10 shall be paid monthly to the ~~director~~ secretary.

11
12 SECTION 120. Arkansas Code § 8-9-404(d)(6)(A), concerning commercial
13 generator fees, is amended to read as follows:

14 (6)(A) The commercial generator fees remitted in subdivision
15 (d)(5)(A) of this section shall be collected by the ~~director~~ secretary and
16 shall be subject to the Arkansas Tax Procedure Act, § 26-18-101 et seq.

17 (B)(i)(a) Each commercial generator shall file a return
18 with the ~~director~~ secretary on or before the twentieth of each month.

19 (b) The return shall show the total commercial
20 generator fees collected for each tire sold or delivered to the end user
21 during the preceding calendar month.

22 (c) The commercial generator shall remit the
23 commercial generator fees with the return.

24 (ii) The ~~director~~ secretary shall prescribe the form
25 and contents of the return.

26
27 SECTION 121. The introductory language of Arkansas Code § 9-6-110 is
28 amended to read as follows:

29 The ~~Director~~ Secretary of the Department of Finance and Administration
30 or his or her designee shall provide an annual report by October 1 of each
31 year to the Chair of the Senate Interim Committee on Children and Youth and
32 the Chair of the House Committee on Aging, Children and Youth, Legislative
33 and Military Affairs containing the following information:

34
35 SECTION 122. Arkansas Code § 10-3-220 is amended to read as follows:
36 10-3-220. Monitoring of changes made in federal income tax laws and

1 regulations – Reports of ~~director~~ secretary.

2 (a) The ~~Director~~ Secretary of the Department of Finance and
 3 Administration shall monitor changes made in federal income tax laws and
 4 regulations for the purpose of determining how the changes may affect
 5 Arkansas income tax law and for the purpose of determining how the changes
 6 differ from provisions adopted for Arkansas income tax purposes.

7 (b) The ~~director~~ secretary shall report his or her findings annually
 8 to the House Committee on Revenue and Taxation and the Senate Committee on
 9 Revenue and Taxation and may make such other reports to the House Committee
 10 on Revenue and Taxation and the Senate Committee on Revenue and Taxation as
 11 he or she deems necessary.

12
 13 SECTION 123. Arkansas Code § 10-4-410(c), concerning audit cost
 14 incurred by the Arkansas Legislative Audit, is amended to read as follows:

15 (c) If it is determined by the Legislative Joint Auditing Committee
 16 that the reimbursement for the auditing of entities of the state is
 17 appropriate, the Legislative Auditor and the ~~Director~~ Secretary of the
 18 Department of Finance and Administration shall develop guidelines for
 19 effecting proper budgetary and accounting procedures for the reimbursements.

20
 21 SECTION 124. Arkansas Code § 12-8-116 is amended to read as follows:
 22 12-8-116. Motor vehicles.

23 (a)(1) All automobiles, motorcycles, or other vehicles of any nature
 24 owned, used, and operated by the ~~Department~~ Division of Arkansas State Police
 25 shall be exempt from the payment of any licenses, fees, and charges required
 26 by the laws of this state for the operation of the vehicles upon the public
 27 highways of this state.

28 (2) The Director of the ~~Department~~ Division of Arkansas State
 29 Police and the ~~Director~~ Secretary of the Department of Finance and
 30 Administration shall adopt identification tags or other insignia which shall
 31 be attached to the vehicles by the officers, members, and employees of the
 32 ~~Department~~ Division of Arkansas State Police, for which tag or insignia no
 33 charge shall be made or collected.

34 (b) The ~~Department~~ Division of Arkansas State Police is granted
 35 authority to purchase used vehicles for use in confidential assignments and
 36 drug investigations.

1
2 SECTION 125. Arkansas Code § 12-8-307(c)(2) and (3), concerning lease
3 funds and pledged revenues, are amended to read as follows:

4 (2) The pledged revenues shall be deposited into a bank or banks
5 selected by the ~~Department~~ Division of Arkansas State Police, as and when
6 received by the Commissioner of Motor Vehicles, the Office of Motor Vehicle,
7 the ~~Department~~ Division of Arkansas State Police, the Arkansas State Police
8 Commission, the ~~Director~~ Secretary of the Department of Finance and
9 Administration, or any other state agency.

10 (3) The pledged revenues shall be deposited to the credit of a
11 fund created and designated as the ~~Department~~ "Division of Arkansas State
12 Police Communications Equipment Lease Fund", referred to in this subchapter
13 as the "lease fund".
14

15 SECTION 126. Arkansas Code § 12-10-326(d)(1), concerning prepaid
16 wireless E911 service charges, is amended to read as follows:

17 (d)(1) Except as provided in subdivision (d)(2) of this section, a
18 seller shall report and pay one hundred percent (100%) of the prepaid
19 wireless E911 charge plus any penalties and interest due to the ~~Director~~
20 Secretary of the Department of Finance and Administration in the same manner
21 and at the same time as the gross receipts tax under the Arkansas Gross
22 Receipts Act of 1941, § 26-52-101 et seq.
23

24 SECTION 127. Arkansas Code § 12-27-131(c), concerning the receipts for
25 reimbursement to counties and cities from the Department of Correction, is
26 amended to read as follows:

27 (c) The operational portion of such receipts shall also be used for
28 debt service unless approval is received from the ~~Director~~ Secretary of the
29 Department of Finance and Administration for other usages.
30

31 SECTION 128. Arkansas Code § 12-30-304 is amended to read as follows:
32 12-30-304. Products – Purchase by state institutions.

33 (a) It shall be the duty of the various state institutions to
34 purchase, as far as possible, products grown or produced by the state upon
35 its ~~Department~~ Division of Correction and other farms, giving the state
36 preference wherever possible.

1 (b)(1) Sales shall be made at prevailing market prices and all
 2 proceeds thereof shall be deposited with the Treasurer of State to the credit
 3 of the ~~Department~~ Division of Correction Farm Fund.

4 (2) However, the ~~Director~~ Secretary of the Department of Finance
 5 and Administration, by proper bookkeeping entries, may charge the institution
 6 so purchasing and credit the ~~Department~~ Division of Correction account with
 7 such amount.

8
 9 SECTION 129. Arkansas Code § 13-7-304 is amended to read as follows:
 10 13-7-304. Commission accounts.

11 The members of the Historic Arkansas Museum Commission shall keep
 12 strict account of all moneys received and disbursed by them and by their
 13 order and shall file a statement thereof annually with the ~~Director~~ Secretary
 14 of the Department of Finance and Administration, who shall properly check and
 15 audit the statement of account and the books of the commission.

16
 17 SECTION 130. Arkansas Code § 14-43-607(e), concerning income taxes, is
 18 amended to read as follows:

19 (e)(1)(A) The governing body of any city levying the tax authorized in
 20 this section and the ~~Director~~ Secretary of the Department of Finance and
 21 Administration are authorized and empowered to enter into a contractual
 22 agreement whereby the ~~director~~ secretary shall collect any of the taxes
 23 assessed by the city, whether by withholding of income tax or otherwise, and
 24 remit them to the city.

25 (B) This agreement may also provide for a consideration to
 26 be allowed the ~~director~~ secretary for services rendered in making such
 27 collections.

28 (2) The ~~director~~ secretary may establish regulations concerning
 29 the procedures for collecting these taxes by him or her.

30
 31 SECTION 131. Arkansas Code § 14-86-2003 is amended to read as follows:
 32 14-86-2003. Scope of examination.

33 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
 34 Administration or any auditors appointed by him or her shall have power to
 35 make a thorough examination into the affairs of a district specified in § 14-
 36 86-2001 when called upon by the county judge.

1 (2)(A) The ~~director~~ secretary shall have access to all records,
 2 books, accounts, papers, and documents concerning the district undergoing
 3 such an audit.

4 (B) The ~~director~~ secretary is also authorized to:

5 (i) Examine, under oath, any officer, assistant,
 6 clerk, or other person touching the matters he or she may be authorized to
 7 inquire and examine; and

8 (ii) Summon and, by attachment, compel the
 9 attendance of any person to testify, under oath, before him or her in
 10 relation to the affairs of the district.

11 (b) The failure or refusal of any person to appear before the ~~director~~
 12 secretary or to deliver to him or her any books, records, or other documents
 13 shall subject the person to a fine of twenty-five dollars (\$25.00) for each
 14 day he the person refuses or fails to comply with the request.

15
 16 SECTION 132. Arkansas Code § 14-164-303(6), concerning the definition
 17 of "director" under the Local Government Bond Act of 1985, is amended to read
 18 as follows:

19 (6) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
 20 Department of Finance and Administration or any successor to the duties
 21 thereof and any authorized agent thereof;

22
 23 SECTION 133. Arkansas Code § 14-164-325 is amended to read as follows:
 24 14-164-325. Taxes not state revenues.

25 It is the express intent of the General Assembly that any tax levied
 26 under the authority of this subchapter by a municipality or county to finance
 27 capital improvements of a public nature or economic development projects
 28 shall not constitute revenues of the state within the meaning of any
 29 constitutional or statutory provisions, but the tax levied under this
 30 subchapter shall at all times continue to be revenues of the particular
 31 municipality or county notwithstanding the participation or involvement, for
 32 the convenience of administration, by the ~~Director~~ Secretary of the
 33 Department of Finance and Administration or the Treasurer of State in the
 34 manner authorized in this subchapter in any phase of collection, holding, or
 35 distribution of proceeds of any tax authorized under this subchapter.

1 SECTION 134. Arkansas Code § 14-164-327(b), concerning capital
2 improvement bonds, local sales and use taxes, and levy, is amended to read as
3 follows:

4 (b) A certified copy of the ordinance or ordinances authorizing the
5 levy of a local sales and use tax or taxes and the issuance of bonds secured
6 by the taxes shall be provided to the ~~Director~~ Secretary of the Department of
7 Finance and Administration and to the Treasurer of State as soon as
8 practicable after the adoption of the taxes.

9
10 SECTION 135. Arkansas Code § 14-164-329(a), concerning capital
11 improvement bonds, local sales and use tax , effective dates for imposition,
12 and termination of tax levy, is amended to read as follows:

13 (a) The levy of a local sales and use tax shall not be effective until
14 after the election has been held and the issuance of bonds has been approved
15 by the voters and the ~~Director~~ Secretary of the Department of Finance and
16 Administration has been given ninety (90) days' notice.

17
18 SECTION 136. The introductory language of Arkansas Code § 14-164-
19 329(b), concerning capital improvement bonds, local sales and use tax ,
20 effective dates for imposition, and termination of tax levy, is amended to
21 read as follows:

22 (b) In order to provide time for the preparations for election set
23 forth in this section and to provide for the accomplishment of the
24 administrative duties of the ~~director~~ secretary, the following effective
25 dates are applicable with reference to any such ordinance levying such tax:

26
27 SECTION 137. Arkansas Code § 14-164-329(b)(1), concerning capital
28 improvement bonds, local sales and use tax, effective dates for imposition,
29 and termination of tax levy, is amended to read as follows:

30 (1)(A) If an election challenge is not filed within thirty (30)
31 days of the date of publication of the proclamation of the results of the
32 election, the tax shall become effective on the first day of the first month
33 of the calendar quarter after the expiration of the thirty-day period for
34 challenge and after a minimum of sixty (60) days' notice has been provided by
35 the ~~director~~ secretary to sellers unless delayed under subdivision (b)(3) of
36 this section.

1 (B) A rate change on a purchase from a printed catalog in
 2 which the purchaser computed the tax based on local tax rates published in
 3 the catalog will be applicable on the first day of a calendar quarter after a
 4 minimum of one hundred twenty (120) days' notice by the ~~director~~ secretary to
 5 the sellers.

6 (C) For sales and use tax purposes only, a local boundary
 7 change will become effective on the first day of a calendar quarter after a
 8 minimum of sixty (60) days' notice by the ~~director~~ secretary to sellers.

9
 10 SECTION 138. Arkansas Code § 14-164-329(c)(2) and (3), concerning
 11 capital improvement bonds, local sales and use tax , effective dates for
 12 imposition, and termination of tax levy, are amended to read as follows:

13 (2) In order to provide for the accomplishment of the
 14 administrative duties of the ~~director~~ secretary and to protect the owners of
 15 the bonds, the tax shall be abolished on the first day of the calendar
 16 quarter after the expiration of ninety (90) days from the date there is filed
 17 with the ~~director~~ secretary a written statement signed by the chief executive
 18 officer of the municipality or county levying the tax and by the trustee for
 19 the bondholders, if a trustee is serving in such capacity, identifying the
 20 tax and the bonds, in which either:

21 (A) The trustee certifies that the trustee has or will
 22 have sufficient funds set aside to pay the principal of and interest on the
 23 bonds when due at maturity or at redemption before maturity and the
 24 municipality or county levying the tax certifies that the tax is not pledged
 25 to any other bonds of such municipality or county; or

26 (B) The municipality or county levying the tax certifies
 27 that there are no longer any bonds outstanding payable from tax collections.

28 (3) In the case of subdivision (c)(2)(B) of this section, there
 29 shall be attached to the written statement proof satisfactory to the ~~director~~
 30 secretary that there are no longer any bonds outstanding payable from tax
 31 collections.

32
 33 SECTION 139. Arkansas Code § 14-164-330 is amended to read as follows:

34 14-164-330. Capital improvement bonds – Local sales and use tax –
 35 Notice to ~~Director~~ Secretary of the Department of Finance and Administration.
 36 As soon as is feasible and no later than ten (10) days following each

1 of the events set forth in the ordinance with reference to the procedure for
 2 the adoption or abolition of the local sales and use tax and the effective
 3 dates of the action, the clerk shall notify the ~~Director~~ Secretary of the
 4 Department of Finance and Administration of such event.

5
 6 SECTION 140. Arkansas Code § 14-164-333(a)(2), concerning capital
 7 improvement bonds, local sales and use taxes, administration, and collection,
 8 is amended to read as follows:

9 (2)(A) The ~~Director~~ Secretary of the Department of Finance and
 10 Administration shall perform all functions incidental to the administration,
 11 collection, enforcement, and operation of the tax, as provided in §§ 26-74-
 12 201 – 26-74-219, 26-74-221, 26-74-315 – 26-74-317, 26-75-201 – 26-75-221, 26-
 13 75-223, 26-75-317, and 26-75-318. Provided, however, to the extent the
 14 provisions of § 14-164-329 conflict with any provisions of § 26-74-101 et
 15 seq. or § 26-75-101 et seq., or any other law, § 14-164-329 shall be deemed
 16 to supersede the conflicting statutes.

17 (B) The tax levied in this subchapter on new and used
 18 motor vehicles shall be collected by the ~~director~~ secretary directly from the
 19 purchaser in the manner prescribed in § 26-52-510.

20
 21 SECTION 141. Arkansas Code § 14-164-333(d), concerning capital
 22 improvement bonds, local sales and use taxes, administration, and collection,
 23 is amended to read as follows:

24 (d)(1) Each vendor who is liable for one (1) or more city sales or use
 25 taxes shall report a combined city sales tax and a combined city use tax on
 26 his or her sales and use tax report. The combined city sales tax is equal to
 27 the sum of all sales taxes levied by a city under this subchapter or any
 28 other provision of the Arkansas Code. The combined city use tax is equal to
 29 the sum of all use taxes levied by a city under this subchapter or any other
 30 provision of the Arkansas Code. This provision applies only to taxes
 31 collected by the ~~director~~ secretary.

32 (2) Each vendor who is liable for one (1) or more county sales
 33 or use taxes shall report a combined county sales tax and a combined county
 34 use tax on his or her sales and use tax report. The combined county sales tax
 35 is equal to the sum of all sales taxes levied by a county under this
 36 subchapter or any other provision of the Arkansas Code. The combined county

1 use tax is equal to the sum of all use taxes levied by a county under this
2 subchapter or any other provision of the Arkansas Code. This provision
3 applies only to taxes collected by the ~~director~~ secretary.

4
5 SECTION 142. Arkansas Code § 14-164-337(f)(1), concerning the pledge
6 of preexisting sales and use taxes, is amended to read as follows:

7 (f)(1) Any moneys collected which, as indicated by a certified copy of
8 an ordinance of the municipality or county previously filed with the ~~Director~~
9 Secretary of the Department of Finance and Administration and the Treasurer
10 of State, are pledged, under the provisions of any act, to secure the
11 retirement of bonds authorized by this subchapter, shall be transmitted by
12 the ~~director~~ secretary to the Treasurer of State.

13
14 SECTION 143. Arkansas Code § 14-164-339(e)(1), concerning the
15 simultaneous pledge of local sales and use taxes, is amended to read as
16 follows:

17 (e)(1) Any moneys collected which, as indicated by a certified copy of
18 an ordinance of the municipality or county previously filed with the ~~Director~~
19 Secretary of the Department of Finance and Administration and the Treasurer
20 of State, are pledged, under the provisions of any act, to secure the
21 retirement of bonds authorized by this subchapter, shall be transmitted by
22 the ~~director~~ secretary to the Treasurer of State.

23
24 SECTION 144. Arkansas Code § 14-164-341(d), concerning bonds for
25 surface transportation projects, is amended to read as follows:

26 (d) A certified copy of the ordinance authorizing the issuance of
27 bonds under this section shall be filed with the ~~Director~~ Secretary of the
28 Department of Finance and Administration and the Treasurer of State as soon
29 as practicable after the approval of the issuance of the bonds by the voters.

30
31 SECTION 145. Arkansas Code § 14-174-102(3), concerning the definition
32 of "director" under the laws governing the economic development tax, is
33 amended to read as follows:

34 (3) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
35 Department of Finance and Administration or any of his or her authorized
36 agents;

1
2 SECTION 146. Arkansas Code § 14-174-109(b)(1), concerning public
3 corporations for economic development, is amended to read as follows:

4 (b)(1) On receipt from the ~~Director~~ Secretary of the Department of
5 Finance and Administration of the net proceeds of the sales and use tax
6 levied or authorized under this subchapter, the local government shall
7 deliver all of the proceeds to the corporation to use in carrying out its
8 functions.

9
10 SECTION 147. Arkansas Code § 15-4-1210(c), concerning the commencement
11 and continuation of existence regarding a newly formed company, is amended to
12 read as follows:

13 (c) A copy of the articles of incorporation or articles of
14 organization so endorsed by the commissioner, as prescribed in § 15-4-1209,
15 shall be filed for recordation in the office of the county clerk in the
16 county in which the principal office of the company is located and a copy
17 shall be delivered to the ~~Director~~ Secretary of the Department of Finance and
18 Administration.

19
20 SECTION 148. Arkansas Code § 15-4-1227(f), concerning the dissolution
21 of a company formed under the County and Regional Industrial Development
22 Company Act, is amended to read as follows:

23 (f) A copy of the certificate of dissolution as accepted and endorsed
24 by the commissioner, as prescribed in subsection (c) of this section, shall
25 be filed for recordation in the office of the county clerk in the county in
26 which the principal office of the company is located, and a copy shall be
27 delivered to the ~~Director~~ Secretary of the Department of Finance and
28 Administration.

29
30 SECTION 149. Arkansas Code § 15-4-1228(d), concerning investigations
31 by the Bank Commissioner or Securities Commissioner and injunctions, is
32 amended to read as follows:

33 (d) A copy of all reports of the investigation or other proceedings
34 conducted pursuant to this section shall be forwarded to the ~~Director~~
35 Secretary of the Department of Finance and Administration.

36

1 SECTION 150. Arkansas Code § 15-4-2008(a)(3), concerning the
 2 disbursement of motion picture rebate incentives, is amended to read as
 3 follows:

4 (3) Provide certification to the ~~Director~~ Secretary of the
 5 Department of Finance and Administration specifying the amount to be remitted
 6 to the production company within one hundred twenty (120) days after the
 7 final expenditure report has been submitted.

8
 9 SECTION 151. The introductory language of Arkansas Code § 15-4-
 10 2008(b), concerning the disbursement of motion picture rebate incentives, is
 11 amended to read as follows:

12 (b) The ~~director~~ secretary, within ten (10) working days after the
 13 receipt of the certification from the division, shall remit the rebate to:

14
 15 SECTION 152. Arkansas Code § 15-4-2703(7)(A), concerning the
 16 definition of "county or state average hourly wage" under the Consolidated
 17 Incentive Act, is amended to read as follows:

18 (7)(A) "County or state average hourly wage" means the weighted
 19 average weekly earnings for Arkansans in all industries, both statewide and
 20 countywide, as calculated by the ~~Department~~ Division of Workforce Services in
 21 its most recent "Annual Covered Employment and Earnings" publication, divided
 22 by forty (40).

23
 24 SECTION 153. The introductory language of Arkansas Code § 15-4-
 25 2703(9)(I), concerning the definition of "eligible businesses" under the
 26 Consolidated Incentive Act, is amended to read as follows:

27 (I) The ~~Executive~~ Director of the Arkansas Economic
 28 Development Commission may classify a nonretail business as an eligible
 29 business if the following conditions exist:

30
 31 SECTION 154. Arkansas Code § 15-4-2703(11), concerning the definition
 32 of "executive director" under the Consolidated Incentive Act, is amended to
 33 read as follows:

34 ~~(11) "Executive director" means the Executive Director of the~~
 35 ~~Arkansas Economic Development Commission;~~

1 SECTION 155. Arkansas Code § 15-4-2703(12)(C), concerning the
2 definition of "existing employees" under the Consolidated Incentive Act, is
3 amended to read as follows:

4 (C) If the ~~Executive~~ Director of the Arkansas Economic
5 Development Commission and the ~~Director~~ Secretary of the Department of
6 Finance and Administration find that a significant impairment of Arkansas job
7 opportunities for existing employees will otherwise occur, they may jointly
8 authorize the counting of existing employees as new full-time permanent
9 employees;

10
11 SECTION 156. Arkansas Code § 15-4-2703(17)(A)(ii)(b), concerning the
12 definition of "in-house research" under the Consolidated Incentive Act of
13 2003 is amended to read as follows:

14 (b) A contractual agreement with a state
15 college, state university, or other research organization to perform research
16 for a targeted business if the ~~Executive~~ Director of the Arkansas Economic
17 Development Commission with the advice of the Board of Directors of the
18 Division of Science and Technology of the Arkansas Economic Development
19 Commission makes a written determination before the research is performed
20 that the research is essential to the core function of the targeted business.

21
22 SECTION 157. Arkansas Code § 15-4-2703(41), concerning the definition
23 of "strategic research" under the Consolidated Incentive Act of 2003, is
24 amended to read as follows:

25 (41) "Strategic research" means research that has strategic
26 economic or long-term commercial value to the state and that is identified in
27 the research and development plan approved from time to time by the ~~Executive~~
28 Director of the Arkansas Economic Development Commission with the advice of
29 the Board of Directors of the Division of Science and Technology of the
30 Arkansas Economic Development Commission;

31
32 SECTION 158. Arkansas Code § 15-4-2705(h)(1), concerning job-creation
33 tax credits, is amended to read as follows:

34 (h)(1) If a business fails to meet the payroll threshold within two
35 (2) years after the signing of the financial incentive agreement or within
36 the time period established by an extension approved by the ~~Director~~

1 Secretary of the Department of Finance and Administration and the ~~Executive~~
2 Director of the Arkansas Economic Development Commission, that business will
3 be liable for repayment of all benefits previously received by the business.
4

5 SECTION 159. Arkansas Code § 15-4-2706(b)(1), concerning investment
6 tax incentives, is amended to read as follows:

7 (b)(1) The award of this incentive shall be at the discretion of the
8 ~~Executive~~ Director of the Arkansas Economic Development Commission.
9

10 SECTION 160. Arkansas Code § 15-4-2706(b)(4), concerning investment
11 tax incentives, is amended to read as follows:

12 (4) Upon approval by the commission, the ~~Executive~~ Director of
13 the Arkansas Economic Development Commission shall transmit an approved
14 financial incentive agreement to the approved company and the Revenue
15 Division of the Department of Finance and Administration.
16

17 SECTION 161. The introductory language of Arkansas Code § 15-4-
18 2706(b)(7), concerning investment tax incentives, is amended to read as
19 follows:

20 (7) Technology-based enterprises, as defined by § 14-164-
21 203(12), may earn, at the discretion of the ~~Executive~~ Director of the
22 Arkansas Economic Development Commission, an income tax credit or sales and
23 use tax credit based on new investment, provided that the technology-based
24 enterprise:
25

26 SECTION 162. Arkansas Code § 15-4-2706(c)(4), concerning investment
27 tax incentives, is amended to read as follows:

28 (4)(A) Upon determination by the ~~Executive~~ Director of the
29 Arkansas Economic Development Commission that the project qualifies for
30 credit under this subsection, the ~~Executive~~ Director of the Arkansas Economic
31 Development Commission shall certify to the ~~Director~~ Secretary of the
32 Department of Finance and Administration that the project qualifies and shall
33 transmit with his or her certification the documents or copies of the
34 documents upon which the certification was based.

35 (B) The ~~Director~~ Secretary of the Department of Finance
36 and Administration shall provide forms to the qualified business on which to

1 claim the credit.

2 (C) At the end of the calendar year in which the
 3 application is made and at the end of each calendar year thereafter until the
 4 project is completed, the qualified business shall certify on the form
 5 provided by the ~~Director~~ Secretary of the Department of Finance and
 6 Administration the amount of expenditures on the project during the preceding
 7 calendar year.

8 (D) Upon receipt of the form certifying expenditures, the
 9 ~~Director~~ Secretary of the Department of Finance and Administration shall
 10 determine the amount due as a credit for the preceding calendar year and
 11 issue a memorandum of credit to the qualified business.

12 (E) The credit against the qualified business's sales and
 13 use tax liability shall be a percentage of the eligible project costs equal
 14 to five-tenths of one percent (0.5%) above the state sales and use tax rate
 15 in effect at the time the financial incentive agreement was signed by the
 16 commission.

17
 18 SECTION 163. Arkansas Code § 15-4-2706(d)(2)(A)(i), concerning
 19 investment tax incentives, is amended to read as follows:

20 (2)(A)(i) A sales and use tax refund of state and local sales
 21 and use taxes, excepting the sales and use taxes dedicated to the Educational
 22 Adequacy Fund created in § 19-5-1227 and the Conservation Tax Fund as
 23 authorized by § 19-6-484, on the purchases of the material used in the
 24 construction of a building or buildings or any addition, modernization, or
 25 improvement thereon for housing any new or expanding qualified business and
 26 machinery and equipment to be located in or in connection with such a
 27 building shall be authorized by the ~~Director~~ Secretary of the Department of
 28 Finance and Administration.

29
 30 SECTION 164. Arkansas Code § 15-4-2706(e)(3) and (4), concerning
 31 investment tax incentives, are amended to read as follows:

32 (3) After the ~~Executive~~ Director of the Arkansas Economic
 33 Development Commission has determined that the project is eligible for the
 34 sales and use tax refund, this determination accompanied by the financial
 35 incentive agreement and any other pertinent documentation shall be forwarded
 36 to the ~~Director~~ Secretary of the Department of Finance and Administration.

1 (4)(A)(i) A sales and use tax refund of state and local sales
 2 and use taxes, excepting the sales and use taxes dedicated to the Educational
 3 Adequacy Fund as authorized by § 26-57-1002(d)(1)(A)(ii)(b) and the
 4 Conservation Tax Fund as authorized by § 19-6-484, on the purchases of the
 5 material used in the construction of a building or buildings or any addition,
 6 modernization, or improvement thereon for housing any new or expanding
 7 qualified business and machinery and equipment to be located in or in
 8 connection with such a building shall be authorized by the ~~Director~~ Secretary
 9 of the Department of Finance and Administration.

10 (ii) The local sales and use tax may be refunded
 11 only from the municipality or county, or both, in which the qualified
 12 business is located.

13 (B) A refund shall not be authorized for:

14 (i) Routine operating expenditures; or

15 (ii) The purchase of replacement items under this
 16 subsection unless the items are necessary for the implementation or
 17 completion of the project.

18
 19 SECTION 165. Arkansas Code § 15-4-2708(e), concerning research and
 20 development tax credits, is amended to read as follows:

21 (e) To claim the credit granted under subsections (b)-(d) of this
 22 section, the taxpayer shall file with his or her return, as an attachment to
 23 the form prescribed by the ~~Director~~ Secretary of the Department of Finance
 24 and Administration, copies of documentation to show that the ~~Executive~~
 25 Director of the Arkansas Economic Development Commission has approved the
 26 research expenditure as a part of a qualified in-house research program or
 27 under the research and development programs of the division.

28
 29 SECTION 166. Arkansas Code § 15-4-2711(g)(2)(A), concerning the
 30 administration of the Consolidated Incentive Act of 2003, is amended to read
 31 as follows:

32 (2)(A) If the ~~Executive~~ Director of the Arkansas Economic
 33 Development Commission and the ~~Director~~ Secretary of the Department of
 34 Finance and Administration find that the approved business has presented
 35 compelling reasons for an extension of time, the ~~Executive~~ Director of the
 36 Arkansas Economic Development Commission may grant an extension of time not

1 to exceed forty-eight (48) months.

2
 3 SECTION 167. Arkansas Code § 15-4-2711(i)(2), concerning the
 4 administration of the Consolidated Incentive Act of 2003, is amended to read
 5 as follows:

6 (2) The ~~Executive~~ Director of the Arkansas Economic Development
 7 Commission and the ~~Director~~ Secretary of the Department of Finance and
 8 Administration may approve the request for extension of time, not to exceed
 9 twenty-four (24) months, for the business to bring the payroll back up to the
 10 requisite threshold amount and may approve the continuation of benefits
 11 during the period the extension is granted.

12
 13 SECTION 168. Arkansas Code § 15-4-2711(1)(2)(B), concerning the
 14 administration of the Consolidated Incentive Act of 2003, is amended to read
 15 as follows:

16 (B) If the ~~Executive~~ Director of the Arkansas Economic
 17 Development Commission finds that the business has presented compelling
 18 reasons for an extension of time, the ~~Executive~~ Director of the Arkansas
 19 Economic Development Commission may grant an extension of time not to exceed
 20 twenty-four (24) months.

21
 22 SECTION 169. Arkansas Code § 15-4-3202(4), concerning the definition
 23 of "Chief Fiscal Officer of the State" under the Arkansas Amendment 82
 24 Implementation Act, is amended to read as follows:

25 (4) "Chief Fiscal Officer of the State" means the Chief Fiscal
 26 Officer of the State of Arkansas, who is also the ~~Director~~ Secretary of the
 27 Department of Finance and Administration;

28
 29 SECTION 170. Arkansas Code § 15-4-3501(c), concerning increased tax
 30 refund for major maintenance and improvement projects, is amended to read as
 31 follows:

32 (c) The increased refund of sales and use taxes for major maintenance
 33 and improvement projects provided in this section is a discretionary
 34 incentive and is not available unless offered by the ~~Executive~~ Director of
 35 the Arkansas Economic Development Commission.

1 SECTION 171. The introductory language of Arkansas Code § 15-4-
2 3501(d), concerning increased tax refund for major maintenance and
3 improvement projects, is amended to read as follows:

4 (d) The ~~Executive~~ Director of the Arkansas Economic Development
5 Commission shall forward the taxpayer's application, financial incentive
6 agreement, any other pertinent documentation, and a written copy of the
7 determination under this subsection to the ~~Director~~ Secretary of the
8 Department of Finance and Administration if the ~~Executive~~ Director of the
9 Arkansas Economic Development Commission:

10
11 SECTION 172. Arkansas Code § 15-4-3501(h), concerning increased tax
12 refund for major maintenance and improvement projects, is amended to read as
13 follows:

14 (h) The ~~Executive~~ Director of the Arkansas Economic Development
15 Commission and the ~~Director~~ Secretary of the Department of Finance and
16 Administration may promulgate rules necessary to implement this section.

17
18 SECTION 173. Arkansas Code § 15-5-202(a)(1), concerning the members of
19 the Board of Directors of the Arkansas Development Finance Authority, is
20 amended to read as follows:

21 (a)(1) The Board of Directors of the Arkansas Development Finance
22 Authority shall consist of the ~~Director~~ Secretary of the Department of
23 Finance and Administration or his or her designee, who shall serve during the
24 ~~director's~~ secretary's absence, and eleven (11) public members to be
25 appointed by the Governor with the advice and consent of the Senate.

26
27 SECTION 174. Arkansas Code § 15-5-120(5) and (6), concerning the
28 definitions of "director" and "pledged fees" under the Petroleum Storage Tank
29 Trust Fund Bond Financing Act, are amended to read as follows:

30 (5) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
31 Department of Finance and Administration;

32 (6) "Pledged fees" means the fees collected by the ~~director~~
33 secretary pursuant to § 8-7-906;

34
35 SECTION 175. Arkansas Code § 15-5-1205(c)(1), concerning the Petroleum
36 Storage Tank Trust Fund Revenue Bond Debt Service Fund and pledge fees, is

1 amended to read as follows:

2 (c)(1) Commencing on the first day of the month next succeeding the
3 issuance of bonds by the authority, the pledged fees shall not be deposited
4 into the State Treasury and shall not be subject to legislative
5 appropriations, but, as received by the ~~Director~~ Secretary of the Department
6 of Finance and Administration or the Treasurer of State, shall be deposited
7 into a bank or banks selected by the authority and approved by the Treasurer
8 of State.

9

10 SECTION 176. Arkansas Code § 15-5-1302(5), concerning the definition
11 of "director" under the Affordable Neighborhood Housing Tax Credit Act of
12 1997, is repealed.

13 ~~(5) "Director" means the Director of the Department of Finance~~
14 ~~and Administration;~~

15

16 SECTION 177. Arkansas Code § 15-5-1303(i) and (j), concerning
17 affordable housing assistance activities, business firms proposing to provide
18 housing assistance, affordable housing units and procedure for approval and
19 tax credits, are amended to read as follows:

20 (i) A copy of the decision of the authority or its delegate shall be
21 transmitted to the ~~Director~~ Secretary of the Department of Finance and
22 Administration and to the Governor.

23 (j) A copy of the certification approved by the authority and a
24 statement of the total amount of credits approved by the authority, the
25 amount of credits previously taken by the taxpayer, and the amount being
26 claimed for the current tax year shall be filed in a manner and form
27 designated by the ~~director~~ secretary for any tax year in which a tax credit
28 is being claimed.

29

30 SECTION 178. Arkansas Code § 15-5-1305 is amended to read as follows:
31 15-5-1305. Rules and regulations.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 and the Arkansas Development Finance Authority shall promulgate rules and
34 regulations necessary to administer the provisions of this subchapter. No
35 rule or portion of a rule promulgated under the authority of this subchapter
36 shall become effective until it has been approved by the ~~director~~ secretary

1 in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et
2 seq.

3
4 SECTION 179. Arkansas Code § 15-5-1603(5), concerning the definition
5 of "review committee" under the Arkansas Risk Capital Matching Fund Act of
6 2007, is amended to read as follows:

7 (5) "Review committee" means a committee composed of the
8 President of the Arkansas Development Finance Authority and the ~~Executive~~
9 Director of the Arkansas Economic Development Commission;

10
11 SECTION 180. Arkansas Code § 15-5-1603(8), concerning the definition
12 of "Venture Capital Investment Trust" under the Arkansas Risk Capital
13 Matching Fund Act of 2007, is amended to read as follows:

14 (8) "Venture Capital Investment Trust" means the public trust
15 formed July 21, 2003, under § 28-72-201 et seq., the trustees of which are
16 the President of the Arkansas Development Finance Authority, the ~~Executive~~
17 Director of the Arkansas Economic Development Commission, and the ~~Director~~
18 Secretary of the Department of Finance and Administration, and that has as a
19 principal purpose increasing the availability of equity capital and near-
20 equity capital for emerging and expanding enterprises in the State of
21 Arkansas.

22
23 SECTION 181. Arkansas Code § 15-11-506(a), concerning contracts for
24 tourism attraction projects, is amended to read as follows:

25 (a) Upon granting final approval, the ~~Executive~~ Director of the
26 Arkansas Economic Development Commission may enter into an agreement with an
27 approved company with respect to its tourism attraction project.

28
29 SECTION 182. Arkansas Code § 15-11-506(b)(1), concerning contracts for
30 tourism attraction projects, is amended to read as follows:

31 (1) The amount of approved costs, which shall be determined by
32 negotiations between the ~~Executive~~ Director of the Arkansas Economic
33 Development Commission and the approved company;

34
35 SECTION 183. Arkansas Code § 15-11-506(b)(2)(B), concerning contracts
36 for tourism attraction projects, is amended to read as follows:

1 (B) Within three (3) months of the completion date, the
2 approved company shall document the actual cost of the tourism attraction
3 project through a certification of such costs by an independent certified
4 public accountant acceptable to the ~~Executive~~ Director of the Arkansas
5 Economic Development Commission; and
6

7 SECTION 184. The introductory language of Arkansas Code § 15-11-
8 506(b)(3)(A)(ii), concerning contracts for tourism attraction projects, is
9 amended to read as follows:

10 (ii) However, the term of the agreement may be
11 extended for up to two (2) additional years by the ~~Executive~~ Director of the
12 Arkansas Economic Development Commission with the advice and consent of the
13 ~~Director~~ Secretary of the Department of Finance and Administration, if the
14 ~~Executive~~ Director of the Arkansas Economic Development Commission determines
15 that:
16

17 SECTION 185. Arkansas Code § 15-11-506(b)(3)(C), concerning contracts
18 for tourism attraction projects, is amended to read as follows:

19 (C) Within forty-five (45) days after the end of each
20 calendar year, the approved company shall supply the ~~Executive~~ Director of
21 the Arkansas Economic Development Commission with such reports and
22 certifications as the ~~Executive~~ Director of the Arkansas Economic Development
23 Commission may request, demonstrating to the satisfaction of the ~~Executive~~
24 Director of the Arkansas Economic Development Commission that the approved
25 company is in compliance with the provisions of this subchapter; and
26

27 SECTION 186. The introductory language of Arkansas Code § 15-11-506(c)
28 -(e), concerning contracts for tourism attraction projects, are amended to
29 read as follows:

30 (c) The agreement shall not be transferable or assignable by the
31 approved company without the written consent of the ~~Executive~~ Director of the
32 Arkansas Economic Development Commission.

33 (d) If the approved company utilizes sales tax credits which are
34 subsequently disallowed, then the approved company will be liable for the
35 payment to the ~~Director~~ Secretary of the Department of Finance and
36 Administration of all taxes resulting from the disallowance of the credits,

1 plus applicable penalties and interest.

2 (e) The ~~Executive~~ Director of the Arkansas Economic Development
3 Commission shall provide a copy of each agreement entered into with an
4 approved company to the ~~Director~~ Secretary of the Department of Finance and
5 Administration.

6
7 SECTION 187. Arkansas Code § 15-11-507 is amended to read as follows:
8 15-11-507. Tourism attraction project sales tax credit.

9 (a) Upon receiving notification from the ~~Executive~~ Director of the
10 Arkansas Economic Development Commission that an approved company has entered
11 into a tourism attraction project agreement and is entitled to the sales tax
12 credits provided by this subchapter, the ~~Director~~ Secretary of the Department
13 of Finance and Administration shall provide the approved company with such
14 forms and instructions as are necessary to claim those credits.

15 (b)(1)(A)(i)(a) An approved company shall be entitled to a credit if
16 the approved company certifies to the ~~Director~~ Secretary of the Department of
17 Finance and Administration that it has expended at least five hundred
18 thousand dollars (\$500,000) in a high-unemployment county and one million
19 dollars (\$1,000,000) in all other counties in approved costs and the
20 ~~Executive~~ Director of the Arkansas Economic Development Commission certifies
21 that the approved company is in compliance with this subchapter.

22 (b)(1) The ~~Director~~ Secretary of the
23 Department of Finance and Administration shall then issue a sales tax credit
24 memorandum to the approved company equal to fifteen percent (15%) of the
25 approved costs.

26 (2) However, in high-unemployment
27 counties the ~~Director~~ Secretary of the Department of Finance and
28 Administration shall issue a credit memorandum to the approved company equal
29 to twenty-five percent (25%) of the approved costs.

30 (c) The sales tax credit memorandum shall not
31 include an offset of the tourism tax levied under § 26-63-401 et seq.

32 (ii) Subsequent requests for credit for additional
33 certified approved costs shall be filed with the Department of Finance and
34 Administration during the term of the agreement.

35 (B)(i) The ~~Director~~ Secretary of the Department of Finance
36 and Administration may require proof of expenditures.

1 (ii) Additional credit memoranda may be issued as
2 the approved company certifies additional expenditures of approved costs.

3 (2)(A) No sales tax credit memorandum shall be issued for any
4 approved costs expended after the expiration of two (2) years from the date
5 the agreement was signed by the ~~Executive~~ Director of the Arkansas Economic
6 Development Commission and the approved company.

7 (B) However, the ~~Executive~~ Director of the Arkansas
8 Economic Development Commission, with the advice and consent of the ~~Director~~
9 Secretary of the Department of Finance and Administration, may authorize
10 sales tax credits for approved costs expended up to four (4) years from the
11 date the agreement was signed if the ~~Executive~~ Director of the Arkansas
12 Economic Development Commission determines that the failure to complete the
13 tourism attraction project within two (2) years resulted from:

14 (i) Unanticipated and unavoidable delay in the
15 construction of the tourism attraction project;

16 (ii) The tourism attraction project, as originally
17 planned, will require more than two (2) years to complete; or

18 (iii) A change in business ownership or business
19 structure resulting from a merger or acquisition.

20 (c) The credit memorandum issued pursuant to subsection (b) of this
21 section may be used to offset a portion of the reported state sales, or gross
22 receipts, tax liability of the approved company for all sales tax reporting
23 periods following the issuance of the credit memorandum, subject to the
24 following limitations:

25 (1) Only increased state sales tax liability as defined in this
26 subchapter may be offset by the issued credit;

27 (2)(A) An approved company whose agreement provides that it
28 shall expend approved costs in excess of five hundred thousand dollars
29 (\$500,000) in a high-unemployment county and one million dollars (\$1,000,000)
30 in all other counties shall be entitled to use one hundred percent (100%) of
31 the issued credit to offset increased state sales tax liability during the
32 first year if its tax liability is equal to or greater than the amount issued
33 in the state sales tax credit memorandum.

34 (B) Unused credits may be carried forward for a period of
35 nine (9) years;

36 (3) All issued credit memoranda shall expire at the end of the

1 month following the expiration of the agreement as provided in § 15-11-506;
2 and

3 (4) Except as provided in § 15-11-511, credit memoranda shall
4 not be used to offset any tax other than state sales tax.

5 (d) The approved company shall have no obligation to refund or
6 otherwise return any amount of this credit to the person from whom the sales
7 tax was collected.

8 (e) By April 1 of each year, the ~~Director~~ Secretary of the Department
9 of Finance and Administration shall certify to the ~~Executive~~ Director of the
10 Arkansas Economic Development Commission the state sales tax liability of the
11 approved companies receiving inducements under this section and the amount of
12 state sales tax credits taken during the preceding calendar year.

13 (f)(1) The ~~Director~~ Secretary of the Department of Finance and
14 Administration may promulgate administrative regulations as are necessary for
15 the proper administration of this subchapter.

16 (2) The ~~Director~~ Secretary of the Department of Finance and
17 Administration may also develop such forms and instructions as are necessary
18 for an approved company to claim the sales tax credit provided by this
19 subchapter.

20 (g)(1) The ~~Director~~ Secretary of the Department of Finance and
21 Administration shall have the authority to obtain any information necessary
22 from the approved company and the ~~Executive~~ Director of the Arkansas Economic
23 Development Commission to verify that approved companies have received the
24 proper amounts of sales tax credits as authorized by this subchapter.

25 (2) The ~~Director~~ Secretary of the Department of Finance and
26 Administration shall demand the repayment of any credits taken in excess of
27 the credit allowed by this subchapter.

28

29 SECTION 188. Arkansas Code § 15-11-509(b), concerning income tax
30 credits for tourism attraction projects, is amended to read as follows:

31 (b) Upon notification from the ~~Executive~~ Director of the Arkansas
32 Economic Development Commission that an approved company has entered into a
33 tourism attraction project agreement and is entitled to the income tax credit
34 provided by this section, the ~~Director~~ Secretary of the Department of Finance
35 and Administration shall provide the approved company with such forms and
36 instructions as are necessary to claim those credits.

1
2 SECTION 189. Arkansas Code § 15-11-511(d)(1), concerning special rules
3 and qualified amusement parks, is amended to read as follows:

4 (d)(1) Notwithstanding the other provisions of this subchapter, a
5 qualified amusement park that on or after January 1, 2006, enters into an
6 agreement that provides that the qualified amusement park shall expend
7 approved costs of more than one million dollars (\$1,000,000) shall be
8 entitled to a sales tax credit if the qualified amusement park certifies to
9 the ~~Director~~ Secretary of the Department of Finance and Administration that
10 it has expended at least one million dollars (\$1,000,000) in approved costs
11 and the ~~Executive~~ Director of the Arkansas Economic Development Commission
12 certifies that the qualified amusement park is in compliance with this
13 subchapter.
14

15 SECTION 190. The introductory language of Arkansas Code § 15-11-
16 511(d)(2), concerning special rules and qualified amusement parks, is amended
17 to read as follows:

18 (2) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall then issue a sales tax credit memorandum to the
20 qualified amusement park equal to twenty-five percent (25%) of the approved
21 costs. The sales tax credit memorandum may be used to offset the liability of
22 the qualified amusement park for:
23

24 SECTION 191. Arkansas Code § 15-11-511(d)(3), concerning special rules
25 and qualified amusement parks, is amended to read as follows:

26 (3) The ~~Director~~ Secretary of the Department of Finance and
27 Administration may require proof of expenditures.
28

29 SECTION 192. The introductory language of Arkansas Code § 15-11-
30 511(d)(5)(B), concerning special rules and qualified amusement parks, is
31 amended to read as follows:

32 (B) However, the ~~Director~~ Secretary of the Department of
33 Finance and Administration, with the advice and consent of the ~~Executive~~
34 Director of the Arkansas Economic Development Commission, may authorize sales
35 tax credits for approved costs expended up to four (4) years from the date
36 the agreement was signed if the ~~Executive~~ Director of the Arkansas Economic

1 Development Commission determines that the failure to complete the tourism
2 attraction project within two (2) years resulted from:

3
4 SECTION 193. Arkansas Code § 15-11-511(d)(8), concerning special rules
5 and qualified amusement parks, is amended to read as follows:

6 (8) By April 1 of each year, the ~~Director~~ Secretary of the
7 Department of Finance and Administration shall certify to the ~~Executive~~
8 Director of the Arkansas Economic Development Commission the state sales tax
9 liability of the qualified amusement parks receiving inducements under this
10 section and the amount of state sales tax credits taken during the preceding
11 calendar year.

12
13 SECTION 194. Arkansas Code § 15-12-103(a), concerning disposition of
14 revenues and grants, is amended to read as follows:

15 (a) All revenues derived from the additional tax levied by § 26-60-
16 105(b) shall be deposited by the ~~Director~~ Secretary of the Department of
17 Finance and Administration into the State Treasury as special revenues.

18
19 SECTION 195. Arkansas Code § 15-12-103(b)(2), concerning disposition
20 of revenues and grants, is amended to read as follows:

21 (2) Ten percent (10%) of the net amount shall be distributed to
22 the Parks and Tourism Fund Account, to be used by the Department of Parks,
23 Heritage, and Tourism, on approval of the Parks, Recreation, and Tourism
24 Grant Advisory Committee, for making grants for outdoor recreational purposes
25 to cities and counties of this state in accordance with the plan; and

26
27 SECTION 196. The introductory language of Arkansas Code § 15-13-203,
28 concerning allowances for variance of the biofuel standard, is amended to
29 read as follows:

30 The ~~Director~~ Secretary of the Department of Finance and Administration
31 may grant a waiver for a variance from the biofuel standard under § 15-13-202
32 if the applicant demonstrates one (1) or more of the following:

33
34 SECTION 197. Arkansas Code § 15-13-205 is amended to read as follows:
35 15-13-205. Rules.

36 The ~~Director~~ Secretary of the Department of Finance and Administration

1 shall promulgate rules and regulations to provide for the administration of
 2 this subchapter.

3
 4 SECTION 198. Arkansas Code § 15-72-608(b), concerning the rules and
 5 regulations concerning taxes and credits for natural gas, is amended to read
 6 as follows:

7 (b) The ~~Director~~ Secretary of the Department of Finance and
 8 Administration shall have authority to make reasonable rules and regulations
 9 for the collection of the taxes and allowance of credit as provided in this
 10 subchapter.

11
 12 SECTION 199. Arkansas Code § 15-74-401(a)(2), regarding penalties for
 13 the sale of nontested gasoline, is amended to read as follows:

14 (2) Fails to comply with all the requirements of any section of
 15 this subchapter or rules and regulations promulgated by the ~~Director~~
 16 Secretary of the Department of Finance and Administration under authority of
 17 this subchapter.

18
 19 SECTION 200. Arkansas Code § 15-74-401(b), regarding penalties for the
 20 sale of nontested gasoline, is amended to read as follows:

21 (b) However, the ~~director~~ secretary, or any of his or her deputies or
 22 inspectors, shall have the power to compromise the penalty herein fixed by
 23 imposing the penalty as the merits of the case demand.

24
 25 SECTION 201. Arkansas Code § 15-74-402 is amended to read as follows:
 26 15-74-402. Rules and regulations.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
 28 shall have authority to promulgate such rules and regulations in regard to
 29 the enforcement of this subchapter as shall not be inconsistent with the
 30 provisions of the subchapter which in his or her judgment will best serve to
 31 carry out the purpose thereof.

32
 33 SECTION 202. Arkansas Code § 15-74-408 is amended to read as follows:
 34 15-74-408. Inspection of dealer records.

35 The person, firm, or corporation who receives motor vehicle fuel must
 36 keep in his or her possession and file in an orderly manner statements

1 showing distillation tests, bills of lading, or invoices, as the case may be,
2 covering each quantity received, and those items are to be subject to
3 inspection by the ~~Director~~ Secretary of the Department of Finance and
4 Administration or his or her authorized agents.

5
6 SECTION 203. Arkansas Code § 15-74-409(c), concerning the testing of
7 oil or gasoline prior to sale, is amended to read as follows:

8 (c) When any person, firm, or corporation shall receive within this
9 state any of the petroleum oils mentioned in this subchapter for the
10 different purposes mentioned in this subchapter, he or she shall at once
11 notify the ~~Director~~ Secretary of the Department of Finance and
12 Administration, or one (1) of his or her deputies or inspectors, of the
13 quantity of the oils received and request the inspection of the oils. If for
14 any reason the deputies or inspectors are not able to promptly test the
15 petroleum oils, the person, firm, or corporation, or any authorized agent
16 thereof, may subject the products of petroleum to the test prescribed by the
17 provisions of this subchapter, and on furnishing the ~~director~~ secretary, or
18 any deputy or inspector, an affidavit that the oils have been subjected to
19 and have met the requirements of the test prescribed by this subchapter, he
20 or she shall be entitled to receive from the ~~director~~ secretary, or deputy or
21 inspector, a certificate showing that the test has been made. The person,
22 firm, or corporation, or any duly authorized agent thereof, may then sell or
23 offer for sale the oils.

24
25 SECTION 204. Arkansas Code § 15-74-410 is amended to read as follows:
26 15-74-410. Records of inspections – Disposition of funds.

27 (a) The ~~Director~~ Secretary of the Department of Finance and
28 Administration, or his or her deputies or inspectors, whose duty it is to
29 enforce this subchapter, shall keep a correct record of all oils and fluids
30 inspected by them in a book provided for by the state for that purpose. They
31 shall have the power to make any necessary investigation to determine whether
32 or not any oils have been inspected before being offered for sale.

33 (b) The ~~director~~ secretary, his or her deputies, or his or her
34 inspectors, shall have the right to administer oaths and inspect any and all
35 records having reference to the receiving, forwarding, transportation, or
36 sale of any oils or fluids.

1 (c) All records kept by the ~~director~~ secretary, or his or her deputies
2 or inspectors, pertaining to the inspection of oils and fluids mentioned in
3 this subchapter shall be open to the inspection of any interested party.
4

5 SECTION 205. Arkansas Code § 16-92-109 is amended to read as follows:

6 16-92-109. Costs and fees – Reimbursement to counties – Definition.

7 (a)(1) As used in this section, “costs incurred by the county” means
8 all costs incurred by the county in bringing to trial or trials any person or
9 persons charged with a felony offense, with a crime committed in furtherance
10 of, or in connection with, an escape from the ~~Department~~ Division of
11 Correction, or with escape from the ~~Department~~ Division of Correction.

12 (2) Costs shall include, but shall not be limited to, salaries
13 and expenses, except normal salaries and expenses incurred by the prosecuting
14 attorney in investigation and prosecution, by the county sheriff in
15 investigation and custody, and by the public defender or court-appointed
16 attorney or attorneys in investigation and defense, as well as all other
17 costs, including the expenses involved in the trial itself.

18 (3) Expenses shall also include extraordinary expenses for such
19 services as witness fees and expenses, court-appointed expert witnesses,
20 reporter fees, costs of preparing transcripts, necessary courtroom security
21 reasonably required to protect the court and participants, and other direct
22 trial costs.

23 (4) Trial shall be deemed to include all pretrial hearings and
24 post-conviction proceedings, if any.

25 (b) Whenever a trial is held in which a crime committed in furtherance
26 of, or in connection with, an escape from the ~~Department~~ Division of
27 Correction is charged or whenever a trial is held for escape from the custody
28 of the ~~Department~~ Division of Correction, the county or counties responsible
29 for the trial or trials of the person or persons charged may apply to the
30 ~~Director~~ Secretary of the Department of Finance and Administration for
31 reimbursement of the total costs incurred by the county or counties in each
32 case.

33 (c)(1) The county responsible for the costs of the felony proceedings
34 or trial on charges of escape or in connection with escape from the
35 ~~Department~~ Division of Correction, shall prepare a statement of all costs
36 incurred in connection with the proceedings, which shall be certified by the

1 presiding judge of the circuit court or courts.

2 (2) The statement of costs incurred by the county or counties
 3 shall be sent to the ~~director~~ secretary together with the county's
 4 application for reimbursement.

5 (d)(1) The ~~director~~ secretary shall audit and examine all statements
 6 of costs incurred by the county received by him or her in accordance with
 7 this section and shall determine whether the costs included in the statements
 8 comply with the provisions of this section.

9 (2) The ~~director~~ secretary shall cause the amount of such costs
 10 as he or she determines comply with this section to be paid to the county or
 11 counties from the Trial Expense Assistance Fund, which is established by this
 12 section on the books of the Treasurer of State, the ~~director~~ secretary, and
 13 the Auditor of State, which shall consist of moneys transferred to the Trial
 14 Expense Assistance Fund, as costs are incurred, from the Miscellaneous
 15 Revolving Fund.

16 (e) The ~~director~~ secretary may make disbursements from the Trial
 17 Expense Assistance Fund to pay court-awarded attorney's fees and costs to
 18 court-appointed attorneys for indigent defendants.

19
 20 SECTION 206. Arkansas Code § 17-21-101(3), concerning the definition
 21 of "director" under the laws governing beauty pageants, is repealed.

22 ~~(3) "Director" means the Director of the Department of Finance~~
 23 ~~and Administration;~~

24
 25 SECTION 207. Arkansas Code § 17-21-103 is amended to read as follows:
 26 17-21-103. Rules and regulations.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
 28 may adopt rules and regulations to administer the provisions of this chapter.
 29 ~~Such~~ The rules and regulations shall be adopted in accordance with the
 30 Arkansas Administrative Procedure Act, § 25-15-201 et seq.

31
 32 SECTION 208. Arkansas Code § 17-21-201(a), concerning the registration
 33 of operators, renewal, and fee, is amended to read as follows:

34 (a) No person shall conduct a beauty pageant in Arkansas unless
 35 registered with the ~~Director~~ Secretary of the Department of Finance and
 36 Administration on forms prescribed by him or her. Registration in another

1 state as a beauty pageant operator shall not be effective in this state.

2
 3 SECTION 209. Arkansas Code § 17-21-202 is amended to read as follows:
 4 17-21-202. Bond.

5 (a) Except as provided in § 17-21-203, each operator shall, at the
 6 time of registration, file and have approved by the ~~Director~~ Secretary of the
 7 Department of Finance and Administration, a bond in which the candidate for
 8 registration shall be the principal obligor in the sum of ten thousand
 9 dollars (\$10,000).

10 (b) The bond shall be payable to the State of Arkansas for the use of
 11 the ~~director~~ secretary and any person who may have a cause of action against
 12 the obligor of the bond for any losses caused by a failure to conduct a
 13 beauty pageant.

14
 15 SECTION 210. Arkansas Code § 17-21-205 is amended to read as follows:
 16 17-21-205. Denial, suspension, revocation of registration.

17 The ~~Director~~ Secretary of the Department of Finance and Administration
 18 may deny, suspend, or revoke a registration for:

- 19 (1) A violation of any of the provisions of this chapter; or
- 20 (2) The making of a false statement on the registration

21 application form.

22
 23 SECTION 211. Arkansas Code § 17-25-205 is amended to read as follows:
 24 17-25-205. Disposition of funds.

25 The fees of the Contractors Licensing Board shall be deposited into
 26 banks to be used by the board in the manner prescribed by law, similar to the
 27 accounts of other examining and licensing boards of the state, and shall be
 28 audited under rules and regulations prescribed by the ~~Director~~ Secretary of
 29 the Department of Finance and Administration.

30
 31 SECTION 212. Arkansas Code § 17-52-313(a)(2), concerning the
 32 disposition of funds by the Secretary of the Arkansas Home Inspector
 33 Registration Board, is amended to read as follows:

34 (2) The ~~secretary~~ Secretary of the Arkansas Home Inspector
 35 Registration Board shall institute a system of books and financial records
 36 satisfactory to the ~~Director~~ Secretary of the Department of Finance and

1 Administration.

2
3 SECTION 213. Arkansas Code § 19-1-201 is amended to read as follows:
4 19-1-201. Chief Fiscal Officer of the State.

5 The ~~Director~~ Secretary of the Department of Finance and Administration
6 shall be the Chief Fiscal Officer of the State.

7
8 SECTION 214. Arkansas Code § 19-1-202, concerning the Director of the
9 Department of Finance and Administration, is amended to read as follows:
10 19-1-202. Director.

11 (a) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall be at least thirty (30) years of age, of good moral
13 character, and of demonstrated ability in the field of his or her employment.

14 (b) Before entering upon his or her duties of employment, the ~~director~~
15 Secretary of the Department of Finance and Administration shall take,
16 subscribe, and file in the office of the Secretary of State an oath or
17 affirmation to support the United States Constitution and the Arkansas
18 Constitution and to faithfully discharge the duties of the employment upon
19 which he or she is about to enter.

20 (c)(1) The ~~director~~ Secretary of the Department of Finance and
21 Administration shall furnish bond to the state, with a corporate surety
22 thereon, in the penal sum of ten thousand dollars (\$10,000), conditioned upon
23 the faithful performance of his or her duties and for the proper accounting
24 for all funds received and disbursed by him or her.

25 (2) The ~~director~~ Secretary of the Department of Finance and
26 Administration shall be the disbursing agent for the Department of Finance
27 and Administration but shall not be required to furnish additional bond as
28 that disbursing agent, nor shall he or she be required to furnish additional
29 bond as disbursing agent of other appropriations for which he or she may be
30 designated disbursing agent under or pursuant to any law of this state unless
31 so directed by the General Assembly.

32 (3) The ~~director~~ Secretary of the Department of Finance and
33 Administration, if he or she deems it advisable, may require other employees
34 of his or her office to furnish bond, in such penal sums as he or she shall
35 determine.

36 (4)(A) The original of the bond of the ~~director~~ Secretary of the

1 Department of Finance and Administration shall be filed in the office of the
2 Secretary of State, and an executed counterpart thereof shall be filed in the
3 office of the Auditor of State.

4 (B) Any bonds which may be required of employees shall be
5 filed with the ~~director~~ Secretary of the Department of Finance and
6 Administration.

7
8 SECTION 215. The introductory language of Arkansas Code § 19-1-203,
9 concerning the Deputy Director of the Department of Finance and
10 Administration, is amended to read as follows:

11 The Deputy Director of the Department of Finance and Administration,
12 acting under the authority granted to him or her by the ~~Director~~ Secretary of
13 the Department of Finance and Administration, and under the laws relating to
14 budget and accounting procedure, shall:

15
16 SECTION 216. Arkansas Code § 19-1-204(a), concerning personnel of the
17 Department of Finance and Administration, is amended to read as follows:

18 (a) Except as otherwise provided for by this subchapter, all of the
19 personnel of the Department of Finance and Administration shall be employed
20 by and serve at the pleasure of the ~~Director~~ Secretary of the Department of
21 Finance and Administration.

22
23 SECTION 217. Arkansas Code § 19-1-206 is amended to read as follows:
24 19-1-206. Seal.

25 The Governor shall procure an official seal for the Department of
26 Finance and Administration. Every paper executed by the ~~Director~~ Secretary of
27 the Department of Finance and Administration or by any other employee of the
28 department and sealed with its official seal shall be received in evidence in
29 any court or other tribunal and may be recorded in the same manner and with
30 like effect as deeds regularly acknowledged.

31
32 SECTION 218. The introductory language of Arkansas Code § 19-1-207,
33 concerning a general accounting system to be enforced by the Director of the
34 Department of Finance and Administration, is amended to read as follows:

35 The ~~Director~~ Secretary of the Department of Finance and Administration
36 shall:

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SECTION 219. Arkansas Code § 19-1-208 is amended to read as follows:
19-1-208. Rules and regulations.

The ~~Director~~ Secretary of the Department of Finance and Administration is vested with the authority to make such reasonable rules and regulations, not inconsistent with the law, as shall be necessary or desirable for the orderly discharge of the duties vested in the Department of Finance and Administration.

SECTION 220. Arkansas Code § 19-1-209(a), concerning the publication of regulations, is amended to read as follows:

(a) The ~~Director~~ Secretary of the Department of Finance and Administration shall publish and furnish copies to all state agencies of such regulations as are issued by him or her, pursuant to the provisions of law, providing for a general accounting procedure.

SECTION 221. The introductory language of Arkansas Code § 19-1-209(b), concerning the publication of regulations, is amended to read as follows:

(b) The ~~director~~ secretary shall also publish, not less often than biennially, a financial report covering the fiscal affairs of the state and state agencies and shall make the report available to:

SECTION 222. Arkansas Code § 19-1-210 is amended to read as follows:
19-1-210. Recordkeeping.

(a) For the purpose of effectively carrying out the fiscal procedures provided for by law, the ~~Director~~ Secretary of the Department of Finance and Administration shall have the authority to install such recordkeeping and other procedures in his or her own office and in other state offices and departments as he or she shall deem necessary or advisable.

(b) The ~~director~~ secretary shall have the authority to require from any state agency any fiscal information which will be necessary for providing adequate records in his or her office and shall prescribe uniform records and forms for all vouchers and other documents which are to be transmitted to the Department of Finance and Administration.

SECTION 223. Arkansas Code § 19-1-211 is amended to read as follows:

1 19-1-211. Investigations.

2 (a)(1) In any matter within the jurisdiction of the Department of
3 Finance and Administration, the ~~Director~~ Secretary of the Department of
4 Finance and Administration shall have the power to make investigations and
5 may delegate that power to any division or section head of the department.

6 (2) For this purpose, the ~~director~~ secretary shall have the
7 power to subpoena witnesses and require the production of any books, records,
8 papers, or documents that may be material or relevant as evidence and to
9 administer oaths to and take the testimony of witnesses.

10 (b)(1) In case of disobedience to any subpoena or other process, the
11 ~~director~~ secretary may invoke the aid, with the written approval of the
12 Governor, of the Pulaski County Circuit Court in requiring the testimony of
13 witnesses and the production of evidence, books, records, papers, or
14 documents.

15 (2)(A) In case of refusal to obey the subpoena issued to any
16 person, firm, or corporation, the circuit court shall issue an order calling
17 such person, firm, or corporation to appear before the ~~director~~ secretary or
18 other employee designated by the ~~director~~ secretary and to produce all books
19 and papers so ordered and give evidence touching the matter in question.

20 (B) Any failure to obey the order of the circuit court may
21 be punished by the circuit court as contempt of the circuit court.

22 (c) A subpoena for a witness may be issued by the ~~director~~ secretary
23 or by any division or section head of the department in whom any such
24 authority may have been vested by the ~~director~~ secretary and shall be served
25 as provided by law for the service of other subpoenas.

26 (d)(1)(A) The failure or refusal of any witness to appear or to
27 produce any books, papers, or documents required by the ~~director~~ secretary
28 and to submit them for inspection or the refusal to answer any relevant
29 question propounded by the ~~director~~ secretary shall constitute a violation
30 punishable by a fine of not less than one hundred dollars (\$100) nor more
31 than five hundred dollars (\$500).

32 (B) Each failure or refusal by any witness to appear or
33 produce any such books, papers, or documents shall constitute a separate
34 offense.

35 (2) False testimony given in any such inquiry shall constitute
36 perjury punishable as provided by law.

1
 2 SECTION 224. The introductory language of Arkansas Code § 19-1-212,
 3 concerning the duty and responsibility of the Director of the Department of
 4 Finance and Administration to avoid deficit, is amended to read as follows:

5 It shall be the duty and responsibility of the ~~Director~~ Secretary of
 6 the Department of Finance and Administration to:

7
 8 SECTION 225. Arkansas Code § 19-1-213(a), concerning the leasing of
 9 state property, is amended to read as follows:

10 (a) The ~~Director~~ Secretary of the Department of Finance and
 11 Administration may lease, with approval of the Governor, any state property,
 12 real or personal, which is not needed for public use, and the leasing of
 13 which is not prohibited by law, where the authority to lease the property is
 14 not vested in any other state agency.

15
 16 SECTION 226. Arkansas Code § 19-1-214 is amended to read as follows:
 17 19-1-214. Federal gifts and surplusage.

18 The ~~Director~~ Secretary of the Department of Finance and Administration
 19 may enter into any contract with the United States ~~of America~~ Government or
 20 with any agency thereof for the purpose of accepting gifts and for the
 21 acquisition of surplus materials or property upon such terms and conditions
 22 as may be agreed upon without regard to the provisions of this subchapter or
 23 any other law that requires advertisement for bids or the soliciting or
 24 receiving of competitive bids.

25
 26 SECTION 227. Arkansas Code § 19-1-405 is amended to read as follows:
 27 19-1-405. State agency employees as disbursing agents.

28 (a)(1) In the event the executive head of any state agency designates
 29 some full-time employee to act as his or her agent in the disbursement of
 30 funds under his or her control, the agent shall furnish additional bond to be
 31 fixed by the ~~Director~~ Secretary of the Department of Finance and
 32 Administration.

33 (2) The executive head of the state agency shall notify the
 34 ~~director~~ secretary and the Auditor of State in writing of the designation and
 35 shall furnish to the ~~director~~ secretary and the Auditor of State a sample of
 36 the signature of the agent.

1 (b) In the event appropriations are made available to a state agency
 2 or to a nongovernment agency or activity and no disbursing agent is provided
 3 for by law, then the ~~director~~ secretary and the Auditor of State shall
 4 designate a person to act as disbursing agent and fix the amount of bond for
 5 such purposes.

6
 7 SECTION 228. Arkansas Code § 19-1-608 is amended to read as follows:
 8 19-1-608. Notification of Department of Finance and Administration –
 9 Review.

10 (a) Within thirty (30) days after the expiration of the time period
 11 for the public officer or employee to effect corrective or remedial action,
 12 the agency shall transfer to the ~~Director~~ Secretary of the Department of
 13 Finance and Administration a document containing a summary of the violation
 14 and any corrective remedial action taken.

15 (b)(1) The ~~director~~ secretary shall review the summaries of violations
 16 received. The ~~director~~ secretary may:

17 (A) Accept the summary and approve the corrective or
 18 remedial action by the agency;

19 (B) Request additional information regarding the violation
 20 and corrective or remedial action by the agency; or

21 (C) Impose additional corrective or remedial action upon
 22 public officers and employees of executive agencies as provided in § 19-1-
 23 609.

24 (2) Quarterly, the ~~director~~ secretary shall submit a summary of
 25 all violations of the fiscal responsibility and management laws, including
 26 any corrective or remedial action by the agency or the ~~director~~ secretary, to
 27 the Governor and members of the General Assembly.

28
 29 SECTION 229. Arkansas Code § 19-1-609 is amended to read as follows:
 30 19-1-609. Executive agencies.

31 (a) Before the ~~Director~~ Secretary of the Department of Finance and
 32 Administration may impose additional corrective or remedial action regarding
 33 public officers or employees of executive agencies, the ~~director~~ secretary
 34 shall conduct an investigation regarding any violation. The public officer or
 35 employee shall be notified and given the opportunity for a hearing conducted
 36 by the ~~director~~ secretary regarding any violation.

1 (b) The ~~director~~ secretary may impose any one (1) or more of the
 2 following as additional corrective or remedial action:

- 3 (1) Oral or written warnings or reprimands;
- 4 (2) Suspension with or without pay for specified periods of
 5 time; or
- 6 (3) Termination of employment.

7
 8 SECTION 230. Arkansas Code § 19-1-610(a), concerning an investigation
 9 and suit by the Attorney General, is amended to read as follows:

10 (a) The ~~Director~~ Secretary of the Department of Finance and
 11 Administration, the Legislative Joint Auditing Committee, or the Legislative
 12 Council may request the office of the Attorney General to review any
 13 information concerning any violation of the fiscal responsibility and
 14 management laws of the state in order to determine whether legal action is
 15 appropriate.

16
 17 SECTION 231. Arkansas Code § 19-2-203(a), concerning receipts by the
 18 Department of Finance and Administration and additional penalties, is amended
 19 to read as follows:

20 (a) If any person, firm, corporation, partnership, or business makes
 21 payment to the Department of Finance and Administration for any license or
 22 fees imposed by the laws of this state by means of a check, draft, or order
 23 drawn on any bank, person, firm, or corporation, and the check, draft, or
 24 order is returned by the bank, person, firm, or corporation without having
 25 been paid in full, then the ~~Director~~ Secretary of the Department of Finance
 26 and Administration is authorized and empowered to impose a penalty. The
 27 penalty shall be in the amount of either ten percent (10%) of the face amount
 28 of the check, draft, or order or twenty dollars (\$20.00), whichever is
 29 greater, against the maker or drawer of the check, draft, or order.

30
 31 SECTION 232. Arkansas Code § 19-2-307 is amended to read as follows:
 32 19-2-307. Rules and regulations.

33 The ~~Director~~ Secretary of the Department of Finance and Administration
 34 is authorized to promulgate such rules and regulations as deemed necessary to
 35 implement the provisions and intent of this subchapter.

1 SECTION 233. Arkansas Code § 19-3-701(b)(5), concerning the creation
2 and members of the State Board of Finance, is amended to read as follows:

3 (5) The ~~Director~~ Secretary of the Department of Finance and
4 Administration;

5
6 SECTION 234. Arkansas Code § 19-4-102(a)(2)(J), concerning the purpose
7 of the General Accounting and Budgetary Procedures Law, is amended to read as
8 follows:

9 (J) Further define the powers and duties of the ~~Director~~
10 Secretary of the Department of Finance and Administration, sometimes referred
11 to as the Chief Fiscal Officer of the State, the Auditor of State, and the
12 Treasurer of State in connection with general accounting, budgetary, and
13 fiscal procedures.

14
15 SECTION 235. The introductory language of Arkansas Code § 19-4-302,
16 concerning budget information forms, is amended to read as follows:

17 To accomplish his or her duties and responsibilities, the ~~Director~~
18 Secretary of the Department of Finance and Administration, in cooperation
19 with the Legislative Council, shall design budget information forms so that
20 comparative data of the last fiscal year, the current fiscal year, and the
21 next biennium are presented so that state agencies can best express budgetary
22 and program information that will be most useful to the Governor or Governor-
23 elect and the General Assembly in order to facilitate program formulation,
24 execution, and accountability by:

25
26 SECTION 236. The introductory language of Arkansas Code § 19-4-303,
27 concerning budget estimates by the Director of the Department of Finance and
28 Administration and the Legislative Council, is amended to read as follows:

29 The ~~Director~~ Secretary of the Department of Finance and Administration,
30 in cooperation with the Legislative Council, shall:

31
32 SECTION 237. The introductory language of Arkansas Code § 19-4-304(a),
33 concerning regular and fiscal session preparations, is amended to read as
34 follows:

35 (a) Immediately after July 1 of each even-numbered calendar year, or
36 earlier if determined necessary, the ~~Director~~ Secretary of the Department of

1 Finance and Administration shall:

2

3 SECTION 238. The introductory language of Arkansas Code § 19-4-304(b),
 4 concerning regular and fiscal session preparations, is amended to read as
 5 follows:

6 (b) The ~~director~~ secretary shall submit the annual revenue forecast to
 7 the Legislative Council:

8

9 SECTION 239. Arkansas Code § 19-4-521(2)(B), concerning the definition
 10 of personal services for employees under the state accounting and budgetary
 11 procedures, is amended to read as follows:

12 (B) This subclassification may be used to pay part-time or
 13 temporary employees who are employed for more than one thousand five hundred
 14 (1,500) hours per fiscal year if specific authorization is provided by law
 15 and if such use is within standards established by the ~~Director~~ Secretary of
 16 the Department of Finance and Administration.

17

18 SECTION 240. Arkansas Code § 19-4-1405(e)(1)(A), concerning bidding
 19 procedures, is amended to read as follows:

20 (e)(1)(A) When it is obvious from examination of the bid document that
 21 it was the intent of a bidder to submit a responsive bid and because of a
 22 scrivener's error, the bid, if accepted, would create a serious financial
 23 loss to the bidder, the ~~Director~~ Secretary of the Department of Finance and
 24 Administration may relieve the bidder from responsibility under his or her
 25 bond and may reject the bid.

26

27 SECTION 241. Arkansas Code § 19-4-1405(e)(3)(A), concerning bidding
 28 procedures, is amended to read as follows:

29 (3)(A) To receive relief under subdivision (e)(1) of this
 30 section, the bidder must serve written notice to the ~~director~~ secretary or to
 31 the chief executive officer or his or her designee of a public institution of
 32 higher education exempt from review and approval of the division any time
 33 after the bid opening, but no later than seventy-two (72) hours after
 34 receiving the intent to award, excluding Saturdays, Sundays, and holidays.

35

36 SECTION 242. Arkansas Code § 19-4-1405(e)(4), concerning bidding

1 procedures, is amended to read as follows:

2 (4) In the event the ~~director~~ secretary or the chief executive
3 officer or his or her designee of a public institution of higher education
4 exempt from review and approval of the division has relieved the bidder from
5 responsibility under his or her bond, action on the remaining bids should be
6 considered as though the withdrawn bid had not been received.

7
8 SECTION 243. Arkansas Code § 19-4-1902 is amended to read as follows:
9 19-4-1902. Preliminary or informal proposals.

10 Preliminary or informal proposals which do not commit personnel, space,
11 facilities, or state funds may be submitted directly to the granting source.
12 However, when the grant requested, if approved, would result in the
13 commitment of state personnel, space, facilities, equipment, or funds, or the
14 program to be proposed by the state agency with the resources from the
15 federal grant has not received specific legislative authorization through an
16 appropriation or specific enabling legislation, the requesting agency shall
17 notify, in writing, the ~~Director~~ Secretary of the Department of Finance and
18 Administration that such preliminary or informal proposal is being made and
19 shall briefly describe it.

20
21 SECTION 244. Arkansas Code § 19-4-1904(a), concerning the receipt of
22 federal funds, is amended to read as follows:

23 (a) When any federal funds, grants, aids, or reimbursements, including
24 unsolicited funds, are received by a state agency, the Department of Finance
25 and Administration shall be notified on forms to be prescribed by the
26 ~~Director~~ Secretary of the Department of Finance and Administration.

27
28 SECTION 245. Arkansas Code § 19-4-1907(a), concerning quarterly
29 reports to be filed with the Legislative Council by the Director of the
30 Department of Finance and Administration, is amended to read as follows:

31 (a) The ~~Director~~ Secretary of the Department of Finance and
32 Administration shall file quarterly reports with the Legislative Council
33 itemizing and summarizing all contracts or agreements entered into by the
34 Governor with the federal government, or any agencies or instrumentalities
35 thereof, whereby the State of Arkansas is to participate in any program
36 involving the expenditure of federal funds. These reports shall be filed,

1 whether or not state funds are obligated in connection therewith, with
2 respect to new federal programs or expansions of existing federal programs
3 which were not in existence or which were not implemented by state
4 participation, at the time of the adjournment of the regular session of the
5 General Assembly and entered into prior to the convening of the next regular
6 session of the General Assembly.

7
8 SECTION 246. Arkansas Code § 19-4-1908(a), concerning the review and
9 continuance of programs by the Legislative Council, is amended to read as
10 follows:

11 (a) The Legislative Council shall review the quarterly reports filed
12 by the ~~Director~~ Secretary of the Department of Finance and Administration as
13 required in this subchapter. The Legislative Council shall submit such
14 findings and recommendations to each succeeding regular session of the
15 General Assembly for enabling legislation to implement, restrict, or prohibit
16 the state's participation in any such new federal program or expanded federal
17 program which was implemented by contract or agreement entered into by the
18 Governor subsequent to the adjournment of the preceding session of the
19 General Assembly.

20
21 SECTION 247. Arkansas Code § 19-5-1136(a), concerning the Animal
22 Rescue and Shelter Trust Fund, is amended to read as follows:

23 (a) As used in this section, "registered governmentally owned animal
24 rescue shelter" means an animal rescue or shelter owned by a county or
25 municipality that has submitted notice to the Department of Finance and
26 Administration as required under subsection (f) of this section and is on the
27 official list of registered governmentally owned animal rescue shelters
28 prepared by the ~~Director~~ Secretary of the Department of Finance and
29 Administration under subsection (f) of this section.

30
31 SECTION 248. Arkansas Code § 19-5-1136(f)(1)(A), concerning the Animal
32 Rescue and Shelter Trust Fund, is amended to read as follows:

33 (f)(1)(A) On or before October 1, 2009, a county or municipality that
34 owns one (1) or more animal rescues or animal shelters on the date that
35 notification is mailed shall notify the ~~director~~ secretary in writing to
36 qualify for funding under this section.

1
2 SECTION 249. Arkansas Code § 19-5-1136(f)(2)(A), concerning the Animal
3 Rescue and Shelter Trust Fund, is amended to read as follows:

4 (2)(A) On or before October 15, 2009, the ~~director~~ secretary
5 shall provide the Treasurer of State with a list of each county and
6 municipality that has registered as owning an animal rescue shelter.
7

8 SECTION 250. Arkansas Code § 19-6-459(1), concerning the Commercial
9 Driver License Fund, is amended to read as follows:

10 (1) Section 19-6-301(148), to be used to establish and maintain
11 the Arkansas Commercial Driver License Program and for other related purposes
12 as required by the ~~Director~~ Secretary of the Department of Finance and
13 Administration in carrying out the functions, powers, and duties of the
14 Revenue Division of the Department of Finance and Administration, as set out
15 in the Arkansas Uniform Commercial Driver License Act, § 27-23-101 et seq. ;
16 and
17

18 SECTION 251. Arkansas Code § 19-7-604(a)(2), concerning federal
19 grants, aids, and reimbursement procedures, is amended to read as follows:

20 (2) Applications shall include, in a manner prescribed by the
21 ~~Director~~ Secretary of the Department of Finance and Administration, a summary
22 of the proposed project.
23

24 SECTION 252. Arkansas Code § 19-7-604(b)(2), concerning federal
25 grants, aids, and reimbursement procedures, is amended to read as follows:

26 (2) In order to eliminate overlap, inefficiency, or a violation
27 of legislative intent, the ~~director~~ secretary may require a review of the
28 proposal, soliciting comment from other agencies which might be affected, and
29 may require the suspension of negotiations until the review is completed.
30

31 SECTION 253. Arkansas Code § 19-7-604(d)(1), concerning federal
32 grants, aids, and reimbursement procedures, is amended to read as follows:

33 (1) When any state agency receives notification of an award of
34 any federal funds, grants, aids, or reimbursements, including unsolicited
35 funds, the department shall be notified on forms to be prescribed by the
36 ~~director~~ secretary.

1
2 SECTION 254. Arkansas Code § 19-7-610 is amended to read as follows:
3 19-7-610. Advice of legislative departments.

4 It is recognized by the legislative and executive departments of
5 government that some of the executive departments' authority or
6 responsibility as provided in this subchapter should possibly have the
7 legislative departments' concurrence before proceeding with such authority or
8 responsibility. The legislative department, via the Legislative Joint
9 Auditing Committee, the Legislative Council, joint interim committees,
10 interim committees, or subcommittees of the foregoing may request the
11 ~~Director~~ Secretary of the Department of Finance and Administration to seek
12 the legislative department's advice before exercising certain authority or
13 responsibility as authorized by this subchapter.
14

15 SECTION 255. Arkansas Code § 19-7-101(a), concerning reports to the
16 Legislative Council, is amended to read as follows:

17 (a) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall file quarterly reports with the Legislative Council
19 itemizing and summarizing all contracts or agreements entered into by the
20 Governor with the federal government, or any agencies or instrumentalities
21 thereof, whereby the State of Arkansas is to participate in any program
22 involving the expenditure of federal funds, whether or not state funds are
23 obligated in connection therewith, with respect to new federal programs, or
24 expansion of existing federal programs which were not in existence or which
25 were not implemented by state participation, at the time of the adjournment
26 of the regular session of the General Assembly and entered into prior to the
27 convening of the next regular session of the General Assembly.
28

29 SECTION 256. Arkansas Code § 19-7-102(a), concerning legislative
30 review of federal programs, is amended to read as follows:

31 (a) The Legislative Council shall review the quarterly reports filed
32 by the ~~Director~~ Secretary of the Department of Finance and Administration as
33 required in § 19-7-101 and shall submit its findings and recommendations to
34 each succeeding regular session of the General Assembly for enabling
35 legislation to implement, restrict, or prohibit the state's participation in
36 any such new federal program or expanded federal program which was

1 implemented by contract or agreement entered into by the Governor subsequent
2 to the adjournment of the preceding session of the General Assembly.

3
4
5 SECTION 257. Arkansas Code § 19-10-101 is amended to read as follows:

6 19-10-101. Investigatory powers.

7 The ~~Director~~ Secretary of the Department of Finance and Administration,
8 as soon as the ~~director~~ secretary learns of facts from which he or she
9 concludes that a claim, other than for personal injury or death of a state
10 employee, may be filed under this chapter against the state or any of its
11 agencies, departments, or institutions, whether or not the claim has already
12 been filed, is authorized and directed to investigate and take evidence
13 concerning the claim. The ~~director~~ secretary is, for this purpose, authorized
14 to exercise all necessary investigatory powers conferred upon him or her by
15 this chapter. All information acquired by the ~~director~~ secretary shall be
16 made available to the Arkansas State Claims Commission prior to the hearing
17 and determination thereof.

18
19 SECTION 258. Arkansas Code § 19-10-406 is amended to read as follows:

20 19-10-406. Report of findings.

21 Upon the allowance or disallowance of any claim, the Workers'
22 Compensation Commission shall immediately transmit a copy of its findings to
23 the ~~Director~~ Secretary of the Department of Finance and Administration and
24 interested parties.

25
26 SECTION 259. Arkansas Code § 19-11-220(b)(2), concerning agency
27 procurement officials, is amended to read as follows:

28 (2)(A) Approval by the Office of State Procurement of contracts
29 administered by the official shall not be required, unless a determination
30 has been made by the ~~Director~~ Secretary of the Department of ~~Finance and~~
31 ~~Administration~~ Transformation and Shared Services that administrative
32 procedures and controls are not adequate.

33 (B)(i) Such a determination shall result in notification
34 by the ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
35 Transformation and Shared Services of the specific deficiencies and the
36 reasons therefor.

1 (ii) After the notification, approval of contracts
 2 by the Office of State Procurement shall be required until the ~~Director~~
 3 Secretary of the Department of ~~Finance and Administration~~ Transformation and
 4 Shared Services determines that the deficiencies have been corrected.

5
 6 SECTION 260. Arkansas Code § 19-11-226(b)(3), concerning
 7 recommendations by the State Procurement Director, is amended to read as
 8 follows:

9 (3) The ~~Director~~ Secretary of the Department of ~~Finance and~~
 10 ~~Administration~~ Transformation and Shared Services may make recommendations to
 11 the State Procurement Director.

12
 13 SECTION 261. Arkansas Code § 19-11-235(b)(2), concerning the
 14 promulgation responsibilities of bidders and offers by the State Procurement
 15 Director, is amended to read as follows:

16 (2) This section is not intended to prohibit the office from
 17 disclosing such information to the Governor, the Attorney General, or the
 18 ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
 19 Transformation and Shared Services when any of those officers deems it
 20 necessary.

21
 22 SECTION 262. Arkansas Code § 19-11-271 is amended to read as follows:
 23 19-11-271. Compliance reporting.

24 (a) Each report required under this subchapter shall be copied to the
 25 ~~Director~~ Secretary of the Department of Finance and Administration, who shall
 26 review each report for compliance with the fiscal responsibility and
 27 management laws of the state under the State Fiscal Management Responsibility
 28 Act, § 19-1-601 et seq.

29 (b) If the ~~director~~ secretary determines that a state agency, agency
 30 procurement official, or state official or employee may be in violation of
 31 the fiscal responsibility and management laws of the state under the State
 32 Fiscal Management Responsibility Act, § 19-1-601 et seq., the ~~director~~
 33 secretary shall notify the chief executive officer of the relevant state
 34 agency.

35
 36 SECTION 263. Arkansas Code § 19-11-705(b) and (c), concerning an

1 employee's conflict of interest, are amended to read as follows:

2 (b) Financial Interest in a Blind Trust. Where an employee or any
3 member of the employee's immediate family holds a financial interest in a
4 blind trust, the employee shall not be deemed to have a conflict of interest
5 with regard to matters pertaining to that financial interest if disclosure of
6 the existence of the blind trust has been made to the ~~Director~~ Secretary of
7 the Department of Finance and Administration.

8 (c) Discovery of Conflict of Interest, Disqualification, and Waiver.
9 Upon discovery of a possible conflict of interest, an employee shall promptly
10 file a written statement of disqualification with the ~~director~~ secretary and
11 shall withdraw from further participation in the transaction involved. The
12 employee may, at the same time, apply to the ~~director~~ secretary in accordance
13 with § 19-11-715(b) for an advisory opinion as to what further application,
14 if any, the employee may have in the transaction, or for a waiver in
15 accordance with § 19-11-715(c).

16
17 SECTION 264. Arkansas Code § 19-11-706 is amended to read as follows:

18 19-11-706. Employee disclosure requirements.

19 (a) Disclosure of Benefit Received from Contract. Any employee who
20 has or obtains any benefit from any state contract with a business in which
21 the employee has a financial interest shall report such benefit to the
22 ~~Director~~ Secretary of the Department of Finance and Administration. However,
23 this section shall not apply to a contract with a business where the
24 employee's interest in the business has been placed in a disclosed blind
25 trust.

26 (b) Failure to Disclose Benefit Received. Any employee who knows or
27 should have known of such benefit and fails to report the benefit to the
28 ~~director~~ secretary is in breach of the ethical standards of this section.

29
30 SECTION 265. The introductory language of Arkansas Code § 19-11-
31 712(b), concerning the civil and administrative remedies against employees
32 who breach ethical standards, is amended to read as follows:

33 (b) Supplemental Remedies. In addition to existing remedies for
34 breach of the ethical standards of this subchapter, or regulations
35 promulgated under this subchapter, the ~~Director~~ Secretary of the Department
36 of Finance and Administration may impose any one (1) or more of the

1 following:

2

3 SECTION 266. The introductory language of Arkansas Code § 19-11-
 4 713(b), concerning the civil and administrative remedies against nonemployees
 5 who breach ethical standards, is amended to read as follows:

6 (b) Supplemental Remedies. In addition to the existing remedies for
 7 breach of the ethical standards of this subchapter, or regulations
 8 promulgated under this subchapter, the ~~Director~~ Secretary of the Department
 9 of Finance and Administration may impose any one (1) or more of the
 10 following:

11

12 SECTION 267. Arkansas Code § 19-11-715 is amended to read as follows:

13 19-11-715. Duties of ~~Director~~ Secretary of the Department of Finance
 14 and Administration.

15 (a) Regulations. The ~~Director~~ Secretary of the Department of Finance
 16 and Administration shall promulgate regulations to implement this subchapter
 17 and shall do so in accordance with this subchapter and the applicable
 18 provisions of the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

19 (b) Advisory Opinions. On written request of employees or contractors
 20 and in consultation with the Attorney General, the ~~director~~ secretary may
 21 render written advisory opinions regarding the appropriateness of the course
 22 of conduct to be followed in proposed transactions. Such requests and
 23 advisory opinions may be duly published in the manner in which regulations of
 24 this state are published. Compliance with the requirements of a duly
 25 promulgated advisory opinion of the ~~director~~ secretary shall be deemed to
 26 constitute compliance with the ethical standards of this subchapter.

27 (c) Waiver. On written request of an employee, the ~~director~~ secretary
 28 may grant an employee a written waiver from the application of § 19-11-705,
 29 which refers to employee conflict of interest, and grant permission to
 30 proceed with the transaction to such extent and upon such terms and
 31 conditions as may be specified. Such waiver and permission may be granted
 32 when the interests of the state so require or when the ethical conflict is
 33 insubstantial or remote.

34

35 SECTION 268. Arkansas Code § 19-11-716(b)(1), concerning participation
 36 in business incubators, regulations, and guidelines, is amended to read as

1 follows:

2 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
3 Administration shall promulgate rules and regulations pursuant to the
4 procedure for adoption as provided under the Arkansas Administrative
5 Procedure Act, § 25-15-201 et seq., and under § 10-3-309 to implement a
6 program allowing admittance to business incubators by faculty or staff of
7 state-supported institutions of higher education or admittance by companies
8 in which faculty or staff may hold an ownership interest.

9

10 SECTION 269. Arkansas Code § 19-11-1014 is amended to read as follows:
11 19-11-1014. Compliance reporting.

12 (a) Each report required under this subchapter shall be copied to the
13 ~~Director~~ Secretary of the Department of Finance and Administration, who shall
14 review each report for compliance with the fiscal responsibility and
15 management laws of the state under the State Fiscal Management Responsibility
16 Act, § 19-1-601 et seq.

17 (b) If the ~~director~~ secretary determines that a state agency, agency
18 procurement official, or state official or employee may be in violation of
19 the fiscal responsibility and management laws of the state under the State
20 Fiscal Management Responsibility Act, § 19-1-601 et seq., the ~~director~~
21 secretary shall notify the chief executive officer of the relevant state
22 agency.

23

24 SECTION 270. Arkansas Code § 20-9-305(a)(1), concerning annual reports
25 by nonprofit hospitals, is amended to read as follows:

26 (a)(1) Any nonprofit hospital association or corporation organized
27 under the laws of this state that operates and maintains a hospital facility
28 in this state primarily for providing hospital services for the employees of
29 any corporation or company engaged in interstate commerce shall file annually
30 with the ~~Director~~ Secretary of the Department of Finance and Administration a
31 detailed report of income, fees, charges, and contributions from all sources
32 received by it during the year, together with the expenses and disbursements
33 of the corporation or association during the year.

34

35 SECTION 271. Arkansas Code § 20-17-502(c), concerning the Organ Donor
36 Awareness Education Trust Fund, is amended to read as follows:

1 (c) The ~~Director~~ Secretary of the Department of Finance and
2 Administration may accept any gifts, grants, bequests, devises, and donations
3 made to the State of Arkansas for the purposes of organ donor awareness
4 education. Moneys received for the purposes stated in this section shall be
5 deposited into the fund.

6
7 SECTION 272. Arkansas Code § 20-17-502(e), concerning the Organ Donor
8 Awareness Education Trust Fund, is amended to read as follows:

9 (e) The ~~director~~ secretary shall grant funds available and
10 appropriated from the fund to the Arkansas Regional Organ Recovery Agency,
11 Inc. or its successor agency to be used for educational or informational
12 materials and other related costs associated with informing or educating the
13 public about organ donations and organ donation awareness.

14
15 SECTION 273. Arkansas Code § 20-27-2105(c), concerning certification
16 and product change regarding cigarettes, is amended to read as follows:

17 (c) The Director of Arkansas Tobacco Control shall make the
18 certifications available to the Attorney General and the ~~Director~~ Secretary
19 of the Department of Finance and Administration for purposes consistent with
20 this subchapter.

21
22 SECTION 274. The introductory language of Arkansas Code § 20-27-
23 2107(f)(1), concerning penalties for selling cigarettes other than by a
24 retail sale, is amended to read as follows:

25 (f)(1) An authorized representative of the ~~Director~~ Secretary of the
26 Department of Finance and Administration or the Director of Arkansas Tobacco
27 Control may seize and take possession of cigarettes:

28
29 SECTION 275. Arkansas Code § 20-27-2108(b), concerning implementation
30 the Arkansas Cigarette Fire Safety Standard Act, of is amended to read as
31 follows:

32 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
33 Administration, the Director of Arkansas Tobacco Control, and their
34 employees, in the regular course of conducting inspections of wholesalers and
35 retailers, as authorized under the Arkansas Tobacco Products Tax Act of 1977,
36 § 26-57-201 et seq., may inspect cigarettes to determine if the cigarettes

1 are marked as required by § 20-27-2106.

2 (2) If the ~~Director~~ Secretary of the Department of Finance and
 3 Administration discovers cigarettes that are not marked as required, the
 4 ~~Director~~ Secretary of the Department of Finance and Administration shall
 5 notify the Director of Arkansas Tobacco Control.

6
 7 SECTION 276. Arkansas Code § 20-27-2109 is amended to read as follows:
 8 20-27-2109. Inspection.

9 (a) To enforce the provisions of this subchapter, the Attorney
 10 General, the ~~Director~~ Secretary of the Department of Finance and
 11 Administration, the Director of Arkansas Tobacco Control, and their
 12 authorized representatives may examine the books, papers, invoices, and other
 13 records of a person in possession, control, or occupancy of premises where
 14 cigarettes are placed, stored, sold, or offered for sale, as well as the
 15 stock of cigarettes on the premises.

16 (b) Every person in possession, control, or occupancy of premises
 17 where cigarettes are placed, stored, sold, or offered for sale shall give the
 18 Attorney General, the ~~Director~~ Secretary of the Department of Finance and
 19 Administration, the Director of Arkansas Tobacco Control, and their
 20 authorized representatives the means, facilities, and opportunity for the
 21 examinations authorized by this section.

22
 23 SECTION 277. Arkansas Code § 20-79-206(b), concerning the operation of
 24 rehabilitation facilities by the Arkansas Rehabilitation Services, is amended
 25 to read as follows:

26 (b) Gifts, grants, fees for services, income from the sale of products
 27 or items of manufacture or handwork, and donations may be deposited into one
 28 (1) or more banks and expended by the appropriate division of the Department
 29 of Human Services, in compliance with the rules and regulations of the
 30 ~~Director~~ Secretary of the Department of Finance and Administration, in the
 31 establishment and operation of rehabilitation facilities and such other
 32 program services as may be determined by the appropriate division of the
 33 Department of Human Services, which are consistent with the purposes of this
 34 subchapter.

35
 36 SECTION 278. Arkansas Code § 21-1-404(a), concerning the rules,

1 regulations, and disclosure statements regarding the Director of the
2 Department of Finance and Administration, is amended to read as follows:

3 (a) The ~~Director~~ Secretary of the Department of Finance and
4 Administration is authorized to promulgate and implement any necessary rules,
5 regulations, or policies to ensure compliance with this subchapter subject to
6 the prior review and approval of the Joint Budget Committee during
7 legislative sessions and the Legislative Council between legislative
8 sessions.

9
10 SECTION 279. Arkansas Code § 21-1-704(c)(2)(A)(ii), concerning
11 nonbinding mediation, is amended to read as follows:

12 (ii) The mediator shall report within ten (10)
13 business days of the nonbinding mediation his or her suggested resolution to
14 the ~~Director~~ Secretary of the Department of Finance and Administration.

15
16 SECTION 280. Arkansas Code § 21-2-705(a)(3) and (4), concerning the
17 creation of the Governmental Bonding Board, are amended to read as follows:

18 (3) The Commissioner of Primary and Secondary Education;

19 (4) The ~~Director~~ Secretary of the Department of Finance and
20 Administration; and

21
22 SECTION 281. Arkansas Code § 21-2-705(b)(1), concerning the creation
23 of the Governmental Bonding Board, is amended to read as follows:

24 (b)(1) The members of the board shall receive no compensation for
25 their services, but members other than the Commissioner of Primary and
26 Secondary Education, the ~~Director~~ Secretary of the Department of Finance and
27 Administration, and the Insurance Commissioner may receive expense
28 reimbursement in accordance with § 25-16-901 et seq.

29
30 SECTION 282. Arkansas Code § 21-2-710(a)(1)(A), concerning billing
31 certification, payment, and deposits regarding the Governmental Bonding
32 Board, is amended to read as follows:

33 (1)(A) Department of Finance and Administration. Upon receipt of
34 this certification, the ~~Director~~ Secretary of the Department of Finance and
35 Administration shall pay it from funds specifically appropriated for it by
36 the General Assembly or from other funds available therefor.

1
2 SECTION 283. Arkansas Code § 21-3-802(d)(2), concerning the
3 recruitment of retired employees, is amended to read as follows:

4 (2) Upon receiving certification of the cost by the Executive
5 Director of the Arkansas Public Employees' Retirement System, the ~~Director~~
6 Secretary of the Department of Finance and Administration shall transfer the
7 actuarial cost from the fund of the agency that employed the person under the
8 program to the Arkansas Public Employees' Retirement System Fund.

9
10 SECTION 284. The introductory language of Arkansas Code § 21-4-214(g),
11 concerning the catastrophic leave program, is amended to read as follows:

12 (g) The ~~Director~~ Secretary of the Department of Finance and
13 Administration, or the ~~director's~~ secretary's designee, shall establish
14 policies and procedures:

15
16 SECTION 285. Arkansas Code § 21-5-402(a)(1)(D) and (E), concerning the
17 creation and members of the State and Public School Life and Health Insurance
18 Board, are amended to read as follows:

19 (D) The Commissioner of Primary and Secondary Education or
20 his or her designee;

21 (E) The ~~Director~~ Secretary of the Department of Finance
22 and Administration or his or her designee;

23
24 SECTION 286. The introductory language of Arkansas Code § 21-5-511(f),
25 concerning the automatic enrollment in deferred compensation plans, is
26 amended to read as follows:

27 (f) The ~~Director~~ Secretary of the Department of Finance and
28 Administration shall promulgate rules to:

29
30 SECTION 287. Arkansas Code § 21-11-105(a)(2), concerning the
31 Suggestion Award Board, is amended to read as follows:

32 (2) The membership of the board shall consist of the ~~Director~~
33 Secretary of the Department of Finance and Administration, the Personnel
34 Director, who shall serve as chair, and the cochair of the Legislative
35 Council.

36

1 SECTION 288. Arkansas Code § 22-2-105 is amended to read as follows:

2 22-2-105. ~~Director~~ Secretary of the Department of ~~Finance and~~
3 ~~Administration~~ Transformation and Shared Services – Duties.

4 (a) The ~~Director~~ Secretary of the Department of ~~Finance and~~
5 ~~Administration~~ Transformation and Shared Services may hire sufficient staff
6 as authorized by legislation to perform the duties of the Building Authority
7 Division of the Department of ~~Finance and Administration~~. Personnel employed
8 by the ~~director~~ secretary shall be compensated according to the Uniform
9 Classification and Compensation Act, § 21-5-201 et seq., for similar duties
10 and responsibilities.

11 (b) The ~~director~~ secretary shall be responsible for administering the
12 rules, regulations, and policies adopted by the Department of ~~Finance and~~
13 ~~Administration~~ Transformation and Shared Services pursuant to the provisions
14 of this chapter.

15 (c) The ~~director~~ secretary shall be the disbursing agent for the
16 division and shall pay any and all accounts. The disbursing agent shall
17 furnish and keep in effect a bond to the state with a corporate surety
18 thereon which, together with any other bonds furnished by him or her, shall
19 total in final sum not less than fifty thousand dollars (\$50,000) and is
20 conditioned that he or she will faithfully perform his or her duties and
21 properly handle all funds received and disbursed by him or her and account
22 for those funds. The bond so furnished shall be filed in the office of the
23 Auditor of State. The premium on the bond shall be a proper charge against
24 funds of the division.

25
26 SECTION 289. Arkansas Code § 22-2-110 is amended to read as follows:

27 22-2-110. Schedule of supervision generally.

28 The powers, authorities, and responsibilities of the ~~Director~~ Secretary
29 of the Department of ~~Finance and Administration~~ Transformation and Shared
30 Services relating to the acquisition of properties and to the supervision of
31 all capital improvements, as defined in § 22-2-102, shall be in accordance
32 with the schedules of supervision as provided in §§ 22-2-111 – 22-2-113.

33
34 SECTION 290. Arkansas Code § 22-2-112(b), concerning the schedule of
35 supervision and type two designated funds regarding the construction or
36 purchases of public buildings or capital improvements, is amended to read as

1 follows:

2 (b) The division shall review and approve architectural and
 3 engineering design plans and construction plans to ensure compliance with
 4 minimum design and construction standards and criteria promulgated by the
 5 ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
 6 Transformation and Shared Services pursuant to this chapter.

7
 8 SECTION 291. Arkansas Code § 22-2-113(a)(3), concerning the schedule
 9 of supervision and type three designated funds and all other cases regarding
 10 the construction of public buildings or capital improvements, is amended to
 11 read as follows:

12 (3) Review and approve architectural and engineering plans and
 13 designs to ensure compliance with minimum design and construction standards
 14 and criteria promulgated by the ~~Director~~ Secretary of the Department of
 15 ~~Finance and Administration~~ Transformation and Shared Services pursuant to
 16 this chapter;

17
 18 SECTION 292. Arkansas Code § 22-2-113(a)(7)(A), concerning the
 19 schedule of supervision and type three designated funds and all other cases
 20 regarding the construction of public buildings or capital improvements, is
 21 amended to read as follows:

22 (7)(A) Review and approve construction plans to ensure
 23 compliance with minimum construction standards and criteria promulgated by
 24 the ~~director~~ secretary as provided in this chapter.

25
 26 SECTION 293. Arkansas Code § 22-2-113(a)(9) and (10), concerning the
 27 schedule of supervision and type three designated funds and all other cases
 28 regarding the construction of public buildings or capital improvements, are
 29 amended to read as follows:

30 (9) Assist and advise the state agency as to the operation,
 31 management, and maintenance of the capital improvement. However, the
 32 operation, management, and maintenance shall be in accordance with minimum
 33 standards as promulgated by the ~~director~~ secretary; and

34 (10) Otherwise take such action as may be necessary to carry out
 35 the policies, standards, criteria, and other rules and regulations as may be
 36 adopted or promulgated by the ~~director~~ secretary to implement the provisions

1 of this chapter.

2

3 SECTION 294. Arkansas Code § 22-2-114(a)(3), concerning leasing
 4 responsibilities of the Building Authority Division of the Department of
 5 Finance and Administration, is amended to read as follows:

6 (3) Any state agency or component part thereof needing new or
 7 additional space shall notify the division, and the division shall prepare a
 8 lease for the space based upon the standards and criteria as adopted by the
 9 ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
 10 Transformation and Shared Services. If space is available in a public
 11 building, the lease will be negotiated for placement in the public building;

12

13 SECTION 295. Arkansas Code § 22-2-114(a)(5)(A)(i), concerning leasing
 14 responsibilities of the Building Authority Division of the Department of
 15 Finance and Administration, is amended to read as follows:

16 (5)(A)(i) The ~~director~~ secretary shall adopt standards and
 17 criteria for the leasing and utilization of space and the allocation of space
 18 to state agencies.

19

20 SECTION 296. Arkansas Code § 22-2-114(a)(6), concerning leasing
 21 responsibilities of the Building Authority Division of the Department of
 22 Finance and Administration, is amended to read as follows:

23 (6) Leases as to office space, buildings, structures, parking
 24 lots, and grounds from private individuals, firms, and corporations by state
 25 agencies and component parts thereof shall be on a standard lease form
 26 approved by the ~~director~~ secretary. The standard lease form shall contain all
 27 terms and conditions deemed necessary based on the type and purpose of the
 28 leased property. The ~~director~~ secretary also shall adopt a standard lease
 29 form to be used by state agencies when subleasing from the division. Both
 30 standard lease forms shall be approved as to the legality of form and content
 31 by the Attorney General before becoming a requirement; and

32

33 SECTION 297. Arkansas Code § 22-2-115(a), concerning lease-purchase
 34 agreements, is amended to read as follows:

35 (a) For the express purpose of providing adequate office facilities,
 36 the ~~Director~~ Secretary of the Department of ~~Finance and Administration~~

1 Transformation and Shared Services, acting as the primary lessor, may enter
2 into lease-purchase agreements to obtain facilities for state agencies. Each
3 lease-purchase agreement shall contain a provision whereby the agreement
4 shall be cancelled at the close of each fiscal biennium, if necessary, if
5 funds for the payment of the rent under the lease-purchase agreement will not
6 be available.

7
8 SECTION 298. Arkansas Code § 22-2-115(b)(1), concerning lease-purchase
9 agreements, is amended to read as follows:

10 (b)(1) The ~~director~~ secretary shall make the final determination
11 regarding the location or construction of facilities with the advice and
12 consent of the appropriate state agency.

13
14 SECTION 299. Arkansas Code § 22-2-120(b), concerning exemptions from
15 statutes concerning the Capitol Zoning District, is amended to read as
16 follows:

17 (b) The ~~Director~~ Secretary of the Department of ~~Finance and~~
18 ~~Administration~~ Transformation and Shared Services shall endeavor to cooperate
19 with the Capitol Zoning District Commission so as to establish coordinated
20 physical development in the State Capitol area and to promote the uniform and
21 appropriate regulation and development of the State Capitol area.

22
23 SECTION 300. Arkansas Code § 22-3-405(b)(2), concerning the creation,
24 members, and meetings of the Capitol Parking Control Committee, is amended to
25 read as follows:

26 (2) The ~~Director~~ Secretary of the Department of ~~Finance and~~
27 ~~Administration~~ Transformation and Shared Services or his or her designee; and

28
29 SECTION 301. Arkansas Code § 22-3-405(c), concerning the creation,
30 members, and meetings of the Capitol Parking Control Committee, is amended to
31 read as follows:

32 (c) The Secretary of State shall be the chair of the committee, and
33 the ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
34 Transformation and Shared Services or his or her designee shall serve as
35 secretary of the committee.

36

1 SECTION 302. Arkansas Code § 22-3-906 is amended to read as follows:
 2 22-3-906. ~~Director~~ Secretary of the Department of Finance and
 3 Administration.

4 (a) The ~~Director~~ Secretary of the Department of ~~Finance and~~
 5 ~~Administration~~ Transformation and Shared Services shall be the custodian of
 6 all property held in the name of the Building Authority Division ~~of the~~
 7 ~~Department of Finance and Administration~~, shall be its disbursing agent and
 8 executive officer, and shall administer the provisions of this subchapter and
 9 the rules, regulations, and orders established thereunder.

10 (b) The ~~director~~ secretary shall employ such assistants and other
 11 personnel as are, in his or her opinion, necessary to properly administer the
 12 provisions of this subchapter.

13 (c)(1) The ~~director~~ secretary shall furnish bond to the state, with a
 14 corporate surety thereon, in the penal sum of twenty-five thousand dollars
 15 (\$25,000), conditioned that he or she will faithfully perform his or her
 16 duties and properly account for all funds received and disbursed by him or
 17 her.

18 (2) An additional disbursing agent's bond shall not be required
 19 of the ~~director~~ secretary, and the bond so furnished shall be filed in the
 20 office of the Secretary of State, and an executed counterpart thereof shall
 21 be filed with the Auditor of State.

22 (3) The premium on the bond shall be a proper charge against the
 23 funds under the control of the ~~director~~ secretary.

24
 25 SECTION 303. Arkansas Code § 22-3-918(d), concerning a notice for bids
 26 for construction, bonds, and execution of contracts regarding the Building
 27 Authority Division of the Department of Finance and Administration, is
 28 amended to read as follows:

29 (d) The ~~Director~~ Secretary of the Department of ~~Finance and~~
 30 ~~Administration~~ Transformation and Shared Services shall execute all contracts
 31 awarded by the division.

32
 33 SECTION 304. Arkansas Code § 22-3-1011(c), concerning the
 34 establishment of bank accounts, deposits, and withdrawals by the Department
 35 of Parks and Tourism, is amended to read as follows:

36 (c)(1) All withdrawals of funds in the bank accounts shall be made by

1 use of voucher-checks, the form of which shall be prescribed by the ~~Director~~
 2 Secretary of the Department of Finance and Administration.

3 (2) All voucher-checks so drawn are subject to preaudit by the
 4 ~~Director~~ Secretary of the Department of Finance and Administration.

5
 6 SECTION 305. Arkansas Code § 22-3-1208(d), concerning a certificate of
 7 indebtedness, terms and execution, is amended to read as follows:

8 (d) The certificates of indebtedness shall be executed on behalf of
 9 the division by the ~~Director~~ Secretary of the Department of Finance and
 10 Administration.

11
 12 SECTION 306. Arkansas Code § 22-3-1404(8), concerning the powers of
 13 the Building Authority Division of the Department of Finance and
 14 Administration, is amended to read as follows:

15 (8) Take such other actions not inconsistent with law as may be
 16 necessary or desirable to carry out the powers, purposes, and authority as
 17 set forth in this section in accordance with the policies promulgated by the
 18 ~~Director~~ Secretary of the Department of ~~Finance and Administration~~
 19 Transformation and Shared Services.

20
 21 SECTION 307. Arkansas Code § 22-3-1405(4), concerning the duties of
 22 the Building Authority Division of the Department of Finance and
 23 Administration, is amended to read as follows:

24 (4) Take such other actions not inconsistent with law as may be
 25 necessary or desirable to carry out the powers, purposes, and authority set
 26 forth herein, in accordance with the policies promulgated by the ~~Director~~
 27 Secretary of the Department of ~~Finance and Administration~~ Transformation and
 28 Shared Services as authorized by law.

29
 30 SECTION 308. Arkansas Code § 22-3-1902(a), concerning rules regarding
 31 the Sustainable Design Program for State Agencies, is amended to read as
 32 follows:

33 (a) The ~~Director~~ Secretary of the Department of ~~Finance and~~
 34 ~~Administration~~ Transformation and Shared Services shall promulgate rules for
 35 the implementation of the Sustainable Building Design Program for State
 36 Agencies.

1
2 SECTION 309. Arkansas Code § 22-4-106(a), concerning the procedures
3 for establishing and acquiring property for state parks, is amended to read
4 as follows:

5 (a) The Department of Parks, Heritage, and Tourism and the State
6 Parks, Recreation, and Travel Commission are directed to consult with and
7 seek the advice of the Governor, the ~~Director~~ Secretary of the Department of
8 Finance and Administration, and the Legislative Council before establishing
9 and acquiring properties for new state parks or before making acquisitions of
10 real property for additions to or expansions of existing state parks which
11 have not been specifically authorized or funded by the General Assembly.
12

13 SECTION 310. Arkansas Code § 22-5-804(a)(1)(A), concerning leases,
14 permits, Natural Resources Committee, and the Arkansas State Game and Fish
15 Commission, is amended to read as follows:

16 (A) The ~~Director~~ Secretary of the Department of Finance
17 and Administration;
18

19 SECTION 311. Arkansas Code § 22-5-804(a)(1)(E), concerning leases,
20 permits, Natural Resources Committee, and the Arkansas State Game and Fish
21 Commission, is amended to read as follows:

22 (E) The ~~Executive~~ Director of the Arkansas Natural
23 Resources Commission;
24

25 SECTION 312. Arkansas Code § 22-5-804(a)(1)(H) and (I), concerning
26 leases, permits, Natural Resources Committee, and the Arkansas State Game and
27 Fish Commission, are amended to read as follows:

28 (H) The ~~Director~~ Secretary of the Department of Parks,
29 Heritage, and Tourism;

30 (I) The Director of the ~~Arkansas Department~~ Division of
31 Environmental Quality; and
32

33 SECTION 313. Arkansas Code § 22-6-601(a)(1)(A), concerning the
34 procedure for the sale of state lands, is amended to read as follows:

35 (a)(1)(A) The several state boards or commissions having supervision
36 of the affairs of the charitable, penal, correctional, educational, and other

1 institutions of the State of Arkansas and all other state boards and
2 commissions, except the State Highway Commission, the Arkansas State Game and
3 Fish Commission, the Arkansas Natural Heritage Commission, the State Parks,
4 Recreation, and Travel Commission, the ~~Department~~ Division of Higher
5 Education, and institutions of higher education, and the executive heads of
6 all state offices, departments, and agencies, all referred to separately as
7 "state agency", may sell or purchase, for cash in hand and upon compliance
8 with the provisions of this section, the lands, in whole or in part,
9 belonging to or under the supervision or control of the respective state
10 agency or belonging to the state and held for the use or benefit of the state
11 agency.

12
13 SECTION 314. Arkansas Code § 22-6-601(a)(2)(D), concerning the
14 procedure for the sale of state lands, is amended to read as follows:

15 (D) The exchange of state lands for other lands which are
16 suitable for state purposes if the ~~Director~~ Secretary of the Department of
17 ~~Finance and Administration~~ Transformation and Shared Services has made a
18 recommendation to the Governor that the exchange be made and if the Governor
19 has approved the exchange.

20
21 SECTION 315. Arkansas Code § 22-6-601(b), concerning the procedure for
22 the sale of state lands, is amended to read as follows:

23 (b)(1) State agencies may transfer lands in whole or in part to the
24 Building Authority Division ~~of the Department of Finance and Administration~~
25 for the use of that agency or other state agencies.

26 (2) In the event that the ~~division~~ Building Authority Division
27 shall sell the lands at a later date, the provisions of this section shall
28 apply, and the proceeds of the sale, less any expenses and liquidated
29 damages, shall be deposited into the State Treasury as a nonrevenue receipt
30 to the credit of the fund from which the agency that transferred the land to
31 the ~~division~~ Building Authority Division is operated.

32
33 SECTION 316. Arkansas Code § 22-6-601(c)(1), concerning the procedure
34 for the sale of state lands, is amended to read as follows:

35 (c)(1) In the event that a state agency elects to sell certain of its
36 lands or to purchase lands, the agency shall certify to the ~~division~~ Building

1 Authority Division its proposal for any sale or purchase.

2
3 SECTION 317. Arkansas Code § 22-6-601(c)(2)(A), concerning the
4 procedure for the sale of state lands, is amended to read as follows:

5 (2)(A) The state agency proposing the sale or purchase of land
6 shall obtain the services of a qualified appraiser to appraise the lands so
7 proposed to be sold or purchased, with notice to the ~~Director~~ Secretary of
8 the ~~Department of Finance and Administration~~ Transformation and Shared
9 Services.

10
11 SECTION 318. Arkansas Code § 22-6-601(d), concerning the procedure for
12 the sale of state lands, is amended to read as follows:

13 (d)(1) The ~~Director of the Department of Finance and Administration~~
14 Secretary of the Department of Transformation and Shared Services shall
15 furnish to the Governor:

16 (A) The appraisal;
17 (B) The agency proposal to sell or purchase; and
18 (C) The ~~division's~~ Building Authority Division's
19 recommendations.

20 (2) The Governor, if he or she approves the proposed sale or
21 purchase, shall endorse his or her approval of the proposal and transmit a
22 copy of the proposal to the ~~Director~~ Secretary of the Department of Finance
23 and Administration and the Secretary of the Department of Transformation and
24 Shared Services.

25
26 SECTION 319. Arkansas Code § 22-6-601(e)(1), concerning the procedure
27 for the sale of state lands, is amended to read as follows:

28 (e)(1) The ~~division~~ Building Authority Division shall give notice of
29 the terms of the sale by publication in one (1) newspaper regularly published
30 in Little Rock, Arkansas, and having a general circulation in the State of
31 Arkansas, by four (4) weekly insertions therein.

32
33 SECTION 320. Arkansas Code § 22-6-601(f), concerning the procedure for
34 the sale of state lands, is amended to read as follows:

35 (f) The notice shall specify a time and place, which time shall be not
36 less than thirty (30) days from and after the date of the first insertion of

1 the notice, for the receipt by the ~~division~~ Building Authority Division of
 2 sealed bids for the purchase of the lands.

3
 4 SECTION 321. Arkansas Code § 22-6-601(g)(4), concerning the procedure
 5 for the sale of state lands, is amended to read as follows:

6 (4) The ~~division~~ Building Authority Division, at the time and
 7 place specified in the notice, or by announcement then and there, or at some
 8 other time or place, shall open the bids which have been received and proceed
 9 to accept the highest bid properly accompanied by a cashier's check for the
 10 lands in whole or in part as offered for such sale.

11
 12 SECTION 322. Arkansas Code § 22-6-601(h)(2)(A)(i)(a), concerning the
 13 procedure for the sale of state lands, is amended to read as follows:

14 (2)(A)(i)(a) Upon approval by the Governor, lands may be sold to
 15 the highest responsible bidder for less than the amount of the appraisal if
 16 the bid process has been utilized and it has been determined and recommended
 17 by the agency director and the ~~Director of the Department of Finance and~~
 18 ~~Administration~~ Secretary of the Department of Transformation and Shared
 19 Services that further solicitation of bids is unnecessary.

20
 21 SECTION 323. Arkansas Code § 22-6-601(k)(2), concerning the procedure
 22 for the sale of state lands, is amended to read as follows:

23 (2) The ~~Director of the Department of Finance and Administration~~
 24 Secretary of the Department of Transformation and Shared Services shall
 25 forward a recommendation to the Governor.

26
 27 SECTION 324. Arkansas Code § 22-8-101 is amended to read as follows:

28 22-8-101. Registration of state-owned motor vehicles – Report.

29 (a)(1) In order that a complete inventory of all state-owned motor
 30 vehicles is maintained, every state agency, including the Arkansas Department
 31 of Transportation, the Arkansas State Game and Fish Commission, the
 32 Department of Arkansas State Police, the Arkansas National Guard, and all
 33 constitutional offices shall annually register each motor vehicle owned by
 34 the State of Arkansas with the ~~Director~~ Secretary of the Department of
 35 Finance and Administration in a manner prescribed by the ~~director~~ secretary.

36 (2) The registration shall include a description of each motor

1 vehicle, including the year, make, model, license number, vehicle
2 identification number, and other information which the ~~director~~ secretary
3 might require.

4 (3) Whenever any state agency sells or disposes of a motor
5 vehicle, a complete record thereof shall be furnished to the ~~director~~
6 secretary as authorization for the removal of the vehicle from the official
7 state inventory.

8 (4) Whenever any state agency acquires a new or additional motor
9 vehicle, the information required by this subsection to be placed in the
10 state inventory shall be furnished to the ~~director~~ secretary within ten (10)
11 days after the acquisition of the vehicle by the agency.

12 (5) The ~~director~~ secretary shall keep the inventory of motor
13 vehicles owned by the State of Arkansas and its agencies current at all
14 times, categorized in accordance with the motor vehicles owned by each of the
15 respective state agencies.

16 (b)(1) The ~~director~~ secretary shall make an annual report to the
17 Legislative Council as to the number of motor vehicles owned by the State of
18 Arkansas.

19 (2) The report shall include a comparison of the current
20 inventory of motor vehicles with an inventory of the preceding year.

21
22 SECTION 325. Arkansas Code § 22-8-205(c) and (d), concerning the
23 allocation of vehicles and priority listing, are amended to read as follows:

24 (c) The ~~Director~~ Secretary of the Department of Finance and
25 Administration, through the Marketing and Redistribution Section, shall have
26 the authority to reassign a vehicle from a state agency to another state
27 agency based upon need, age, condition, utilization, and justification but
28 not to decrease a state agency's actual number of vehicles owned.

29 (d) The ~~director~~ secretary shall review the schedule of prioritized
30 ranking for acquiring vehicles, and he or she shall have the authority to
31 make changes, as he or she deems necessary, to the priority listing. He or
32 she shall then forward the priority listing to the Governor for his or her
33 approval or modification.

34
35 SECTION 326. Arkansas Code § 22-8-206(a), concerning the purchase of
36 automobiles by the Director of the Department of Finance and Administration,

1 is amended to read as follows:

2 (a) The ~~Director~~ Secretary of the Department of Finance and
3 Administration shall purchase vehicles for state agencies from moneys as
4 appropriated and made available by the General Assembly.

5
6 SECTION 327. Arkansas Code § 22-8-207 is amended to read as follows:
7 22-8-207. Purchase from qualified vendors.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
9 shall have the authority to purchase new or used vehicles from qualified
10 vendors in accordance with the Arkansas Procurement Law, § 19-11-201 et seq.

11
12 SECTION 328. Arkansas Code § 22-8-209 is amended to read as follows:
13 22-8-209. Rules and regulations.

14 The ~~Director~~ Secretary of the Department of Finance and Administration,
15 through his or her disbursing officer, is authorized to promulgate such rules
16 and regulations as deemed necessary to implement the provisions and intent of
17 this subchapter.

18
19 SECTION 329. Arkansas Code § 22-9-201(c)(5), concerning the
20 applicability of public works contracts, is amended to read as follows:

21 (5) The ~~Director~~ Secretary of the Department of Finance and
22 Administration or a designee may make or authorize others to make emergency
23 contracting procedures as defined in subdivision (c)(3) of this section and
24 in accordance with the minimum standards and criteria of the division.

25
26 SECTION 330. Arkansas Code § 22-9-208(a)(3), concerning the renovation
27 of historic sites, legislative intent, and construction, is amended to read
28 as follows:

29 (3) The procedures provided in subdivision (a)(2) of this
30 section should be applicable for specific projects only after review and
31 approval by the Chief Fiscal Officer of the State, the Building Authority
32 ~~Division of the Department of Finance and Administration~~, and the Legislative
33 Council. Provided, however, projects undertaken by public institutions of
34 higher education exempt from review and approval of the division shall not
35 require review and approval by the ~~Director~~ Secretary of the Department of
36 Finance and Administration.

1
2 SECTION 331. Arkansas Code § 23-13-307(a), concerning the revocation
3 of a license, permit, or certificate, is amended to read as follows:

4 (a) In the event the Arkansas Department of Transportation finds that
5 the defendant is guilty upon any complaint filed and proceeding had, and that
6 the provisions of § 23-13-102 or the rules, regulations, or orders of the
7 Arkansas Department of Transportation have been willfully and knowingly
8 violated and that a motor vehicle was used in the violation, the Arkansas
9 Department of Transportation shall forthwith deliver a certified copy of its
10 findings and order to the ~~Director~~ Secretary of the Department of Finance and
11 Administration.
12

13 SECTION 332. Arkansas Code § 23-13-603(a), concerning the
14 implementation and administration of the duties regarding the Unified Carrier
15 Registration Act of 2005, is amended to read as follows:

16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration has oversight over the implementation and administration of
18 the Unified Carrier Registration Act of 2005, Pub. L. No. 109-59, § 4301 et
19 seq.
20

21 SECTION 333. The introductory language of Arkansas Code § 23-13-
22 603(b), concerning the implementation and administration of the duties
23 regarding the Unified Carrier Registration Act, is amended to read as
24 follows:

25 (b) The ~~director~~ secretary is vested with the following powers and has
26 the following duties:
27

28 SECTION 334. Arkansas Code § 23-13-604(a), concerning registration
29 fees to be collected by the Director of the Department of Finance and
30 Administration, is amended to read as follows:

31 (a) Any fees collected by the ~~Director~~ Secretary of the Department of
32 Finance and Administration under this section shall be classified as special
33 revenues and shall be deposited into the State Treasury.
34

35 SECTION 335. The introductory language of Arkansas Code § 23-13-
36 604(c), concerning registration fees to be collected by the Director of the

1 Department of Finance and Administration, is amended to read as follows:

2 (c) The net amount of the fees collected by the ~~director~~ secretary
3 under this section shall be:

4
5 SECTION 336. Arkansas Code § 23-17-413 is amended to read as follows:

6 23-17-413. Optional provision of database to vendors.

7 In order to assign the place of primary use for mobile
8 telecommunications services pursuant to the Mobile Telecommunications
9 Sourcing Act, Pub. L. No. 106-252, the ~~Director~~ Secretary of the Department
10 of Finance and Administration may choose whether to furnish vendors with a
11 database that matches addresses with taxing jurisdictions or to allow vendors
12 to employ an enhanced zip code of at least nine (9) digits in lieu of
13 providing a database.

14
15 SECTION 337. Arkansas Code § 23-110-105(a), concerning racing passes,
16 is amended to read as follows:

17 (a) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall set a maximum number of racing passes to be printed and
19 issued annually, and it shall not be less than the number printed in 1990.

20
21 SECTION 338. Arkansas Code § 23-110-202 is amended to read as follows:

22 23-110-202. Officers.

23 (a) The Governor shall from time to time select from the membership of
24 the Arkansas Racing Commission a chair and a vice chair.

25 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
26 Administration shall be ex officio ~~secretary~~ director of the commission
27 unless the Governor shall designate another person from the Revenue Division
28 of the Department of Finance and Administration to serve in that capacity,
29 but the ~~Secretary~~ Director of the Arkansas Racing Commission shall not be a
30 member of the commission nor shall he or she have a vote on matters coming
31 before it.

32 (2) The ~~secretary~~ director shall be the commission's executive
33 officer and shall administer the provisions of this chapter and the rules,
34 regulations, and orders established under this chapter.

35 (3) By resolution duly adopted, the commission may delegate to
36 the ~~secretary~~ director any of the powers or duties vested in or imposed upon

1 the commission by this chapter, and the delegated powers and duties may be
2 exercised by the ~~secretary~~ director in the name of the commission.

3 (4) The ~~secretary~~ director shall be custodian of all property
4 held in the name of the commission and shall be the ex officio disbursing
5 agent of all funds available for its use.

6 (5) The ~~secretary~~ director shall furnish bond to the state, with
7 a corporate surety thereon, in the penal sum of twenty-five thousand dollars
8 (\$25,000), conditioned that he or she will faithfully perform his or her
9 duties of office and properly account for all funds received and disbursed by
10 him or her as ~~secretary~~ director.

11 (6) Within such limitations as may be provided by appropriations
12 therefor, the ~~secretary~~ director may employ such assistants and other
13 personnel as are, in his or her opinion, necessary to properly administer the
14 provisions of this chapter.

15
16 SECTION 339. Arkansas Code § 23-111-105(a), concerning racing passes,
17 is amended to read as follows:

18 (a) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall set a maximum number of racing passes to be printed and
20 issued annually, and it shall not be fewer than the number printed in 1990.

21
22 SECTION 340. Arkansas Code § 23-111-509(c)(2)(C)(i), concerning the
23 disposition of wagering money, is amended to read as follows:

24 (C)(i) The commission shall seek the assistance of the
25 Department of Finance and Administration to audit and verify receipts and
26 expenditures of the franchise holder in determining compliance with this
27 section. The franchise holder must deliver to the department any documents
28 requested to check and verify compliance with this section within thirty (30)
29 days of receiving a written request for the documents. If the department does
30 not receive the requested documents within the time provided, the ~~Director~~
31 Secretary of the Department of Finance and Administration shall notify the
32 commission, which shall issue an order to show cause why such documents have
33 not been provided.

34
35 SECTION 341. Arkansas Code § 23-113-103(4), concerning the definition
36 of "director" under the Local Option Horse Racing and Greyhound Racing

1 Electronic Games of Skill Act, is repealed.

2 ~~(4) "Director" means the Director of the Department of Finance~~
3 ~~and Administration;~~

4
5 SECTION 342. Arkansas Code § 23-113-501(a)(1), concerning privilege
6 fees to be paid to the Director of the Department of Finance and
7 Administration, is amended to read as follows:

8 (1) An amount equal to eighteen percent (18%) of the net
9 wagering revenues from electronic games of skill shall be paid by the
10 franchise holder to the ~~Director~~ Secretary of the Department of Finance and
11 Administration for disposition under § 23-113-604;

12
13 SECTION 343. Arkansas Code § 23-113-604(a), concerning the disposition
14 of privilege fees and license fees, etc., is amended to read as follows:

15 (a) All privilege fees received by the ~~Director~~ Secretary of the
16 Department of Finance and Administration under this chapter for the benefit
17 of the state shall be deposited into the State Treasury as general revenues.

18
19 SECTION 344. Arkansas Code § 23-114-102(7), concerning the definition
20 of "director" under the Charitable Bingo and Raffles Enabling Act, is
21 repealed.

22 ~~(7) "Director" means the Director of the Department of Finance~~
23 ~~and Administration;~~

24
25 SECTION 345. Arkansas Code § 23-114-201 is amended to read as follows:
26 23-114-201. Control and supervision of games of bingo and raffles.

27 (a) The ~~Director~~ Secretary of the Department of Finance and
28 Administration shall administer this chapter under the Arkansas Tax Procedure
29 Act, § 26-18-101 et seq.

30 (b) The ~~director~~ secretary has authority over all games of bingo and
31 raffles conducted in this state so that games of bingo and raffles are fairly
32 conducted and the proceeds derived from games of bingo and raffles are used
33 only for an authorized purpose.

34
35 SECTION 346. Arkansas Code § 23-114-202(a), concerning the approval of
36 bingo faces and raffle tickets, is amended to read as follows:

1 (a) The ~~Director~~ Secretary of the Department of Finance and
2 Administration by rule shall provide for the form of bingo faces and raffle
3 tickets used in the State of Arkansas.
4

5 SECTION 347. Arkansas Code § 23-114-203 is amended to read as follows:
6 23-114-203. Rulemaking authority.

7 The ~~Director~~ Secretary of the Department of Finance and Administration
8 may adopt rules to aid in the enforcement and administration of this chapter.
9

10 SECTION 348. Arkansas Code § 23-114-303(c)(2), concerning a license
11 application and authorized organizations, is amended to read as follows:

12 (2)(A) In order to determine a responsible person's suitability
13 to organize, conduct, and administer raffles and bingo sessions, the ~~Director~~
14 Secretary of the Department of Finance and Administration may require that
15 the responsible person be fingerprinted and the fingerprints forwarded for a
16 criminal background check through the ~~Department~~ Division of Arkansas State
17 Police.

18 (B) After the completion of the criminal background check
19 through the ~~Department~~ Division of Arkansas State Police, the fingerprints
20 shall be forwarded by the ~~Department~~ Division of Arkansas State Police to the
21 Federal Bureau of Investigation for a national criminal history record check;
22 and
23

24 SECTION 349. The introductory language of Arkansas Code § 23-114-
25 303(c)(3), concerning a license application and authorized organizations, is
26 amended to read as follows:

27 (3) The responsible person shall sign a release that allows the
28 ~~Department~~ Division of Arkansas State Police to release:
29

30 SECTION 350. Arkansas Code § 23-114-304(c)(2), concerning
31 distributors' and manufacturers' license applications, is amended to read as
32 follows:

33 (2)(A) In order to determine the person's or persons'
34 suitability to be involved in the sale of bingo equipment, the ~~Director~~
35 Secretary of the Department of Finance and Administration may require that
36 the person or persons be fingerprinted and the fingerprints forwarded for a

1 criminal background check through the ~~Department~~ Division of Arkansas State
2 Police.

3 (B) After the completion of the criminal background check
4 through the ~~Department~~ Division of Arkansas State Police, the fingerprints
5 shall be forwarded by the ~~Department~~ Division of Arkansas State Police to the
6 Federal Bureau of Investigation for a national criminal history record check;
7 and

8
9 SECTION 351. The introductory language of Arkansas Code § 23-114-
10 304(c)(3), concerning distributors' and manufacturers' license applications,
11 is amended to read as follows:

12 (3) The person or persons responsible for an applicant's sales
13 of bingo equipment shall sign a release that allows the ~~Department~~ Division
14 of Arkansas State Police to release the following:

15
16 SECTION 352. Arkansas Code § 23-114-405(a)(1), concerning raffle and
17 bingo records, is amended to read as follows:

18 (a)(1) A licensed authorized organization shall provide to the
19 ~~Director~~ Secretary of the Department of Finance and Administration at the
20 time of application for license the address of its primary business office.
21

22 SECTION 353. Arkansas Code § 23-114-602(b) and (c), concerning the
23 payment and reporting of taxes, are amended to read as follows:

24 (b) The report shall be filed under oath on forms prescribed by the
25 ~~Director~~ Secretary of the Department of Finance and Administration.

26 (c) The ~~director~~ secretary shall adopt any rules necessary for the
27 proper reporting and payment of the tax.
28

29 SECTION 354. Arkansas Code § 23-114-603(a)(2), concerning information
30 required on excise tax reports, is amended to read as follows:

31 (2) Any other information that the ~~Director~~ Secretary of the
32 Department of Finance and Administration determines is necessary to properly
33 administer the excise tax levied by this subchapter.
34

35 SECTION 355. Arkansas Code § 23-114-704(a), concerning the filing of
36 injunctions by the Department of Finance and Administration, is amended to

1 read as follows:

2 (a) If the Department of Finance and Administration has reason to
3 believe that this chapter has been violated, the ~~Director~~ Secretary of the
4 Department of Finance and Administration may petition a court for injunctive
5 relief to restrain the violation.

6

7 SECTION 356. Arkansas Code § 23-115-103(11), concerning the definition
8 of "lobbying" under the Arkansas Scholarship Lottery Act, is amended to read
9 as follows:

10 (11) "Lobbying" means communicating directly or soliciting
11 others to communicate with the Director of the Office of the Arkansas
12 Lottery, the ~~Director~~ Secretary of the Department of Finance and
13 Administration, any employee of the office, or a member of the Legislative
14 Council with the purpose of influencing the actions of the office or the
15 Legislative Council;

16

17 SECTION 357. Arkansas Code § 23-115-204(d)(1), concerning the Lottery
18 Retailer Advisory Board, is amended to read as follows:

19 (1) A member of the immediate family of the ~~Director~~ Secretary
20 of the Department of Finance and Administration;

21

22 SECTION 358. Arkansas Code § 23-115-206(b)(3), concerning internal
23 controls and annual audits, is amended to read as follows:

24 (3)(A) If the office, the General Assembly, the Legislative
25 Council, or the Legislative Joint Auditing Committee requests additional
26 audits or performance reviews of the fiscal affairs or operations of the
27 office to be conducted by a private certified public accountant or other
28 consultant, the ~~Director~~ Secretary of the Department of Finance and
29 Administration shall select and contract with appropriate certified public
30 accountants or consultants to provide the services.

31 (B) The ~~Director~~ Secretary of the Department of Finance
32 and Administration shall contract for the services which shall be paid
33 directly to the contractor by the office.

34 (C) A copy of any report or management correspondence
35 prepared by the certified public accountants or consultants shall be
36 forwarded to Arkansas Legislative Audit, the ~~Director~~ Secretary of the

1 Department of Finance and Administration, and the Legislative Council.

2
3 SECTION 359. Arkansas Code § 23-115-212(a), concerning the duties and
4 responsibilities of an internal auditor, is amended to read as follows:

5 (a) The internal auditor employed by the Office of the Arkansas
6 Lottery shall report directly to the ~~Director~~ Secretary of the Department of
7 Finance and Administration.

8
9 SECTION 360. The introductory language of Arkansas Code § 23-115-
10 212(b), concerning the duties and responsibilities of an internal auditor, is
11 amended to read as follows:

12 (b) The ~~director~~ secretary shall determine the duties and
13 responsibilities of the internal auditor that:

14
15 SECTION 361. Arkansas Code § 23-115-212(b)(2)(A), concerning the
16 duties and responsibilities of an internal auditor, is amended to read as
17 follows:

18 (A) Preparing a formal written three-year audit plan and
19 presenting it to the ~~director~~ secretary for the ~~director's~~ secretary's
20 approval;

21
22 SECTION 362. Arkansas Code § 23-115-212(b)(2)(C), concerning the
23 duties and responsibilities of an internal auditor, is amended to read as
24 follows:

25 (C) Advising the ~~director~~ secretary of inconsistencies
26 within or improvements needed to the internal controls, operating procedures,
27 or accounting procedures of the office or the lotteries.

28
29 SECTION 363. Arkansas Code § 23-115-212(c)(2)(A), concerning the
30 duties and responsibilities of an internal auditor, is amended to read as
31 follows:

32 (A) Advise the Legislative Council concerning current
33 issues and problems reported to the ~~director~~ secretary under subsection (b)
34 of this section; and

35
36 SECTION 364. Arkansas Code § 23-115-501(e)(1)(A) and (B), concerning

1 vendors, requirements when submitting a bid, proposals, offers, and major
2 procurement contracts, are amended to read as follows:

3 (A) The Director of the Office of the Arkansas Lottery, an
4 employee of the Office of the Arkansas Lottery, the ~~Director~~ Secretary of the
5 Department of Finance and Administration, the Deputy Director of the
6 Department of Finance and Administration, or a member of the Legislative
7 Council; or

8 (B) A member of the immediate family of the Director of
9 the Office of the Arkansas Lottery, an employee of the office, the ~~Director~~
10 Secretary of the Department of Finance and Administration, the Deputy
11 Director of the Department of Finance and Administration, or a member of the
12 Legislative Council.

13
14 SECTION 365. Arkansas Code § 23-115-501(f), concerning vendors,
15 requirements when submitting a bid, proposals, offers, and major procurement
16 contracts, is amended to read as follows:

17 (f)(1) A public official, the ~~Director~~ Secretary of the Department of
18 Finance and Administration, and the Deputy Director of the Department of
19 Finance and Administration shall not knowingly own a financial interest in a
20 vendor.

21 (2)(A) If a public official, the ~~Director~~ Secretary of the
22 Department of Finance and Administration, or the Deputy ~~Director~~ Secretary of
23 the Department of Finance and Administration becomes aware that he or she
24 owns a financial interest in a vendor, the public official, the ~~Director~~
25 Secretary of the Department of Finance and Administration, or the Deputy
26 ~~Director~~ Secretary of the Department of Finance and Administration shall
27 divest the financial interest as soon as possible.

28 (B) A public official, the ~~Director~~ Secretary of the
29 Department of Finance and Administration, or the Deputy ~~Director~~ Secretary of
30 the Department of Finance and Administration shall not divest the financial
31 interest to a member of his or her immediate family.

32
33 SECTION 366. Arkansas Code § 23-115-601(e)(1), concerning retailers,
34 is amended to read as follows:

35 (e)(1) A person seeking to be a retailer shall apply to the
36 Identification Bureau of the ~~Department~~ Division of Arkansas State Police for

1 a state and federal criminal background check, to be conducted by the
2 Identification Bureau of the ~~Department~~ Division of Arkansas State Police and
3 the Federal Bureau of Investigation.

4
5 SECTION 367. Arkansas Code § 23-115-601(e)(5), concerning retailers,
6 is amended to read as follows:

7 (5) Upon completion of the state and federal criminal background
8 check, the Identification Bureau of the ~~Department~~ Division of Arkansas State
9 Police shall forward to the office all releasable information obtained
10 concerning the applicant.

11
12 SECTION 368. Arkansas Code § 23-115-601(j)(1)(A) and (B), concerning
13 retailers, are amended to read as follows:

14 (A) The Director of the Office of the Arkansas Lottery, an
15 employee of the Office of the Arkansas Lottery, the ~~Director~~ Secretary of the
16 Department of Finance and Administration, or the Deputy Director of the
17 Department of Finance and Administration; or

18 (B) A member of the immediate family of the Director of
19 the Office of the Arkansas Lottery, an employee of the Office of the Arkansas
20 Lottery, the ~~Director~~ Secretary of the Department of Finance and
21 Administration, or the Deputy Director of the Department of Finance and
22 Administration.

23
24 SECTION 369. Arkansas Code § 23-115-610(c), concerning business
25 closure procedures, is amended to read as follows:

26 (c) The ~~Director~~ Secretary of the Department of Finance and
27 Administration may request the assistance of the ~~Department~~ Division of
28 Arkansas State Police or any state or local law enforcement official to post
29 the notice or to secure the business as authorized in this section.

30
31 SECTION 370. Arkansas Code § 23-115-801(b)(1)(B)(i)(b)(1), concerning
32 lottery proceeds, is amended to read as follows:

33 (1) Transfers under subdivision (c)(2)
34 of this section the funds requested by the ~~Department~~ Division of Higher
35 Education; and

36

1 SECTION 371. Arkansas Code § 23-115-801(b)(1)(B)(iii), concerning
2 lottery proceeds, is amended to read as follows:

3 (iii) Annually, the office shall transfer to the
4 ~~Department~~ Division of Higher Education the funds from the previous academic
5 year, if any, that were transferred by the office into the trust account for
6 the Arkansas Workforce Challenge Scholarship Program, § 6-85-301 et seq.,
7 under subdivision (b)(1)(B)(i) of this section for distribution of Arkansas
8 Workforce Challenge Scholarships.

9
10 SECTION 372. Arkansas Code § 23-115-801(c), concerning lottery
11 proceeds, is amended to read as follows:

12 (c)(1) The Director of the ~~Department~~ Division of Higher Education
13 shall certify to the office the amount of net proceeds from the lottery
14 needed to fund the scholarships awarded to recipients under § 6-85-201 et
15 seq. for each semester of an academic year.

16 (2)(A) The office shall transfer the funds requested by the
17 Director of the ~~Department~~ Division of Higher Education under subdivision
18 (c)(1) of this section into one (1) or more trust accounts at one (1) or more
19 financial institutions meeting the requirements of subdivision (b)(2) of this
20 section maintained by the ~~Department~~ Division of Higher Education.

21 (B) The Director of the ~~Department~~ Division of Higher
22 Education shall disburse trust account funds only in the name of the
23 recipient:

24 (i) To an approved institution of higher education;
25 or

26 (ii) If a recipient transfers to another approved
27 institution of higher education, to the approved institution of higher
28 education where the recipient transferred.

29 (3) By August 1 of each year, the Director of the ~~Department~~
30 Division of Higher Education shall provide to the ~~Director~~ Secretary of the
31 Department of Finance and Administration and to the Legislative Council for
32 the academic year just ended an accounting of all trust accounts maintained
33 by the ~~Department~~ Division of Higher Education, including without limitation:

34 (A) Total deposits to all trust accounts;

35 (B) Total disbursements from the trust accounts; and

36 (C) The balance remaining in the trust accounts.

1
2 SECTION 373. Arkansas Code § 23-115-801(d)(1)(B), concerning lottery
3 proceeds, is amended to read as follows:

4 (B) Because the ~~Department~~ Division of Higher Education
5 has the expertise and experienced staff needed to efficiently and
6 appropriately administer the scholarships, the office shall use the services
7 of the ~~Department~~ Division of Higher Education to administer scholarships
8 funded with net proceeds from the lottery.

9
10 SECTION 374. Arkansas Code § 23-115-801(d)(2)(A), concerning lottery
11 proceeds, is amended to read as follows:

12 (2)(A) Annually by April 1, the ~~Department~~ Division of Higher
13 Education shall provide to the office and to the Legislative Council the
14 ~~Department~~ Division of Higher Education's budget for the administrative
15 expenditures allowed under this subsection.

16
17 SECTION 375. The introductory language of Arkansas Code § 23-115-
18 801(d)(2)(B), concerning lottery proceeds, is amended to read as follows:

19 (B) Annually by October 31, the ~~Department~~ Division of
20 Higher Education shall provide an invoice to the office for reimbursement of
21 the administrative expenditures allowed under this subsection, including
22 without limitation:

23
24 SECTION 376. Arkansas Code § 23-115-801(d)(2)(C), concerning lottery
25 proceeds, is amended to read as follows:

26 (C) Only direct expenditures of the ~~department~~ division to
27 administer scholarship funding with net proceeds from the lottery may be
28 invoiced to the office under subdivision (d)(2)(B) of this section.

29
30 SECTION 377. Arkansas Code § 23-115-801(d)(3)(C), concerning lottery
31 proceeds, is amended to read as follows:

32 (C) The office shall reimburse the ~~Department~~ Division of
33 Higher Education for the costs of administering the scholarship awards funded
34 with net proceeds from the lottery after the Legislative Council's review
35 under this subsection.

36

1 SECTION 378. Arkansas Code § 23-116-104(b)(1), concerning tax on paid
2 fantasy sports games, is amended to read as follows:

3 (1) Reported and remitted to the Department of Finance and
4 Administration on a quarterly basis through the Arkansas Taxpayer Access
5 Point or its successor on forms prescribed by the ~~Director~~ Secretary of the
6 Department of Finance and Administration; and

7
8 SECTION 379. Arkansas Code § 23-116-104(c), concerning tax on paid
9 fantasy sports games, is amended to read as follows:

10 (c) The ~~director~~ secretary shall promulgate rules to administer the
11 tax levied under this section.

12
13 SECTION 380. Arkansas Code § 24-4-201(a)(1), concerning the creation
14 and system accounts of the Arkansas Public Employees' Retirement System Fund,
15 is amended to read as follows:

16 (a)(1) There is established on the books of the Treasurer of State,
17 the Auditor of State, and the ~~Director~~ Secretary of the Department of Finance
18 and Administration a fund to be known as the "Arkansas Public Employees'
19 Retirement System Fund".

20
21 SECTION 381. Arkansas Code § 24-4-207(a)(3), concerning bonds,
22 payments on vouchers and warrants, and adjustment of erroneous payments, is
23 amended to read as follows:

24 (3) The ~~Director~~ Secretary of the Department of Finance and
25 Administration is authorized and directed to designate such additional
26 personnel within his or her office and to provide for such services as are
27 necessary for the proper operation of the system.

28
29 SECTION 382. Arkansas Code § 24-4-207(c)(4)(C), concerning bonds,
30 payments on vouchers and warrants, and adjustment of erroneous payments, is
31 amended to read as follows:

32 (C) The ~~Director~~ Secretary of the Department of Finance
33 and Administration shall promptly hear all appeals of annuity determinations
34 or redeterminations and shall conduct such hearings in accordance with
35 procedures set forth by the board.

36

1 SECTION 383. Arkansas Code § 24-5-104(b)(1)(C), concerning the Board
2 of Trustees of the Arkansas State Highway Employees' Retirement System, is
3 amended to read as follows:

4 (C) The ~~Director~~ Secretary of the Department of Finance
5 and Administration;

6
7 SECTION 384. Arkansas Code § 24-6-209(a), concerning an employer's
8 contribution, is amended to read as follows:

9 (a) The ~~Department~~ Division of Arkansas State Police, as employer,
10 shall make contributions to the State Police Retirement System of twenty-two
11 percent (22%) of active member payroll.

12
13 SECTION 385. Arkansas Code § 24-6-209(b)(1), concerning an employer's
14 contribution, is amended to read as follows:

15 (b)(1) At the request of the Executive Secretary of the State Police
16 Retirement System, the ~~Director~~ Secretary of the Department of Finance and
17 Administration shall make annual transfers on each June 30 to the system from
18 the remainder of insurance premium taxes enumerated in § 19-6-301(27) before
19 those taxes are transferred to general revenues enumerated in § 19-6-201(19)
20 the amounts of money necessary to amortize the unfunded liabilities over a
21 period not to exceed thirty (30) years.

22
23 SECTION 386. Arkansas Code § 24-6-218(a)(1), concerning survivors'
24 benefits upon the death of an officer killed in the line of duty while not a
25 member of the system, is amended to read as follows:

26 (a)(1) In the event any uniformed employee of the ~~Department~~ Division
27 of Arkansas State Police is killed while in the performance of his or her
28 duties, yet the surviving spouse and surviving children of the uniformed
29 employee of the ~~department~~ division are deprived of receiving benefits as
30 prescribed in § 24-6-217 because the uniformed employee was not a member of
31 the system at the time of his or her death, or had not completed any
32 probationary period of service required by regulations of the Arkansas State
33 Police Commission, or had not obtained sufficient service for benefits, the
34 surviving spouse may make application to the Board of Trustees of the State
35 Police Retirement System.

36

1 SECTION 387. Arkansas Code § 24-6-218(d), concerning survivors'
2 benefits upon the death of an officer killed in the line of duty while not a
3 member of the system, is amended to read as follows:

4 (d) Upon certification of these facts by the board, the ~~Director~~
5 Secretary of the Department of Finance and Administration shall direct the
6 Treasurer of State to transfer from the ~~Department~~ Division of Arkansas State
7 Police Fund, annually, to the State Police Retirement Fund an amount equal to
8 the funds expended from the State Police Retirement Fund for the payment of
9 survivors' benefits as authorized in this section in order to reimburse the
10 fund therefor.

11
12
13 SECTION 388. Arkansas Code § 24-11-102(c), concerning an increase in
14 benefits under the municipal firemen's relief and pension funds, is amended
15 to read as follows:

16 (c) If it is determined by the review board that a local pension plan
17 is not complying with the provisions of law governing benefit increases, the
18 executive director shall certify that noncompliance to the ~~Director~~ Secretary
19 of the Department of Finance and Administration who shall withhold all moneys
20 otherwise due the plan from the state until compliance is achieved.

21
22 SECTION 389. Arkansas Code § 24-11-202(a), concerning noncompliance
23 with the Arkansas Fire and Police Pension Review Board, is amended to read as
24 follows:

25 (a) If it is determined that a plan is not complying with the
26 provisions of this subchapter, the Executive Director of the Arkansas Fire
27 and Police Pension Review Board shall certify the noncompliance to the
28 ~~Director~~ Secretary of the Department of Finance and Administration, who shall
29 withhold all moneys otherwise due the plan from the state until compliance is
30 achieved.

31
32 SECTION 390. Arkansas Code § 24-11-203(b)(1)(E), concerning the
33 creation of the Arkansas Fire and Police Pension Review Board, is amended to
34 read as follows:

35 (E) The ~~Director~~ Secretary of the Department of Finance
36 and Administration or the ~~director's~~ secretary's designee.

1
2 SECTION 391. Arkansas Code § 24-11-215(c), concerning the allocation
3 of insurance premium tax and special provisions, is amended to read as
4 follows:

5 (c) After transfers are made to cover funds distributed under
6 subsection (b) of this section and the portion of those premium taxes set
7 aside for transfer to the State Police Retirement Fund under § 24-6-209(b),
8 the ~~Director~~ Secretary of the Department of Finance and Administration is
9 directed to make annual transfers from the police portion of the revenues to
10 the Policemen's Pension Supplement Program Fund on or before July 25, 1999,
11 and each year thereafter as certified by the Arkansas Fire and Police Pension
12 Review Board on July 1 each year as the amount needed to pay the expenses of
13 and to make payments to the eligible retired police officers and survivors
14 under the Arkansas Policemen's Pension Supplement Program for the coming year
15 of the program.

16
17 SECTION 392. Arkansas Code § 25-1-104 is amended to read as follows:
18 25-1-104. Access of Department of Finance and Administration to agency
19 records.

20 The Revenue Division of the Department of Finance and Administration,
21 the ~~Department~~ Division of Workforce Services, the University of Arkansas at
22 Little Rock, the University of Arkansas at Fayetteville, the Arkansas
23 Economic Development Commission, and any other state agency, board,
24 commission, department, institution, college, university, or authority shall
25 make data, information, statistics, or other records of information available
26 to the Department of Finance and Administration. Provided, however, that such
27 information and records shall not identify persons, people, conglomerates,
28 corporations, monopolies, or others that would from any published data or
29 data within the possession of the office of the ~~Director~~ Secretary of the
30 Department of Finance and Administration reveal the identity or any
31 information or data of that particular identity that would be in conflict
32 with federal laws.

33
34 SECTION 393. Arkansas Code § 25-8-101 is amended to read as follows:

35 25-8-101. Creation – ~~Director~~ Secretary – Organization – Personnel.

36 (a) There is created a Department of Finance and Administration.

1 (b) The executive head of the Department of Finance and Administration
2 shall be the ~~Director~~ Secretary of the Department of Finance and
3 Administration. The ~~director~~ secretary shall be appointed by the Governor and
4 shall serve at the pleasure of the Governor.

5 (c)(1) The Department of Finance and Administration shall consist of
6 the divisions which existed as of July 1, 1971, within the State
7 Administration Department and the Department of Revenues and any other
8 divisions which may be created by law and placed under the Department of
9 Finance and Administration, subject to the transfer of a division or
10 department of the Department of Finance and Administration as a state entity
11 under the Transformation and Efficiencies Act of 2019.

12 (2) There is created a Racing Division and an Alcoholic
13 Beverage Control Division within the Department of Finance and
14 Administration.

15 (d) The ~~Director~~ Secretary of the Department of Finance and
16 Administration, with the advice and consent of the Governor, shall appoint
17 the heads of the respective divisions. The ~~director~~ secretary may appoint an
18 Administrative Assistant for Revenue to serve as the ~~director's~~ secretary's
19 agent. All other personnel of the Department of Finance and Administration
20 shall be employed by and serve at the pleasure of the ~~Director~~ Secretary of
21 the Department of Finance and Administration, provided that nothing in this
22 section shall be so construed as to reduce any right which an employee of the
23 Department of Finance and Administration shall have under any civil service
24 or merit system.

25 (e) Each division of the Department of Finance and Administration
26 shall be under the direction, control, and supervision of the ~~director~~
27 secretary ~~of the department~~. The ~~director~~ secretary may delegate his or her
28 functions, powers, and duties to the various divisions of the Department of
29 Finance and Administration as he or she shall deem desirable and necessary
30 for the effective and efficient operation of the department.

31 (f) For the purposes of the tax, driver's license, and motor vehicle
32 registration and licensing laws, the term "~~director~~ secretary" shall mean the
33 ~~Director~~ Secretary of the Department of Finance and Administration, the
34 Administrative Assistant for Revenue, or his or her authorized agent. The
35 Administrative Assistant for Revenue shall act as the ~~director's~~ secretary's
36 agent and take any and all actions necessary to administer the laws.

1
2 SECTION 394. Arkansas Code § 25-8-102 is amended to read as follows:

3 25-8-102. Authority of ~~director~~ secretary generally.

4 (a) The ~~Director~~ Secretary of the Department of Finance and
5 Administration, with the approval of the Governor, may adopt reasonable
6 rules, regulations, and procedures, not inconsistent with the law, which he
7 or she deems desirable for the effective administration of the Department of
8 Finance and Administration and any of its divisions.

9 (b) The ~~director~~ secretary shall have authority to install any
10 recordkeeping and other procedures in his or her office and in other offices
11 and departments of the state which he or she shall deem necessary or
12 advisable to carry out his or her functions and duties. However, nothing in
13 this section shall be construed to grant the ~~director~~ secretary any authority
14 to establish recordkeeping or other procedures, or rules and regulations with
15 respect to the elected constitutional officers of the state, the General
16 Assembly and its committees, or other agencies who are exempt from all or a
17 part of the procedures set forth in the Arkansas Procurement Law, § 19-11-201
18 et seq., and the General Accounting and Budgetary Procedures Law, § 19-4-101
19 et seq.

20 (c) The ~~director~~ secretary may from time to time establish within the
21 department any sections or other administrative units which he or she may
22 deem desirable for the effective operation of the department and any division
23 thereof, provided that the duties and functions of the sections or
24 administrative units are within the purpose authorized by law.

25 (d) The ~~director~~ secretary may appoint a designee to appear on behalf
26 of the ~~director~~ secretary at meetings of any board or commission of which the
27 ~~director~~ secretary is a member in his or her capacity as ~~Director~~ Secretary
28 of the Department of Finance and Administration or Chief Fiscal Officer of
29 the State. The designee may vote on behalf of the ~~director~~ secretary.
30

31 SECTION 395. Arkansas Code § 25-8-103 is amended to read as follows:

32 25-8-103. Office of Personnel Management – State Personnel
33 Administrator.

34 (a) There is created the Office of Personnel Management ~~of the~~
35 ~~Division of Management Services of the Department of Finance and~~
36 ~~Administration.~~

1 (b)(1) The Director of the Office of Personnel Management ~~of the~~
2 ~~Division of Management Services of the Department of Finance and~~
3 ~~Administration~~ shall be known as the State Personnel Administrator, and he or
4 she shall be employed by the ~~Director of the Department of Finance and~~
5 ~~Administration~~ Secretary of the Department of Transformation and Shared
6 Services with the advice and consent of the Governor.

7 (2) The Office of Personnel Management ~~of the Division of~~
8 ~~Management Services of the Department of Finance and Administration~~ shall be
9 under the overall direction, control, and supervision of the ~~Director of the~~
10 ~~Department of Finance and Administration~~ secretary.

11
12 SECTION 396. Arkansas Code § 25-8-104 is amended to read as follows:
13 25-8-104. Director of Division of Budgets and Accounting.

14 The Director of the Division of Budgets and Accounting shall be the
15 Deputy Director of the Department of Finance and Administration. He or she
16 shall have all functions, powers, and duties granted under § 19-1-203 and all
17 other laws pertaining to his or her office and any other functions, powers,
18 and duties which are assigned and delegated to him or her by the ~~Director~~
19 Secretary of the Department of Finance and Administration.

20
21 SECTION 397. Arkansas Code § 25-8-105(b), concerning federal aid
22 programs, is amended to read as follows:

23 (b) All applications for federal grants submitted by state agencies
24 shall be processed through the department. However, the ~~Director~~ Secretary of
25 the Department of Finance and Administration shall have the discretion to
26 authorize state agencies to file copies of grant applications with the
27 department as a substitute for the processing requirement.

28
29 SECTION 398. Arkansas Code § 25-8-106(b)(1), concerning the marketing
30 and redistribution of state personal property, is amended to read as follows:

31 (b)(1) There is created within the Office of State Procurement ~~of the~~
32 ~~Department of Finance and Administration~~ a Marketing and Redistribution
33 Section for the purpose of promoting and ensuring effective utilization of
34 surplus state property.

35 (2)(A) All state agencies, boards, commissions, departments, and
36 colleges and universities are required and county, municipal, or other tax-

1 supported institutions are authorized to utilize the services of the
 2 Marketing and Redistribution Section, unless specifically exempted in writing
 3 by the Director of the Office of State Procurement ~~of the Department of~~
 4 ~~Finance and Administration.~~

5 (B)(i) Nothing in this section shall be construed to make
 6 it mandatory that county, municipal, or other local government units utilize
 7 the services of the Marketing and Redistribution Section.

8 (ii) Nothing in this section shall be construed to
 9 make it mandatory that any agency, department, division, office, board,
 10 commission, or institution of this state, including state-supported
 11 institutions of higher education, utilize the services of the Marketing and
 12 Redistribution Section in the sale of surplus computer equipment and
 13 electronics to state agency employees for a price not less than ten percent
 14 (10%) above depreciated value.

15 (3) ~~The Department of Finance and Administration~~ Department of
 16 Transformation and Shared Services shall maintain adequate and accurate
 17 records of the costs for operating the Marketing and Redistribution Section
 18 and is authorized to establish fair and reasonable charges for the services
 19 of the section. The charges for services shall be deposited in the State
 20 Treasury as nonrevenue receipts, there to be credited to the Property Sales
 21 Holding Fund for the operation, maintenance, and improvement of the Marketing
 22 and Redistribution Section.

23
 24 SECTION 399. The introductory language of Arkansas Code § 25-8-106(e),
 25 concerning the marketing and redistribution of state personal property, is
 26 amended to read as follows:

27 (e) Proceeds from the sale, transfer, or rental of property by the
 28 Director of the Office of State Procurement ~~of the Department of Finance and~~
 29 ~~Administration~~ shall be accounted for as follows:

30
 31 SECTION 400. Arkansas Code § 25-8-106(f), concerning the marketing and
 32 redistribution of state personal property, is amended to read as follows:

33 (f) The ~~Director~~ Secretary of the Department of ~~Finance and~~
 34 ~~Administration~~ Transformation and Shared Services is authorized to promulgate
 35 reasonable rules and regulations, not inconsistent with law, for compliance
 36 with the provisions of this section, the Arkansas Procurement Law, § 19-11-

1 201 et seq., the General Accounting and Budgetary Procedures Law, § 19-4-101
2 et seq., and the sale of surplus commodities to not-for-profit organizations
3 under § 22-1-101.

4
5 SECTION 401. Arkansas Code § 25-8-107(c), concerning the Office of
6 Child Support Enforcement, is amended to read as follows:

7 (c) The Department of Human Services and the ~~Department~~ Division of
8 Information Systems shall grant access to and provide information determined
9 by the Office of Child Support Enforcement to be necessary to successfully
10 accomplish its mission.

11
12 SECTION 402. Arkansas Code § 25-8-108 is amended to read as follows:
13 25-8-108. Contract labor.

14 The ~~Director~~ Secretary of the Department of Finance and Administration
15 may authorize use of contract labor in the Revenue Division of the Department
16 of Finance and Administration from January until July of a given year without
17 regard to any limitation of duration or hours.

18
19 SECTION 403. Arkansas Code § 25-8-109 is amended to read as follows:
20 25-8-109. Loans to marketing and redistribution.

21 In the event the moneys available in the Property Sales Holding Fund
22 are not adequate during any month of each year of the fiscal biennium to meet
23 the payroll commitments of the Marketing and Redistribution Section of the
24 Office of State Procurement ~~of the Department of Finance and Administration~~
25 for the regular salaries and personal services matching appropriation, the
26 Chief Fiscal Officer of the State is hereby authorized to make loans, from
27 time to time as needed, from the Budget Stabilization Trust Fund to the
28 Property Sales Holding Fund to provide the moneys required to meet the
29 payroll and personal services matching appropriation requirements for any
30 such month. Provided that, if at the end of each fiscal year the Property
31 Sales Holding Fund did not receive sufficient income to repay the entire
32 amount of any such moneys borrowed from the Budget Stabilization Trust Fund
33 for the purposes as authorized herein, the Chief Fiscal Officer of the State
34 is hereby authorized to transfer from the State Central Services Fund such
35 amount as is necessary to reimburse the Budget Stabilization Trust Fund in
36 behalf of loans made to the Property Sales Holding Fund to reimburse the

1 Budget Stabilization Trust Fund for the amount of any such loan remaining
 2 unpaid at the end of each fiscal year.

3
 4 SECTION 404. The introductory language of Arkansas Code § 25-8-
 5 110(6)(A), concerning additional duties of the Department of Finance and
 6 Administration, is amended to read as follows:

7 25-8-110. ~~Additional duties~~ Duties of the Department of Transformation
 8 and Shared Services and the Department of Finance and Administration.

9 (a) The Department of ~~Finance and Administration~~ Transformation and
 10 Shared Services shall:

11 (1) Develop retention schedules for control, preservation,
 12 protection, and disposition of the electronic records of state agencies under
 13 § 25-18-601 et seq.;

14 (2) Direct the development of policies and procedures that state
 15 agencies shall follow in developing information technology plans and
 16 technology-related budgets and technology project justification;

17 (3) Review procurements to ensure conformity with information
 18 policies and standards and state-level plans and implementation strategies;

19 (4) Advise state agencies on information technology contracts
 20 and agreements;

21 (5) Develop and promulgate rules and guidelines governing the
 22 retention and management of public records commonly found in most state
 23 agencies under § 25-18-601 et seq.; and

24 ~~(6)-(A)(b)(1)~~ (b)(1) With assistance from the ~~Department~~ Division of
 25 Workforce Services, the Department of Finance and Administration shall
 26 establish and maintain a web page to:

27 ~~(i)~~(A) Provide a menu of links to employer-related
 28 state web applications for required reporting, tax payments, and other data
 29 submissions;

30 ~~(ii)~~(B) Allow an employer to select a link based
 31 upon a desired type of function or application and be redirected to the
 32 appropriate agency web application; and

33 ~~(iii)~~(C) Provide information about tax submissions,
 34 employment reports, and child support submissions on the respective agency
 35 sites, including without limitation due dates, payment options, and agency
 36 contact information.

1 ~~(B)~~(2) The initial scope of the web page shall include
 2 links to:

3 ~~(i)~~(A) Online taxpayer services administered by the
 4 Department of Finance and Administration through the Arkansas Taxpayer Access
 5 Point web page;

6 ~~(ii)~~(B) Unemployment and new hire submissions
 7 administered by the Department of Workforce Services; and

8 ~~(iii)~~(C) Information concerning employer reporting
 9 and payment functions provided by the Office of Child Support Enforcement of
 10 the Revenue Division of the Department of Finance and Administration.

11 ~~(G)~~(3) The web page shall be designed with sufficient
 12 flexibility to allow additional links to other state agencies to be added as
 13 appropriate.
 14

15 SECTION 405. Arkansas Code § 25-28-101 is amended to read as follows:
 16 25-28-101. Creation – Director – Organization – Personnel.

17 (a) There is created the Assessment Coordination ~~Department~~ Division.

18 (b)(1) The executive head of the ~~department~~ division shall be the
 19 Director of the Assessment Coordination ~~Department~~ Division.

20 (2) The director shall be appointed by the Governor, subject to
 21 confirmation by the Senate, and shall serve at the pleasure of the Governor.

22 (c) The ~~department~~ division shall consist of the divisions which may
 23 be necessary to fulfill its purposes and which may be created by law and
 24 placed under the ~~department~~ division.

25 (d)(1) The director, in consultation with the Secretary of the
 26 Department of Finance and Administration, shall appoint the heads of the
 27 respective divisions.

28 (2) All personnel of the ~~department~~ division shall be employed
 29 by the Department of Finance and Administration and shall serve at the
 30 pleasure of the ~~director~~ secretary.

31 (3) However, nothing in this section shall be so construed as to
 32 reduce any right which an employee of the ~~department~~ division shall have
 33 under any civil service or merit system.

34 (e)(1) Each division of the ~~department~~ Assessment Coordination
 35 Division shall be under the direction, control, and supervision of the
 36 director.

1 (2) The director may delegate his or her functions, powers, and
2 duties to the various divisions of the Assessment Coordination Division as he
3 or she shall deem desirable and necessary for the effective and efficient
4 operation of the ~~department~~ division.

5
6 SECTION 406. Arkansas Code § 25-28-102 is amended to read as follows:
7 25-28-102. Transfer.

8 (a) The Assessment Coordination Division of the Arkansas Public
9 Service Commission is transferred by a type 2 transfer as provided in § 25-2-
10 105 to the Assessment Coordination ~~Department~~ Division.

11 (b) For purposes of this subchapter, the Assessment Coordination
12 ~~Department~~ Division shall be considered a principal department established by
13 Acts 1971, No. 38.

14
15 SECTION 407. Arkansas Code § 25-28-103(c)-(e), concerning the
16 authority of the Arkansas Public Service Commission, are amended to read as
17 follows:

18 (c) Any and all other statutory authority, powers, duties, functions,
19 records, property, and funds administered or provided by other support
20 divisions within the commission or by the commission for the Assessment
21 Coordination Division shall be transferred by a type 2 transfer as provided
22 in § 25-2-105 to the Assessment Coordination ~~Department~~ Division.

23 (d) Any and all other statutory authority, powers, duties, and
24 functions of the commission regarding assessment and equalization of
25 properties and the administration of the tax laws of this state not
26 specifically retained by the commission or the Tax Division of the Arkansas
27 Public Service Commission in this chapter shall be transferred by a type 2
28 transfer as provided in § 25-2-105 to the Assessment Coordination ~~Department~~
29 Division.

30 (e) Any and all other prescribed powers, duties, and functions of the
31 commission regarding assessment and equalization of properties and the
32 administration of the tax laws of this state not specifically retained by the
33 commission or the Tax Division of the Arkansas Public Service Commission in
34 this chapter, including rulemaking and regulation; promulgation of rules,
35 rates, regulation and standards; and the rendering of findings, orders, and
36 adjudications are transferred by a type 2 transfer as provided in § 25-2-105

1 to the Director of the Assessment Coordination ~~Department~~ Division.

2
 3 SECTION 408. Arkansas Code § 25-28-104 is amended to read as follows:
 4 25-28-104. Administrative Procedure Act.

5 The Assessment Coordination ~~Department~~ Division shall be subject to the
 6 Administrative Procedure Act, § 25-15-201 et seq.

7
 8 SECTION 409. Arkansas Code § 25-28-107 is amended to read as follows:
 9 25-28-107. Requirements of Director of the Assessment Coordination
 10 ~~Department~~ Division.

11 From and after July 1, 2000, the Director of the Assessment
 12 Coordination ~~Department~~ Division shall meet the qualifications required for
 13 certification or licensure as a Level 4 Appraiser in Arkansas, provided that
 14 the formal course work was or is satisfactorily completed in another state.
 15 At the time of appointing the director, the Governor shall include in the
 16 appointment document a statement that the appointee meets the qualifications
 17 prescribed by law.

18
 19 SECTION 410. Arkansas Code § 25-28-108 is amended to read as follows:
 20 25-28-108. Specifications for computer-assisted mass appraisal
 21 software.

22 (a) By July 1, 2005, the Assessment Coordination ~~Department~~ Division
 23 shall adopt and implement by rules final specifications for computer-assisted
 24 mass appraisal software.

25 (b)(1) The rules may provide a procedure by which the ~~department~~
 26 division may directly compensate computer-assisted mass appraisal software
 27 providers who are in compliance with requirements set forth in the final
 28 specifications for computer-assisted mass appraisal software.

29 (2) The ~~department~~ division shall require computer-assisted mass
 30 appraisal software providers to comply with requirements set forth in the
 31 final specifications for computer-assisted mass appraisal software.

32
 33 SECTION 411. Arkansas Code § 25-16-205(b), concerning the transition
 34 of funds, is amended to read as follows:

35 (b) The ~~Director~~ Secretary of the Department of Finance and
 36 Administration shall issue limitations and guidelines on the expenditure of

1 transition funds and make those limitations and guidelines a part of any
2 appropriation.

3
4 SECTION 412. Arkansas Code § 25-16-511(c)(1) and (2), concerning
5 recordkeeping requirements, is amended to read as follows:

6 (c)(1) The Auditor of State is authorized and directed to keep a
7 register in his or her office of all checks which have been drawn upon state
8 agency bank funds and approved for payment by the ~~Director~~ Secretary of the
9 Department of Finance and Administration.

10 (2) The ~~director~~ secretary is directed to transmit to the
11 Auditor of State all documents and information necessary to prepare this
12 register.

13
14 SECTION 413. Arkansas Code § 25-18-214(b), concerning clerks and
15 personal liability, is amended to read as follows:

16 (b) The volume shall not be loaned or removed except that the clerk,
17 upon approval of the ~~Director~~ Secretary of the Department of Finance and
18 Administration, may remove or otherwise dispose of bound volumes if the
19 official reports are available in electronic or other readily accessible
20 medium in each county in the State of Arkansas for the general use of the
21 courts, county officials, and attorneys.

22
23 SECTION 414. Arkansas Code § 25-18-224(a)(2), concerning the
24 distribution of quasijudicial opinions and orders, is amended to read as
25 follows:

26 (2) Such quasijudicial board, commission, or agency may make a
27 charge for providing such opinions and orders, but the charge shall be
28 limited to the actual cost of reproduction and shall be approved by the
29 ~~Director~~ Secretary of the Department of Finance and Administration.

30
31 SECTION 415. Arkansas Code § 25-18-402 is amended to read as follows:
32 25-18-402. Exemptions.

33 This subchapter does not prohibit the ~~Director~~ Secretary of the
34 Department of Finance and Administration and his or her authorized agents
35 from entering into agreements with taxpayers pursuant to § 26-18-705 which
36 shall not be subject to public disclosure if the subject matter of the

1 agreement is protected from public disclosure by the Freedom of Information
2 Act of 1967, § 25-19-101 et seq., or § 26-18-303, or other state law.

3
4 SECTION 416. Arkansas Code § 25-19-105(b)(3), concerning the
5 examination and copying of public records, is amended to read as follows:

6 (3) The site files and records maintained by the Arkansas
7 Historic Preservation Program of the ~~Department~~ Division of Arkansas Heritage
8 and the Arkansas Archeological Survey;

9
10 SECTION 417. Arkansas Code § 25-27-103(a)(1), concerning the creation
11 of the Information Network of Arkansas, is amended to read as follows:

12 (1) The ~~Executive~~ Director of the Arkansas Economic Development
13 Commission or his or her designee;

14
15 SECTION 418. Arkansas Code § 25-27-103(a)(3), concerning the creation
16 of the Information Network of Arkansas, is amended to read as follows:

17 (3) The ~~Director~~ Secretary of the Department of Finance and
18 Administration, or the ~~director's~~ secretary's designee;

19
20 SECTION 419. Arkansas Code § 25-27-103(a)(4), concerning the creation
21 of the Information Network of Arkansas, is amended to read as follows:

22 (4) Two (2) members, or their designees, who are chief executive
23 officers of agencies of the executive branch other than the Department of
24 Finance and Administration and the ~~Department~~ Division of Information
25 Systems, shall be appointed by the Governor;

26
27 SECTION 420. Arkansas Code § 25-27-103(a)(8), concerning the creation
28 of the Information Network of Arkansas, is amended to read as follows:

29 (8) The Director of the ~~Department~~ Division of Information
30 Systems, or the director's designee.

31
32 SECTION 421. Arkansas Code § 25-30-205 is amended to read as follows:
33 25-30-205. Office facilities.

34 The Building Authority Division ~~of the Department of Finance and~~
35 ~~Administration~~ shall ensure that all offices of Arkansas Rehabilitation
36 Services of the ~~Department~~ Division of Career Education are exemplary models

1 of accessibility and conform to the Americans with Disabilities Act, 42
2 U.S.C. § 12101 et seq., accessibility guidelines.

3
4 SECTION 422. Arkansas Code § 25-33-101(a)(1) and (2), concerning the
5 creation of the State Technology Council, is amended to read as follows:

6 (1) The Director of the ~~Department~~ Division of Information
7 Systems or his or her designee who shall act as chair of the council;

8 (2) The ~~Director~~ Secretary of the Department of Finance and
9 Administration or his or her designee;

10
11 SECTION 423. Arkansas Code § 26-5-102(a), concerning an election to
12 report tax on the basis of volume percentage, is amended to read as follows:

13 (a) Every taxpayer required to file an income tax return pursuant to
14 provisions of the Income Tax Act of 1929, § 26-51-101 et seq., whose only
15 activity within this state consists of sales and does not include owning or
16 renting real estate or tangible personal property in this state and whose
17 dollar volume of gross sales made during the last year within the State of
18 Arkansas or its subdivisions, as the case may be, is not in excess of one
19 hundred thousand dollars (\$100,000) may elect to report any tax due the State
20 of Arkansas on the basis of a percentage of this volume, and the ~~Director~~
21 Secretary of the Department of Finance and Administration is authorized to
22 adopt rates which are calculated to produce a tax thereon which reasonably
23 approximates the tax otherwise due under the laws of this state from these
24 taxpayers.

25
26 SECTION 424. Arkansas Code § 26-5-103 is amended to read as follows:

27 26-5-103. State representative.

28 The ~~Director~~ Secretary of the Department of Finance and Administration
29 of the State of Arkansas shall represent this state on the Multistate Tax
30 Commission. The ~~director~~ secretary may, with the approval of the Governor,
31 designate an alternate to serve on the commission in his or her place if
32 there is on file with the commission written notification of the designation
33 and the identity of the alternate.

34
35 SECTION 425. Arkansas Code § 26-5-106 is amended to read as follows:

36 26-5-106. Legal counsel.

1 The chief attorney of the Revenue Division of the Department of Finance
2 and Administration is designated as counsel to represent this state at
3 meetings of the Multistate Tax Commission. However, the ~~Director~~ Secretary of
4 the Department of Finance and Administration may request the Attorney General
5 of this state to attend meetings of the commission or to designate one (1) of
6 his or her assistant attorneys general to attend commission meetings.

7
8 SECTION 426. Arkansas Code § 26-5-107 is amended to read as follows:
9 26-5-107. Interstate audit procedures.

10 The provisions of Article VIII of the Multistate Tax Compact, § 26-5-
11 101, pertaining to interstate audits, shall not be applicable to this state
12 unless the ~~Director~~ Secretary of the Department of Finance and Administration
13 shall, with the approval of the Governor, determine that compliance with the
14 interstate audits procedures would be in the better interest of this state
15 and shall notify the commission of this fact in writing.

16
17 SECTION 427. Arkansas Code § 26-5-108 is amended to read as follows:
18 26-5-108. Authorized forms.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 is authorized to adopt and use forms promulgated by the Multistate Tax
21 Commission pursuant to Article VII of the Multistate Tax Compact, § 26-5-101.

22
23 SECTION 428. Arkansas Code § 26-17-201 is amended to read as follows:
24 26-17-201. Authority to employ.

25 The ~~Director~~ Secretary of the Department of Finance and Administration
26 shall employ such clerical and legal assistants as he or she may deem
27 necessary for the proper function of the Revenue Division of the Department
28 of Finance and Administration.

29
30 SECTION 429. Arkansas Code § 26-17-202(a), concerning attorneys
31 employed by the Department of Finance and Administration, is amended to read
32 as follows:

33 (a) The ~~Director~~ Secretary of the Department of Finance and
34 Administration shall employ one (1) or more attorneys for the Revenue
35 Division of the Department of Finance and Administration if he or she deems
36 it necessary and if a saving of money can be had by employing one (1) or more

1 attorneys for the division.

2
3 SECTION 430. The introductory language of Arkansas Code § 26-17-203,
4 concerning field auditors, is amended to read as follows:

5 It shall be the duty of the ~~Director~~ Secretary of the Department of
6 Finance and Administration in selecting field auditors to be employed by the
7 Revenue Division of the Department of Finance and Administration to require
8 that the applicants meet the following qualifications:

9
10 SECTION 431. Arkansas Code § 26-17-204 is amended to read as follows:
11 26-17-204. Bond.

12 All deputy commissioners and other employees of the Revenue Division of
13 the Department of Finance and Administration collecting or handling funds
14 shall be placed under bond, premium on which shall be paid by the state upon
15 vouchers issued by the ~~Director~~ Secretary of the Department of Finance and
16 Administration payable out of funds appropriated for that purpose.

17
18 SECTION 432. Arkansas Code § 26-17-301 is amended to read as follows:
19 26-17-301. Performance required.

20 All of the employees of the Revenue Division of the Department of
21 Finance and Administration shall perform such duties and respond to such
22 directions as the ~~Director~~ Secretary of the Department of Finance and
23 Administration from time to time may enjoin.

24
25 SECTION 433. Arkansas Code § 26-17-302 is amended to read as follows:
26 26-17-302. Motor vehicle license fees.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 shall collect the motor vehicle license fees prescribed by law, and he or she
29 is empowered to make and enforce the necessary rules and regulations to
30 ensure those collections.

31
32 SECTION 434. Arkansas Code § 26-17-303 is amended to read as follows:
33 26-17-303. Petroleum products.

34 Inspection of petroleum oils and products required to be made by law
35 shall devolve on the ~~Director~~ Secretary of the Department of Finance and
36 Administration who shall collect the fees therefor provided by law.

1
2 SECTION 435. Arkansas Code § 26-17-304 is amended to read as follows:
3 26-17-304. Suits and other proceedings.

4 (a)(1)(A) The ~~Director~~ Secretary of the Department of Finance and
5 Administration may:

6 (i) Institute and prosecute in his or her name as
7 such all suits and other proceedings necessary for the collection of any
8 taxes or fees collectible by him or her and which have become delinquent; and

9 (ii) Defend all suits and other proceedings
10 concerning taxes, fees, or licenses administered by the ~~director~~ secretary.

11 (B) All suits and proceedings instituted by the ~~director~~
12 secretary or defended by the ~~director~~ secretary that concern taxes, fees, or
13 licenses administered by the Revenue Division of the Department of Finance
14 and Administration may be maintained or defended by an attorney authorized to
15 represent the interests of the division pursuant to § 26-17-202.

16 (2) No deposits of advance cost shall be required of the
17 ~~director~~ secretary in any suit or proceedings, nor shall he or she be
18 required to give bond for cost, indemnity, or stay as a condition to the
19 institution of any suit or proceedings or to the issuance, service, or
20 execution of any process in any suit or proceedings or ancillary to any suit
21 or proceedings or to the appeal from any adverse action.

22 (b)(1) The ~~director~~ secretary shall not be required to advance or pay
23 any court costs to any court clerk for the institution or prosecution of any
24 suit filed in his or her official capacity.

25 (2) No bond shall be required of the ~~director~~ secretary in
26 obtaining restraining orders, injunctions, or any other cases in which a bond
27 is required to be made by a litigant, including supersedeas bond upon appeal.

28
29 SECTION 436. Arkansas Code § 26-17-402 is amended to read as follows:
30 26-17-402. Authority to enter agreements.

31 The ~~Director~~ Secretary of the Department of Finance and Administration
32 is authorized and empowered, on behalf of the State of Arkansas, to enter
33 into reciprocal pacts and agreements with other states and with the
34 government of the United States for the exchange of information and copies of
35 public and private records, documents, books, and all other matters relative
36 to taxes in which any state may be interested if the state or United States

1 government is a party to such an agreement or pact.

2
3 SECTION 437. Arkansas Code § 26-17-403 is amended to read as follows:
4 26-17-403. Powers and duties – Definition.

5 The ~~Director~~ Secretary of the Department of Finance and Administration
6 and his or her agents are authorized and empowered to perform the duties
7 necessary to comply with any pact or agreement with any other state or with
8 the government of the United States as provided:

9 (1) Upon request of any state or government of the United States
10 that is a party to a reciprocal pact or agreement with the State of Arkansas,
11 the ~~director~~ secretary and his or her agents are empowered to furnish such
12 information from public or private records as may be requested by a state;

13 (2) The ~~director~~ secretary and his or her agents in the
14 performance of these duties are empowered to require any person, firm, or
15 corporation to make records available to the director for examination and
16 copying. These records shall be available to the ~~director~~ secretary or his or
17 her agents at all reasonable times;

18 (3) The ~~director~~ secretary and his or her agents are empowered
19 to question any person with reference to any matter involving Arkansas taxes
20 or the taxes of any state or government of the United States with which the
21 State of Arkansas may be a party to a pact or agreement for exchange of tax
22 information if the state or government of the United States shall request
23 assistance of the State of Arkansas in obtaining information. The ~~director~~
24 secretary and his or her agents are empowered to take depositions or written
25 sworn statements in the performance of these duties. All persons, firms, or
26 corporations shall, upon demand of the ~~director~~ secretary or his or her
27 agents, supply full and accurate information. That information shall not be
28 used against the person, firm, or corporation supplying the information in
29 any grand jury investigation, indictment, or trial of any person, firm, or
30 corporation involving violation of tax laws, it being the intent of this
31 provision to comply fully with constitutional rights guaranteed to defendants
32 which permit defendants to refrain from giving information or testimony
33 against themselves;

34 (4) The ~~director~~ secretary and his or her agents shall not be
35 empowered to make arrests of persons in Arkansas charged with violating tax
36 laws of other states, unless those persons shall have been charged in the

1 courts of other states with such offenses and notices thereof, together with
2 a certified copy of the charges, shall have been transmitted to the ~~director~~
3 secretary. Any person so arrested shall be permitted to maintain all rights
4 relative to extradition of prisoners;

5 (5)(A) As used in this subdivision (5), "affected person" means
6 a person who may be authorized by the ~~director~~ secretary to access or view
7 federal tax information as a requirement of the person's job duties and who
8 is also:

9 (i) A current employee of the Department of Finance
10 and Administration;

11 (ii) An applicant for employment with the Department
12 of Finance and Administration;

13 (iii) A current employee of a contractor of the
14 Department of Finance and Administration; or

15 (iv) An applicant for employment with a contractor
16 of the Department of Finance and Administration.

17 (B) The ~~director~~ secretary shall establish a criminal
18 background investigation policy for all affected persons that shall include
19 at least the following provisions:

20 (i) An affected person shall authorize the ~~director~~
21 secretary or his or her designee to obtain a state and national criminal
22 background check at the expense of the Department of Finance and
23 Administration;

24 (ii) A criminal background check shall be conducted
25 by the Identification Bureau of the ~~Department~~ Division of Arkansas State
26 Police and the Federal Bureau of Investigation and shall include the taking
27 of fingerprints;

28 (iii) A criminal background check shall satisfy the
29 background investigation standards established by the Internal Revenue
30 Service with regard to access to federal tax information;

31 (iv) A criminal background check performed on an
32 affected person before his or her employment by the ~~director~~ secretary or a
33 contractor of the Department of Finance and Administration shall be conducted
34 before an offer of employment is extended by the ~~director~~ secretary or the
35 contractor of the Department of Finance and Administration;

36 (v) A criminal background check performed on an

1 affected person who is already employed by the ~~director~~ secretary or a
2 contractor of the Department of Finance and Administration shall be conducted
3 at least one (1) time every ten (10) years;

4 (vi) An affected person shall authorize the release
5 of the criminal background check results to the ~~director~~ secretary or his or
6 her designee, and the Identification Bureau of the ~~Department~~ Division of
7 Arkansas State Police shall forward to the ~~director~~ secretary or his or her
8 designee all information obtained as a result of the criminal background
9 check;

10 (vii) Information received from a criminal
11 background check shall be used only for the purpose of making decisions
12 regarding the employment or retention of an affected person in a position in
13 which access to federal tax information may or will be authorized;

14 (viii) Information received by the ~~director~~
15 secretary or his or her designee from the Identification Bureau of the
16 ~~Department~~ Division of Arkansas State Police under this section shall not be
17 released to any party other than the affected person or his or her authorized
18 representative; and

19 (ix)(a) An affected person who is employed by the
20 Department of Finance and Administration or by a contractor of the Department
21 of Finance and Administration shall notify the ~~director~~ secretary or his or
22 her designee of an arrest for a misdemeanor or felony offense.

23 (b) Any information received under subdivision
24 (5)(B)(ix)(a) of this section shall be used only for the purpose of the
25 ~~director~~ secretary making a decision regarding retention of an affected
26 person following the arrest.

27 (c) Failure to provide notice of a subsequent
28 arrest under subdivision (5)(B)(ix)(a) of this section may be grounds for
29 immediate termination of the affected person's employment or other action as
30 the ~~director~~ secretary or his or her designee deems appropriate.

31
32 SECTION 438. Arkansas Code § 26-17-501 is amended to read as follows:
33 26-17-501. Penalty.

34 (a) If the ~~Director~~ Secretary of the Department of Finance and
35 Administration, or any of his or her deputies or assistants shall collect or
36 receive any tax, revenue, or funds by virtue of his or her official duties or

1 position and shall neglect or fail to turn them over to the Treasurer of
2 State within ten (10) days after the tax, revenue, or funds shall have come
3 into his or her hands or possession, the offender shall be deemed guilty of a
4 felony and be punished by confinement in the state penitentiary for a period
5 of not less than one (1) year and not more than five (5) years.

6 (b) The ~~director~~ secretary shall be liable upon his or her official
7 bond for all funds not turned into the Treasurer of State within ten (10)
8 days after they may come into the hands of the ~~director~~ secretary or any of
9 his or her deputies or assistants.

10
11 SECTION 439. Arkansas Code § 26-17-502 is amended to read as follows:
12 26-17-502. Duty to remit revenues.

13 The ~~Director~~ Secretary of the Department of Finance and Administration
14 shall turn over to the Treasurer of State all revenues that may come into his
15 or her possession or into the possession of any of his or her deputies,
16 promptly on the day the funds reach his or her office unless received after
17 the office of the Treasurer of State shall have closed for the day, in which
18 event the funds shall be turned over to the Treasurer of State on the first
19 day the Treasurer of State's office is open after the funds are received at
20 the office of the ~~director~~ secretary.

21
22 SECTION 440. Arkansas Code § 26-17-503 is amended to read as follows:
23 26-17-503. Daily remittance.

24 All collectors and field inspectors shall daily report and remit to the
25 ~~Director~~ Secretary of the Department of Finance and Administration all
26 collections made by them.

27
28 SECTION 441. Arkansas Code § 26-17-504 is amended to read as follows:
29 26-17-504. Deposits and collections.

30 (a) The ~~Director~~ Secretary of the Department of Finance and
31 Administration shall make daily deposits into the State Treasury of all
32 moneys and checks collected by him or her.

33 (b) The Treasurer of State shall promptly return to the ~~director~~
34 secretary all checks which for any reason were not paid, and it shall be the
35 duty of the ~~director~~ secretary to collect all such checks.

36

1 SECTION 442. Arkansas Code § 26-18-104(1), concerning the definition
2 of the "assessment" under the Arkansas Tax Procedure Act, is amended to read
3 as follows:

4 (1) "Assessment" means the determination and imposition of the
5 amount of any state tax due and owing, whether made on a return filed by a
6 taxpayer or by the ~~Director~~ Secretary of the Department of Finance and
7 Administration on audit or otherwise;

8
9 SECTION 443. Arkansas Code § 26-18-104(4), concerning the definition
10 of the "director" under the Arkansas Tax Procedure Act, is amended to read as
11 follows:

12 (4) "Director" means the ~~Director~~ Secretary of the Department of
13 Finance and Administration, State of Arkansas, or the Administrative
14 Assistant for Revenue, or his or her authorized agent;

15
16 SECTION 444. Arkansas Code § 26-18-211 is amended to read as follows:

17 26-18-211. Failure to correct noncompliance after notification.

18 If a taxpayer has been previously advised that he or she has failed to
19 comply with the provisions of the Arkansas Code or the rules and regulations
20 as promulgated by the ~~Director~~ Secretary of the Department of Finance and
21 Administration by his or her failure to include all of the information
22 required to be shown on the return or the inclusion of incorrect information
23 and he or she continues to disregard those provisions, there shall be
24 assessed a penalty of fifty dollars (\$50.00) per return, unless the failure
25 is due to reasonable cause and not due to willful neglect.

26
27 SECTION 445. Arkansas Code § 26-18-212 is amended to read as follows:

28 26-18-212. Failure to file a return after notification.

29 If a taxpayer has previously been advised that the taxpayer has not
30 complied with the provisions of §§ 26-51-804(a), 26-51-908(g)(2), 26-52-
31 501(a), 26-53-125(a)(1), or 26-55-229(b), because the taxpayer has not filed
32 a return or notified the ~~Director~~ Secretary of the Department of Finance and
33 Administration that the taxpayer is no longer required to file a return, even
34 though no tax is due, and the taxpayer continues to disregard those
35 provisions, there shall be assessed a penalty of fifty dollars (\$50.00) per
36 return, unless the failure is due to reasonable cause and not due to willful

1 neglect.

2

3 SECTION 446. Arkansas Code § 26-18-301 is amended to read as follows:

4 26-18-301. Duties of ~~director~~ secretary.

5 (a) The ~~director~~ Secretary of the Department of Finance and
6 Administration shall:

7 (1) Administer and enforce the provisions of every state tax law
8 and when necessary shall promulgate and enforce the rules and regulations;

9 (2) Audit and properly determine and compute the state tax
10 payable by any taxpayer subject to taxation under any state tax law;

11 (3) Assess and collect any state tax; and

12 (4) Administer and enforce all state tax laws.

13 (b) The ~~director~~ secretary shall make available at cost to the general
14 public all rules and regulations promulgated by the ~~director~~ secretary.

15 (c) The ~~director~~ secretary shall provide forms, schedules, and returns
16 for all state tax laws.

17 (d) The ~~director~~ secretary may accept electronic or digital signatures
18 as binding, valid signatures on all reports, forms, or schedules required to
19 be filed by state law.

20

21 SECTION 447. Arkansas Code § 26-18-302 is amended to read as follows:

22 26-18-302. Preservation of records and copies.

23 (a)(1) The ~~director~~ Secretary of the Department of Finance and
24 Administration shall keep and permanently preserve the original of all
25 official rules, regulations, decisions, and orders and the effective date
26 thereof.

27 (2)(A) A copy of a rule, regulation, decision, or order made by
28 the ~~director~~ secretary in the administration of any state tax law may be
29 authenticated under his or her official seal.

30 (B) An authenticated copy is admissible in any court in
31 this state under § 16-46-101.

32 (C) The ~~director~~ secretary may charge a reasonable fee,
33 not to exceed five dollars (\$5.00), to cover the cost of authentication.

34 (D) Under no circumstances shall the ~~director~~ secretary
35 furnish copies of records which may by law be prohibited from being made
36 public.

1 (b)(1) The ~~director~~ secretary may microfilm any returns, reports,
2 records, or documents received or issued by him or her in the administration
3 of any state tax law.

4 (2) The microfilm records shall be properly indexed for easy
5 retrieval, and one (1) copy shall be placed in a fireproof vault.

6 (3) These records are admissible as evidence in any court in
7 this state under § 16-46-101 and shall have the same weight and force as the
8 original thereof.

9 (c) If the ~~director~~ secretary determines that a method for the
10 reproduction of records is more practicable than the use of microfilm, he or
11 she may use that method.

12
13 SECTION 448. Arkansas Code § 26-18-303(a), concerning confidential
14 records, privilege, and exceptions, is amended to read as follows:

15 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
16 Administration is the official custodian of all records and files required by
17 any state tax law to be filed with the ~~Director~~ Secretary of the Department
18 of Finance and Administration and is required to take all steps necessary to
19 maintain their confidentiality.

20 (2)(A)(i) Except as otherwise provided by this chapter, the
21 records and files of the ~~Director~~ Secretary of the Department of Finance and
22 Administration concerning the administration of any state tax law are
23 confidential and privileged.

24 (ii) These records and files and any information
25 obtained from these records or files or from any examination or inspection of
26 the premises or property of any taxpayer shall not be divulged or disclosed
27 by the ~~Director~~ Secretary of the Department of Finance and Administration or
28 any other person who may have obtained these records and files.

29 (B) It is the specific intent of this chapter that all tax
30 returns, audit reports, and information pertaining to any tax returns,
31 whether filed by individuals, corporations, partnerships, or fiduciaries,
32 shall not be subject to the provisions of the Freedom of Information Act of
33 1967, § 25-19-101 et seq.

34
35 SECTION 449. Arkansas Code § 26-18-303(b)(1)-(10), concerning
36 confidential records, privilege, and exceptions, is amended to read as

1 follows:

2 (1) Publication of statistics by the ~~Director~~ Secretary of the
3 Department of Finance and Administration classified to prevent the
4 identification of a particular taxpayer;

5 (2) Use of the information in records filed under any state tax
6 law by the ~~Director~~ Secretary of the Department of Finance and Administration
7 when conducting any audit or investigation of any taxpayer in regard to any
8 state tax;

9 (3)(A) Disclosure of information to the Attorney General of this
10 state, any prosecuting attorney, or any other individual who is empowered by
11 law to prosecute criminal and civil violations of any state tax law when the
12 ~~Director~~ Secretary of the Department of Finance and Administration initiates
13 the investigation.

14 (B) If the prosecution is initiated by the Attorney
15 General or a prosecuting attorney, the ~~Director~~ Secretary of the Department
16 of Finance and Administration shall not disclose any information unless
17 required by subpoena issued by a circuit court.

18 (C) Information may be introduced as evidence by the
19 Attorney General, a prosecuting attorney, or other individual so empowered
20 when the individual is prosecuting any civil or criminal violation of state
21 tax law;

22 (4) Disclosure compelled by any Arkansas circuit court, the
23 Supreme Court, the Court of Appeals, or by any federal court of information
24 involved in any case or controversy before that court;

25 (5) Disclosure by the taxpayer or the taxpayer's authorized
26 agent or by the ~~Director~~ Secretary of the Department of Finance and
27 Administration, at the taxpayer's request, of any information which the
28 ~~Director~~ Secretary of the Department of Finance and Administration has
29 concerning that taxpayer;

30 (6) Disclosure by the ~~Director~~ Secretary of the Department of
31 Finance and Administration, at the ~~Director~~ Secretary of the Department of
32 Finance and Administration's discretion, of information from the records of
33 any state tax law to comparable officials of any other state or the United
34 States who are charged with the administration of a similar tax;

35 (7) Disclosure of motor vehicle titling and registration
36 information, all licenses and permits issued to owners and operators of coin-

1 operated amusement machines pursuant to §§ 26-57-402, 26-57-408 – 26-57-421,
2 and 26-77-303, and tax records, files, and other information relating to
3 sales of aviation fuel at airports and other aviation fuel outlets;

4 (8) Disclosure of information other than income tax information
5 at an administrative hearing held regarding the issuance, cancellation,
6 revocation, or suspension of licenses or permits issued by the ~~Director~~
7 Secretary of the Department of Finance and Administration or any other state
8 agency or department;

9 (9)(A) Disclosure to the Student Loan Authority Division of the
10 Arkansas Development Finance Authority, the ~~Department~~ Division of Higher
11 Education, the Student Loan Guarantee Foundation of Arkansas, or any Arkansas
12 public institution of higher education of the last known address or
13 whereabouts or the last known employer of any person from whom these agencies
14 are charged with collecting a student loan or other student indebtedness.

15 (B) In providing such information, the ~~Director~~ Secretary
16 of the Department of Finance and Administration shall not allow the Student
17 Loan Authority Division of the Arkansas Development Finance Authority, the
18 Student Loan Guarantee Foundation of Arkansas, the ~~Department~~ Division of
19 Higher Education, or any Arkansas public institution of higher education to
20 examine the tax return;

21 (10)(A) In order to ensure proper payment to vendors by all
22 agencies of state government or by county governments or city governments,
23 information about the receipt or nonreceipt of sales tax permits by vendors
24 must be made available by the ~~Director~~ Secretary of the Department of Finance
25 and Administration upon request by these agencies of state government or by
26 county governments or city governments.

27 (B) Therefore, notwithstanding any provision of this
28 chapter or any other law to the contrary, in instances when state agencies,
29 boards, commissions, and other branches of state government or county
30 governments or city governments identify to the ~~Director~~ Secretary of the
31 Department of Finance and Administration the identity of vendors receiving
32 payments and ask the ~~Director~~ Secretary of the Department of Finance and
33 Administration whether these vendors have been issued sales tax permits, the
34 ~~Director~~ Secretary of the Department of Finance and Administration shall
35 answer these inquiries;

36

1 SECTION 450. Arkansas Code § 26-18-303(16)(B) and (C), concerning
2 confidential records, privilege, and exceptions, are amended to read as
3 follows:

4 (B) This information may be released only following
5 completion of an audit or investigation by the ~~Director~~ Secretary of the
6 Department of Finance and Administration and following a determination by the
7 ~~Director~~ Secretary of the Department of Finance and Administration that there
8 is a strong possibility the taxpayer has failed to properly assess the
9 taxpayer's personal property in the county.

10 (C) In providing this information, the ~~Director~~ Secretary
11 of the Department of Finance and Administration shall not allow the county
12 assessors to examine any tax returns or audit records;

13
14 SECTION 451. Arkansas Code § 26-18-303(b)(21), concerning confidential
15 records, privilege, and exceptions, is amended to read as follows:

16 (21)(A) To perform audit and compliance duties, disclosure to
17 the ~~Department~~ Division of Workforce Services of withholding tax information
18 reported by companies doing business in Arkansas, including without
19 limitation taxpayer names, taxpayer addresses, tax identification numbers,
20 and tax withholding information.

21 (B) Information received by the ~~Department~~ Division of
22 Workforce Services under this section shall remain confidential and is not
23 subject to disclosure except in accordance with this section;

24
25 SECTION 452. Arkansas Code § 26-18-303(c), concerning confidential
26 records, privilege, and exceptions, is amended to read as follows:

27 (c) The provisions of this section shall be strictly interpreted and
28 shall not permit any other disclosure of tax information concerning a
29 taxpayer, whether the taxpayer is an individual, a corporation, a
30 partnership, or a fiduciary, that is contained in the records and files of
31 the ~~Director~~ Secretary of the Department of Finance and Administration
32 relating to income tax or any other state tax administered under this
33 chapter.

34
35 SECTION 453. Arkansas Code § 26-18-303(e) and (f), concerning
36 confidential records, privilege, and exceptions, is amended to read as

1 follows:

2 (e) Any person who knowingly obtains or attempts to obtain any of the
 3 confidential and privileged records and files of the ~~Director~~ Secretary of
 4 the Department of Finance and Administration who is not so permitted by law
 5 is guilty of a Class A misdemeanor.

6 (f) The ~~Director~~ Secretary of the Department of Finance and
 7 Administration shall report all violations of this section to the appropriate
 8 prosecuting attorney in this state.

9

10 SECTION 454. Arkansas Code § 26-18-303(g)(1), concerning confidential
 11 records, privilege, and exceptions, is amended to read as follows:

12 (g)(1) The ~~Director~~ Secretary of the Department of Finance and
 13 Administration shall promulgate such regulations as are necessary to
 14 establish a reasonable procedure for making requests for and release of
 15 information under subdivision (b)(11) of this section, for allowing a
 16 taxpayer reasonable notice in advance of the release of the requested
 17 information, for a period of time up to seven (7) days from the date a
 18 request for information is made to provide notice and make necessary
 19 determinations, and to provide the methods by which the ~~Director~~ Secretary of
 20 the Department of Finance and Administration shall determine if the
 21 information requested is subject to disclosure under Arkansas law.

22

23 SECTION 455. Arkansas Code § 26-18-303(h)(1), concerning confidential
 24 records, privilege, and exceptions, is amended to read as follows:

25 (h)(1) Upon the request of a county government or a city government,
 26 the ~~Director~~ Secretary of the Department of Finance and Administration shall
 27 provide a list of vendors within the requesting county or city who hold
 28 permits issued pursuant to the Arkansas Gross Receipts Act of 1941, § 26-52-
 29 101 et seq.

30

31 SECTION 456. The introductory language of Arkansas Code § 26-18-
 32 303(i)(1), concerning confidential records, privilege, and exceptions, is
 33 amended to read as follows:

34 (i)(1) The ~~Director~~ Secretary of the Department of Finance and
 35 Administration may disclose information from a return filed by a person,
 36 partnership, corporation, trust, or estate to any of the parties who signed

1 the return:

2

3 SECTION 457. Arkansas Code § 26-18-303(i)(2) and (3), concerning
4 confidential records, privilege, and exceptions, are amended to read as
5 follows:

6 (2) The ~~Director~~ Secretary of the Department of Finance and
7 Administration may also disclose all information concerning the collection
8 activity related to a tax return to any party who signed the return.

9 (3) The ~~Director~~ Secretary of the Department of Finance and
10 Administration shall promulgate such regulations as are necessary to
11 establish a reasonable procedure for making requests for and for the release
12 of information under this section.

13

14 SECTION 458. Arkansas Code § 26-18-303(j)(1)(C), concerning
15 confidential records, privilege, and exceptions, is amended to read as
16 follows:

17 (C) The sharing of documents and other information between
18 the ~~Director~~ Secretary of the Department of Finance and Administration, the
19 Attorney General, and the Director of Arkansas Tobacco Control will put the
20 state in a better position to prevent tobacco diversion and prevent
21 cigarettes from being sold to youth and an already addicted adult population.

22

23 SECTION 459. Arkansas Code § 26-18-303(j)(2), concerning confidential
24 records, privilege, and exceptions, is amended to read as follows:

25 (2) The ~~Director~~ Secretary of the Department of Finance and
26 Administration may disclose documents and other information submitted by
27 stamp deputies appointed under § 26-57-236 or those persons licensed or
28 permitted under the terms of the Arkansas Tobacco Products Tax Act of 1977, §
29 26-57-201 et seq., to the Attorney General or the Director of Arkansas
30 Tobacco Control upon the request of the Attorney General or the Director of
31 Arkansas Tobacco Control.

32

33 SECTION 460. Arkansas Code § 26-18-303(j)(4)(A), concerning
34 confidential records, privilege, and exceptions, is amended to read as
35 follows:

36 (4)(A) The Attorney General and the Director of Arkansas Tobacco

1 Control may use the documents and other information provided under this
2 subsection by the ~~Director~~ Secretary of the Department of Finance and
3 Administration in proceedings before any court.

4
5 SECTION 461. Arkansas Code § 26-18-303(j)(4)(B)(i), concerning
6 confidential records, privilege, and exceptions, is amended to read as
7 follows:

8 (B)(i) However, the documents and other information shall
9 not be presented in court except with the approval of the court in which the
10 action is pending and after adequate notice to the person who initially
11 furnished the documents or other information to the ~~Director~~ Secretary of the
12 Department of Finance and Administration.

13
14 SECTION 462. Arkansas Code § 26-18-312(a), concerning signatures on
15 electronic forms, is amended to read as follows:

16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration shall develop procedures for the acceptance of signatures on
18 state tax returns or reports in digital or other electronic form.

19
20 SECTION 463. Arkansas Code § 26-18-509 is amended to read as follows:

21 26-18-509. Liability for payment of taxes – Falsification of sales
22 transaction records.

23 A person who violates § 5-37-507 is liable to the state for a civil
24 penalty equal to the total amount of the tax evaded, not collected, or not
25 accounted for and paid over to the ~~Director~~ Secretary of the Department of
26 Finance and Administration that results from the violation.

27
28 SECTION 464. Arkansas Code § 26-18-701(a)(1), concerning the issuance
29 of certificates of indebtedness and execution, is amended to read as follows:

30 (a)(1)(A) If a taxpayer does not timely and properly pursue his or her
31 remedies seeking relief from a decision of the ~~Director~~ Secretary of the
32 Department of Finance and Administration and a final assessment is made
33 against the taxpayer, or if the taxpayer fails to pay the deficiency assessed
34 upon notice and demand, then the ~~director~~ secretary shall, as soon as
35 practicable thereafter, issue to the circuit clerk of any county of the state
36 a certificate of indebtedness certifying that the person named in the

1 certificate of indebtedness is indebted to the state for the amount of the
2 tax established by the ~~director~~ secretary as due.

3 (B)(i) If a taxpayer has a delinquent tax liability to the
4 State of Arkansas of less than one thousand dollars (\$1,000), the ~~director~~
5 secretary may enter into an agreement with the taxpayer to allow the taxpayer
6 to pay the delinquency in installments.

7 (ii) The ~~director~~ secretary may choose not to issue
8 a certificate of indebtedness during the period of the installment agreement
9 if he or she determines that it is in the best interest of the state.

10 (C)(i) If a taxpayer has a total delinquent individual
11 income tax liability to the State of Arkansas of less than two thousand
12 dollars (\$2,000), the ~~director~~ secretary may enter into an agreement with the
13 taxpayer to allow the taxpayer to pay the delinquency in installments if:

14 (a) The installment agreement is for a period
15 of twelve (12) months or less; and

16 (b) The installments are to be paid
17 electronically.

18 (ii) The ~~director~~ secretary may choose not to issue
19 a certificate of indebtedness during the period of the installment agreement
20 if he or she determines that the issuance of a certificate of indebtedness is
21 not in the best interest of the state.

22
23 SECTION 465. Arkansas Code § 26-18-701(a)(3)(C)(iii), concerning the
24 issuance of certificates of indebtedness and execution, is amended to read as
25 follows:

26 (iii) The ~~director~~ secretary shall not be required
27 to file a release on a lien which has expired, and the provisions of § 26-18-
28 808 dealing with failure to release liens are not applicable to this section.

29
30 SECTION 466. Arkansas Code § 26-18-701(b), concerning the issuance of
31 certificates of indebtedness and execution, is amended to read as follows:

32 (b)(1) After entry of the certificate of indebtedness, the circuit
33 clerk shall issue a writ of execution directed to the ~~director~~ secretary,
34 authorizing the ~~director~~ secretary to levy upon and against all real and
35 personal property of the taxpayer.

36 (2) The ~~director~~ secretary shall have all remedies and may take

1 all proceedings for the collection of the tax which may be taken for the
2 recovery of a judgment at law.

3 (3) The writ of execution shall be issued, served, and executed
4 in the same manner as provided for in the issuance and service of executions
5 rendered by the circuit courts of this state, except the ~~director~~ secretary
6 shall act in the place of the county sheriffs.

7 (4) The ~~director~~ secretary shall have this authority for all
8 liens either presently filed or filed after the passage of this act.

9
10 SECTION 467. Arkansas Code § 26-18-701(c)(1), concerning the issuance
11 of certificates of indebtedness and execution, is amended to read as follows:

12 (c)(1) Nothing in this chapter shall preclude the ~~director~~ secretary
13 from resorting to any other means provided by law for collecting delinquent
14 taxes.

15
16 SECTION 468. Arkansas Code § 26-18-701(c)(4), concerning the issuance
17 of certificates of indebtedness and execution, is amended to read as follows:

18 (4) In the name of the state, the ~~director~~ secretary may sue to
19 the same effect and extent as for the enforcement of a right of action for
20 debt.

21
22 SECTION 469. Arkansas Code § 26-18-701(d)(1)(A), concerning the
23 issuance of certificates of indebtedness and execution, is amended to read as
24 follows:

25 (d)(1)(A) In addition to the remedies provided in subsections (b) and
26 (c) of this section, the ~~director~~ secretary may direct the circuit clerk to
27 issue a writ of execution directed to the county sheriff of any county
28 authorizing the county sheriff to levy upon and against all real and personal
29 property of the taxpayer.

30
31 SECTION 470. Arkansas Code § 26-18-701(d)(2)(B) and (C), concerning
32 the issuance of certificates of indebtedness and execution, is amended to
33 read as follows:

34 (B) These fees shall be collected from the taxpayer by
35 either the ~~director~~ secretary or the county sheriff in addition to the tax,
36 penalties, and interest included in the certificate of indebtedness.

1 (C) If the county sheriff is unable after diligent effort
 2 to collect the tax, interest, penalties, and costs, the ~~director~~ secretary
 3 may pay such fees as are properly shown to be due to the circuit clerk and
 4 county sheriff.

5
 6 SECTION 471. Arkansas Code § 26-18-701(e), concerning the issuance of
 7 certificates of indebtedness and execution, is amended to read as follows:

8 (e) The ~~director~~ secretary may contract with persons inside or outside
 9 the state to help the ~~director~~ secretary collect delinquencies of resident or
 10 nonresident taxpayers.

11
 12 SECTION 472. Arkansas Code § 26-18-705 is amended to read as follows:
 13 26-18-705. Settlement or compromise of liability controversies.

14 (a) The ~~Director~~ Secretary of the Department of Finance and
 15 Administration may enter into an agreement to compound, settle, or compromise
 16 any controversy relating to a state tax or any admitted or established tax
 17 liability as to any tax collectible under any state law when:

- 18 (1) The controversy is over the amount of tax due; or
- 19 (2) The inability to pay results from the insolvency of the

20 taxpayer.

21 (b) The ~~director~~ secretary may waive or remit the interest or penalty,
 22 or any portion of the interest or penalty, ordinarily accruing because of a
 23 taxpayer's failure to pay a state tax within the statutory period allowed for
 24 its payment:

- 25 (1) If the taxpayer's failure to pay the tax is satisfactorily
- 26 explained to the ~~director~~ secretary;
- 27 (2) If the failure results from a mistake by the taxpayer of
- 28 either the law or the facts subjecting him or her to such tax; or
- 29 (3) If the inability to pay the interest or penalty results from
- 30 the insolvency or bankruptcy of the taxpayer.

31 (c)(1) In settling or compromising any controversy relating to the
 32 liability of a person for any state tax for any taxable period, the ~~director~~
 33 secretary may enter into a written closing agreement concerning the
 34 liability.

35 (2) When the closing agreement is signed by the ~~director~~
 36 secretary, it shall be final and conclusive, and except upon a showing of

1 fraud or misrepresentation of a material fact, no additional assessment or
2 collection shall be made by the ~~director~~ secretary, and the taxpayer shall
3 not institute any judicial proceeding to recover such liabilities as agreed
4 to in the closing agreement.

5 (d) The ~~director~~ secretary shall promulgate rules and regulations
6 establishing guidelines for determining whether a proposed offer in
7 compromise is adequate and is acceptable to resolve a tax dispute.

8
9 SECTION 473. Arkansas Code § 26-18-901 is amended to read as follows:

10 26-18-901. Office of Problems Resolution and Tax Information.

11 (a) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall request the General Assembly to appropriate funds and
13 create positions for an Office of Problems Resolution and Tax Information,
14 which shall resolve taxpayer problems directly and provide information to
15 taxpayers concerning tax law. This office shall report directly to the
16 ~~Administrative Assistant of Revenues~~ secretary or his or her designee.

17 (b) The ~~director~~ secretary shall have the authority to establish the
18 duties of the office. The office shall give highest priority to reviewing
19 taxpayer problems and taking prompt and appropriate action to resolve
20 problems and respond to taxpayers.

21
22 SECTION 474. Arkansas Code § 26-18-902(a), concerning the creation of
23 the Tax Advisory Council, is amended to read as follows:

24 (a) The ~~Director~~ Secretary of the Department of Finance and
25 Administration shall establish a Tax Advisory Council consisting of
26 representatives of the Arkansas Bar Association, the Arkansas Society of
27 Certified Public Accountants, the Arkansas Society of Public Accountants, the
28 Office of Problems Resolution and Tax Information, other taxpayer-oriented
29 groups, and other representatives of the Revenue Division of the Department
30 of Finance and Administration.

31
32 SECTION 475. Arkansas Code § 26-18-903 is amended to read as follows:

33 26-18-903. Employee evaluation criteria.

34 The ~~Director~~ Secretary of the Department of Finance and Administration
35 shall develop employee evaluation criteria requiring compliance with the
36 Taxpayer Bill of Rights, § 26-18-801 et seq., and quality taxpayer

1 assistance, which shall be included in the annual evaluation of each employee
2 whose job responsibilities include taxpayer contact.

3
4 SECTION 476. The introductory language of Arkansas Code § 26-18-
5 904(a), concerning collection activity, erroneous action, and a claim for
6 damages, is amended to read as follows:

7 (a) A claim may be filed with the Department of Finance and
8 Administration for any actual damages sustained as a result of any erroneous
9 action taken in a collection activity. Each claimant applying for
10 reimbursement shall file a claim in such form as may be prescribed by the
11 ~~Director~~ Secretary of the Department of Finance and Administration. In order
12 for the claim to be granted, the claimant must establish that:

13
14 SECTION 477. The introductory language of Arkansas Code § 26-18-
15 1001(a), concerning business closure authority and notice, is amended to read
16 as follows:

17 (a) In addition to all other remedies provided by law for the
18 collection of unpaid taxes, the ~~Director~~ Secretary of the Department of
19 Finance and Administration may close the business of a noncompliant taxpayer
20 as defined by § 26-18-104, subject to the administrative and judicial appeal
21 procedures in this subchapter, if the noncompliant taxpayer for three (3)
22 times within any consecutive twenty-four-month period fails to either:

23
24 SECTION 478. Arkansas Code § 26-18-1001(b)(1), concerning business
25 closure authority and notice, is amended to read as follows:

26 (b)(1) The ~~director~~ secretary shall give notice to the noncompliant
27 taxpayer that the third delinquency in reporting or remitting tax in any
28 consecutive twenty-four-month period will result in the closure of the
29 business.

30
31 SECTION 479. Arkansas Code § 26-18-1001(c)(1), concerning business
32 closure authority and notice, is amended to read as follows:

33 (c)(1) If the noncompliant taxpayer has a third delinquency in
34 reporting or remitting tax in any consecutive twenty-four-month period after
35 the issuance of the notice provided in subsection (b) of this section, the
36 ~~director~~ secretary shall notify the noncompliant taxpayer by certified mail

1 or by hand delivery that the business will be closed within five (5) business
2 days from the date of the notice unless the noncompliant taxpayer makes
3 arrangements with the ~~director~~ secretary to satisfy the tax delinquency.
4

5 SECTION 480. Arkansas Code § 26-18-1001(d)(2), concerning business
6 closure authority and notice, is amended to read as follows:

7 (2) Entering into a payment agreement approved by the ~~director~~
8 secretary to satisfy the tax delinquency.
9

10 SECTION 481. Arkansas Code § 26-18-1001(e), concerning business
11 closure authority and notice, is amended to read as follows:

12 (e) After written notice delivered to a lottery retailer by the United
13 States Postal Service or by hand delivery, the ~~director~~ secretary may pursue
14 a remedy under this subchapter against a lottery retailer as a noncompliant
15 taxpayer upon receiving a referral from the Office of the Arkansas Lottery
16 under § 23-115-605.
17

18 SECTION 482. Arkansas Code § 26-18-1002(a), concerning administrative
19 hearings, is amended to read as follows:

20 (a) A noncompliant taxpayer may request an administrative hearing
21 concerning the decision of the ~~Director~~ Secretary of the Department of
22 Finance and Administration to close the noncompliant taxpayer's business by
23 following the procedures in this section.
24

25 SECTION 483. Arkansas Code § 26-18-1002(c)(2), concerning
26 administrative hearings, is amended to read as follows:

27 (2) The ~~director~~ secretary has the discretion to determine
28 whether an administrative hearing at which testimony is to be presented will
29 be conducted in person or by telephone.
30

31 SECTION 484. Arkansas Code § 26-18-1002(d), concerning administrative
32 hearings, is amended to read as follows:

33 (d) The administrative hearing will be conducted by a hearing officer
34 appointed by the ~~director~~ secretary under § 26-18-405.
35

36 SECTION 485. Arkansas Code § 26-18-1002(f), concerning administrative

1 hearings, is amended to read as follows:

2 (f)(1) The hearing may be held in any city in which the Revenue
3 Division of the Department of Finance and Administration maintains a field
4 audit district office or in such other city as the ~~director~~ secretary may
5 designate.

6 (2) The administrative hearing will be held within fourteen (14)
7 calendar days of receipt by the ~~director~~ secretary of the request for
8 hearing.

9

10 SECTION 486. Arkansas Code § 26-18-1002(h)(2), concerning
11 administrative hearings, is amended to read as follows:

12 (2) That the noncompliant taxpayer has entered into a written
13 payment agreement, approved by the ~~director~~ secretary, to satisfy the tax
14 delinquency.

15

16 SECTION 487. Arkansas Code § 26-18-1002(j), concerning administrative
17 hearings, is amended to read as follows:

18 (j) A decision of the hearing officer to sustain the ~~director's~~
19 secretary's decision to close the business of the noncompliant taxpayer is
20 effective twenty (20) days after the date of the decision and, except as
21 provided under § 26-18-1003, acts as an injunction prohibiting further
22 operation of the business.

23

24 SECTION 488. Arkansas Code § 26-18-1003(a)(1), concerning the
25 definition of "administrative decision" under the laws regarding judicial
26 relief, is amended to read as follows:

27 (1) "Administrative decision" means a decision issued under §
28 26-18-1002 to affirm the decision of the ~~Director~~ Secretary of the Department
29 of Finance and Administration to close the business of a noncompliant
30 taxpayer;

31

32 SECTION 489. Arkansas Code § 26-18-1003(a)(3), concerning the
33 definition of "business closure order" under the laws regarding judicial
34 relief, is amended to read as follows:

35 (3) "Business closure order" means a notice of closure issued by
36 the ~~director~~ secretary under § 26-18-1001.

1
2 SECTION 490. Arkansas Code § 26-18-1003(c)(1)(B), concerning judicial
3 relief, is amended to read as follows:

4 (B) An order of a circuit court to stay the effect of an
5 administrative decision may be revoked if the ~~director~~ secretary provides
6 proof that the taxpayer has failed to timely file returns for or make full
7 payment of the taxes identified in § 26-18-1001(a) after the date suit is
8 filed under this section.

9
10 SECTION 491. Arkansas Code § 26-18-1003(c)(2), concerning judicial
11 relief, is amended to read as follows:

12 (2) If a noncompliant taxpayer fails to obtain an order staying
13 the effect of the administrative decision or if an order staying the effect
14 of the administrative decision is later revoked, the ~~director~~ secretary shall
15 follow the procedures in §§ 26-18-1004 and 26-18-1005 to enforce the closure
16 of the business pending the outcome of the suit filed under this section.

17
18 SECTION 492. Arkansas Code § 26-18-1003(d), concerning judicial
19 relief, is amended to read as follows:

20 (d) The noncompliant taxpayer or the ~~director~~ secretary may file an
21 appeal of the circuit court decision to the appropriate appellate court as
22 provided by law.

23
24 SECTION 493. The introductory language of Arkansas Code § 26-18-
25 1004(a), concerning the procedures for business closure, is amended to read
26 as follows:

27 (a) If a noncompliant taxpayer fails to timely seek administrative or
28 judicial review of a business closure decision or if the business closure
29 decision is affirmed after administrative or judicial review, the ~~Director~~
30 Secretary of the Department of Finance and Administration shall affix a
31 written notice to all entrances of the business that:

32
33 SECTION 494. Arkansas Code § 26-18-1004(b), concerning the procedures
34 for business closure, is amended to read as follows:

35 (b)(1) The ~~director~~ secretary may also lock or otherwise secure the
36 business so that it may not be operated.

1 (2) However, if the business is located in the noncompliant
2 taxpayer's home, the ~~director~~ secretary shall not lock or otherwise secure
3 the business but may post the notice under subsection (a) of this section.
4

5 SECTION 495. Arkansas Code § 26-18-1004(c) and (d), concerning the
6 procedures for business closure, is amended to read as follows:

7 (c) The ~~director~~ secretary may request the assistance of the
8 ~~Department~~ Division of Arkansas State Police or any state or local law
9 enforcement official to post the notice or to secure the business as
10 authorized in this section.

11 (d) Any taxpayer information disclosed by the ~~director~~ secretary under
12 the procedures outlined in this section shall not be subject to the
13 confidentiality provisions of § 26-18-303.
14

15 SECTION 496. Arkansas Code § 26-18-1005(a), concerning the suspension
16 of a business license, is amended to read as follows:

17 (a) After the decision to close the noncompliant taxpayer's business
18 becomes final, the ~~Director~~ Secretary of the Department of Finance and
19 Administration shall contact the appropriate administrative body responsible
20 for granting licenses to operate the business and report the closure of the
21 business.
22

23 SECTION 497. Arkansas Code § 26-18-1006 is amended to read as follows:
24 26-18-1006. Authority to promulgate rules.

25 The ~~Director~~ Secretary of the Department of Finance and Administration
26 may promulgate rules necessary for the enforcement of this subchapter.
27

28 SECTION 498. Arkansas Code § 26-19-103 is amended to read as follows:

29 26-19-103. Authority of ~~director~~ Secretary of the Department of
30 Finance and Administration.

31 The ~~Director~~ Secretary of the Department of Finance and Administration
32 is authorized to require, and to contract for services necessary to
33 implement, payment of taxes as specified in this subchapter by electronic
34 funds transfer. Provided, however, that this subchapter shall not be
35 construed to require the ~~director~~ secretary to contract for such services or
36 implement a system for payment of any taxes by electronic funds transfer if

1 the ~~director~~ secretary determines that it is fiscally unsound or
2 administratively burdensome to do so.

3
4 SECTION 499. The introductory language of Arkansas Code § 26-19-
5 105(a)(1), concerning tax payments by a taxpayer, is amended to read as
6 follows:

7 (a)(1) If the ~~Director~~ Secretary of the Department of Finance and
8 Administration determines that a taxpayer's monthly liability for the
9 following taxes for any calendar year equals or exceeds twenty thousand
10 dollars (\$20,000), the taxpayer shall pay any tax due by electronic funds
11 transfer:

12
13 SECTION 500. The introductory language of Arkansas Code § 26-19-
14 105(a)(2), concerning tax payments by a taxpayer, is amended to read as
15 follows:

16 (2) If the ~~director~~ secretary determines that a taxpayer's
17 monthly liability for the following taxes for any calendar year equals or
18 exceeds twenty thousand dollars (\$20,000), the taxpayer shall pay the taxes
19 due by electronic funds transfer:

20
21 SECTION 501. Arkansas Code § 26-19-105(c)(2)(C), concerning tax
22 payments by a taxpayer, is amended to read as follows:

23 (C) The annual withholding return shall be made on such a
24 form and shall include such information as the ~~director~~ secretary prescribes.

25
26 SECTION 502. Arkansas Code § 26-19-106(a), concerning tax payments by
27 corporations, is amended to read as follows:

28 (a) If the ~~Director~~ Secretary of the Department of Finance and
29 Administration determines that a corporation's estimated quarterly state
30 income tax liability under § 26-51-911 et seq. equals or exceeds twenty
31 thousand dollars (\$20,000), the corporation shall pay the quarterly income
32 taxes due by electronic funds transfer.

33
34 SECTION 503. Arkansas Code § 26-19-106(c)(1), concerning tax payments
35 by corporations, is amended to read as follows:

36 (c)(1) The transfer shall be made no later than the day before the due

1 date for payment of the taxes so that payment of the taxes is received by the
 2 ~~director~~ secretary on or before the due date for payment of the taxes as
 3 required by the laws of this state.

4
 5 SECTION 504. Arkansas Code § 26-19-107(c)(1)(B), concerning penalties
 6 in regards to electronic funds, is amended to read as follows:

7 (B) The taxpayer accurately provides the ~~Director~~
 8 Secretary of the Department of Finance and Administration with sufficient
 9 information from which the payment may be applied to the correct account,
 10 including, but not limited to, the taxpayer's name, account number, tax type,
 11 tax period, and the amount of the payment; and

12
 13 SECTION 505. Arkansas Code § 26-19-107(c)(2)(B), concerning penalties
 14 in regards to electronic funds, is amended to read as follows:

15 (B) The transfer contains an electronic addenda which
 16 allows the ~~director~~ secretary to identify the taxpayer, tax account number,
 17 tax payment amount, tax type, and tax period in accordance with instructions
 18 provided by the ~~director~~ secretary;

19
 20 SECTION 506. Arkansas Code § 26-19-107(c)(3)(B), concerning penalties
 21 in regards to electronic funds, is amended to read as follows:

22 (B) The ~~director~~ secretary will notify the taxpayer in
 23 writing of the failure to meet the conditions with respect to a particular
 24 reporting period.

25
 26 SECTION 507. Arkansas Code § 26-19-108 is amended to read as follows:
 27 26-19-108. Rules and regulations.

28 The ~~Director~~ Secretary of the Department of Finance and Administration
 29 is authorized to adopt rules and regulations which he or she deems necessary
 30 to implement and enforce the provisions of this subchapter.

31
 32 SECTION 508. Arkansas Code § 26-20-102(4), concerning the definition
 33 of "director" under the Uniform Sales and Use Tax Administration Act, is
 34 amended to read as follows:

35 (4) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
 36 Department of Finance and Administration;

1
2 SECTION 509. Arkansas Code § 26-20-104 is amended to read as follows:
3 26-20-104. Authority to enter agreement.

4 (a) The ~~Director~~ Secretary of the Department of Finance and
5 Administration is authorized and directed to enter into the Streamlined Sales
6 and Use Tax Agreement with one (1) or more states to simplify and modernize
7 sales and use tax administration in order to substantially reduce the burden
8 of tax compliance for all sellers and for all types of commerce.

9 (b) In furtherance of the agreement, the ~~director~~ secretary is
10 authorized to act jointly with other states that are members of the agreement
11 to establish standards for certification of a certified service provider and
12 certified automated system and establish performance standards for multistate
13 sellers.

14 (c) The ~~director~~ secretary is further authorized to take other actions
15 reasonably required to implement the provisions set forth in this chapter.

16 (d) Other actions authorized by this section include, but are not
17 limited to, the adoption of rules and regulations and the joint procurement,
18 with other member states, of goods and services in furtherance of the
19 cooperative agreement.

20 (e) The ~~director~~ secretary or his or her designee is authorized to
21 represent this state before the other states that are signatories to the
22 agreement.
23

24 SECTION 510. The introductory language of Arkansas Code § 26-20-106,
25 concerning the requirements for the Director of the Department of Finance and
26 Administration to enter into an agreement, is amended to read as follows:

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 shall not enter into the agreement unless it requires each state to abide by
29 the following requirements:
30

31 SECTION 511. Arkansas Code § 26-21-107(b)(1), concerning the
32 administration of use-based exemptions, is amended to read as follows:

33 (b)(1) A seller that follows the exemption requirements as prescribed
34 by the ~~Director~~ Secretary of the Department of Finance and Administration
35 shall be relieved from any tax otherwise applicable if it is determined that
36 the purchaser improperly claimed an exemption.

1
2 SECTION 512. The introductory language of Arkansas Code § 26-21-
3 108(a), concerning returns and remittance of funds, is amended to read as
4 follows:

5 (a) The ~~Director~~ Secretary of the Department of Finance and
6 Administration shall promulgate rules to provide:

7
8 SECTION 513. Arkansas Code § 26-21-110(a), concerning amnesty for
9 unpaid sales or use tax upon registration, is amended to read as follows:

10 (a) The ~~Director~~ Secretary of the Department of Finance and
11 Administration shall provide amnesty for uncollected or unpaid sales or use
12 tax to a seller that registers to pay or to collect and remit applicable
13 sales or use tax on sales made to purchasers in the state in accordance with
14 the terms of the agreement, provided that the seller was not registered to
15 collect sales and use tax in the State of Arkansas in the twelve-month period
16 preceding the effective date of the state's participation in the agreement.

17
18 SECTION 514. The introductory language of Arkansas Code § 26-21-
19 110(g), concerning amnesty for unpaid sales or use tax upon registration, is
20 amended to read as follows:

21 (g) The ~~director~~ secretary shall also provide amnesty to a seller for
22 uncollected or unpaid sales or use tax if:

23
24 SECTION 515. The introductory language of Arkansas Code § 26-21-
25 111(a), concerning the certification and payment of service providers and
26 automated systems, is amended to read as follows:

27 (a) The ~~Director~~ Secretary of the Department of Finance and
28 Administration may:

29
30 SECTION 516. Arkansas Code § 26-21-113 is amended to read as follows:
31 26-21-113. Promulgation of rules.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 shall promulgate rules and develop forms to implement the provisions of this
34 chapter.

35
36 SECTION 517. Arkansas Code § 26-21-114(4), concerning the governing

1 board under the Streamlined Sales Tax Administrative Act, is amended to read
2 as follows:

3 (4) The ~~Director~~ Secretary of the Department of Finance and
4 Administration or his or her designee.

5
6 SECTION 518. Arkansas Code § 26-25-107 is amended to read as follows:
7 26-25-107. Ordinance.

8 (a)(1) Every city or county that adopts an ordinance levying a local
9 sales and use tax which is collected by the ~~Director~~ Secretary of the
10 Department of Finance and Administration shall submit the ordinance to the
11 ~~director~~ secretary at least forty-five (45) days prior to the election on the
12 levy.

13 (2) The ~~director~~ secretary shall review the ordinance to
14 determine if the proposed levy complies with all statutory requirements and
15 limitations, including a separate levy of the sales and use tax, and an
16 authorized sales or use tax rate.

17 (b)(1) The ~~director~~ secretary shall approve or reject the ordinance
18 and provide written notice to the city or county within fifteen (15) days of
19 receipt of the ordinance.

20 (2)(A) If the ordinance is rejected, the ~~director~~ secretary
21 shall note the defects.

22 (B) If the ordinance is rejected and the city or county
23 fails to correct the noted defects, any tax levied by the defective ordinance
24 shall not be collected by the ~~director~~ secretary.

25 (c) Whenever a special election is called for the purpose of
26 submitting an initiated measure which levies a city or county sales and use
27 tax to be collected by the ~~director~~ secretary, the county board of election
28 commissioners shall submit the initiated measure to the ~~director~~ secretary
29 and the provisions of subsections (a) and (b) of this section shall apply.

30 (d) No ordinance or initiated measure shall be deemed invalid because
31 of the failure to submit the ordinance or measure to the ~~director~~ secretary
32 or to use a sample form, and such failure shall not constitute a cause of
33 action to invalidate an ordinance or initiated measure.

34
35 SECTION 519. Arkansas Code § 26-26-502 is amended to read as follows:
36 26-26-502. Deputy county assessors.

1 The county assessor in each county, with the approval of the ~~Director~~
2 Secretary of the Department of Finance and Administration, is authorized to
3 deputize one (1) or more full-time or part-time clerks or other employees in
4 the county revenue office and to authorize these deputies to assess personal
5 property or to list personal property for assessment for ad valorem taxes.
6

7 SECTION 520. Arkansas Code § 26-26-706(a), concerning a list of motor
8 vehicle licenses, is amended to read as follows:

9 (a) The ~~Director~~ Secretary of the Department of Finance and
10 Administration shall institute a system in which the county assessor and the
11 county collector shall notify the ~~director~~ secretary that a vehicle owner has
12 assessed a vehicle and has paid all personal property taxes that were due by
13 the preceding October 15. Upon receipt of the notification, the ~~director~~
14 secretary shall renew the vehicle license.
15

16 SECTION 521. Arkansas Code § 26-26-1604(a)(2), concerning delinquency
17 in a filing statement, is amended to read as follows:

18 (2) The Tax Division of the Arkansas Public Service Commission
19 shall advise the company in writing of the delinquency, and, thereafter,
20 should the company fail to file the statement before May 1, the division
21 shall immediately report the delinquency to the appropriate commission, and
22 should delinquency exist on May 31 of the assessment year, the commission
23 shall certify the delinquency to the ~~Director~~ Secretary of the Department of
24 Finance and Administration.
25

26 SECTION 522. Arkansas Code § 26-26-1604(b), concerning delinquency in
27 a filing statement, is amended to read as follows:

28 (b)(1) By proper action in the name of the state, the ~~director~~
29 secretary may recover from any delinquent company a penalty not to exceed one
30 hundred dollars (\$100) for each day's delinquency, beginning as of March 1 of
31 the assessment year.

32 (2) In the alternative, the ~~director~~ secretary may petition the
33 commission for revocation of the certificate or permit of authority issued to
34 the delinquent company to operate in the State of Arkansas.
35

36 SECTION 523. Arkansas Code § 26-26-1610(b)(2)(A), concerning the

1 notice of assessment and review of funds, is amended to read as follows:

2 (2)(A) All hearings on the petition shall be had before the
3 appropriate commission or its agent on or before November 1 after assessment
4 notice has been given. However, hearings on petitions for review of
5 assessments of bus lines, motor carriers, airlines, water transportation
6 companies, and private car companies, which assessments are certified to the
7 ~~Director~~ Secretary of the Department of Finance and Administration for
8 collection of tax, shall be to the appropriate commission or its agent, on or
9 before December 31 of the assessing year.

10
11 SECTION 524. Arkansas Code § 26-26-614 is amended to read as follows:
12 26-26-1614. Levy and collection of taxes.

13 (a)(1) Having ascertained and fixed the taxable value of the tangible
14 and intangible property used or held for use in the operation of each
15 intercounty bus line, intercounty motor freight, airline, or water
16 transportation company, as required by law, the Tax Division of the Arkansas
17 Public Service Commission shall levy and extend against each valuation the
18 average rate of ad valorem levy prevailing throughout this state for the
19 assessment year, and then ten (10) days before the due date, the division
20 shall certify the tax to the ~~Director~~ Secretary of the Department of Finance
21 and Administration for collection.

22 (2) The ~~director~~ secretary shall immediately forward by first-
23 class mail a notice showing the assessed valuation, applicable rate of levy,
24 the amount of tax charged, and the due date of the tax charged to each
25 company against which a tax has been extended and so certified.

26 (b)(1) If the taxes are not paid on or before the date on which ad
27 valorem taxes or any part of ad valorem taxes on personal property become
28 delinquent, the ~~director~~ secretary shall add a penalty of ten percent (10%)
29 and mail a statement of the tax and penalty to each person, company, or
30 corporation so delinquent.

31 (2)(A) If the tax and penalty are not paid on or before the date
32 on which a county collector may collect taxes by distraint, in lieu of the
33 ten percent (10%) penalty, the ~~director~~ secretary shall add to the tax a
34 penalty of twenty-five percent (25%).

35 (B) The statement of tax and ten percent (10%) penalty
36 from the ~~director~~ secretary shall warn that if the tax and penalty are not

1 paid within the time stated, in lieu of the ten percent (10%) penalty, a
2 penalty of twenty-five percent (25%) will be added.

3 (c)(1) For the purpose of collecting the taxes and penalties, in
4 addition to the powers vested in the ~~director~~ secretary for the collection of
5 taxes, the ~~director~~ secretary shall have all the powers vested in county
6 collectors for the purpose of collecting delinquent personal property taxes.

7 (2) The ~~director~~ secretary may petition the Arkansas Public
8 Service Commission for revocation of the certificate or permit of authority
9 issued to the delinquent company to operate in the State of Arkansas.

10
11 SECTION 525. Arkansas Code § 26-26-1706 is amended to read as follows:
12 26-26-1706. Levy of tax, collection, and penalty for delinquency.

13 (a) The Tax Division of the Arkansas Public Service Commission, having
14 ascertained and fixed the assessed valuation of the cars of each private car
15 company as provided in § 26-26-1705, shall levy and extend against each
16 valuation the average rate of ad valorem levy prevailing throughout the state
17 for the respective assessment year, this rate to be determined as provided by
18 § 26-26-1615, whereupon, the division, ten (10) days before due date, shall
19 certify the tax so extended to the ~~Director~~ Secretary of the Department of
20 Finance and Administration for collection.

21 (b) The ~~director~~ secretary shall immediately forward by first-class
22 mail to each private car company against which a tax has been extended and so
23 certified a notice showing the assessed valuation, the applicable rate of
24 levy, the amount of tax charged, and the due date thereof.

25 (c)(1) If the taxes are not paid on or before the date on which taxes,
26 ad valorem, or any part thereof, on personal property become delinquent, the
27 ~~director~~ secretary shall add a penalty of ten percent (10%) and mail to each
28 company so delinquent a statement of the tax and penalty.

29 (2)(A) If the tax and penalty are not paid on or before the date
30 on which county collectors are authorized to collect taxes by distraint, the
31 ~~director~~ secretary shall, in lieu of the ten percent (10%) penalty, add to
32 the tax a penalty of twenty-five percent (25%) and certify the tax and
33 penalty to the Attorney General for collection.

34 (B) The ~~director's~~ secretary's statement of tax and ten
35 percent (10%) penalty shall warn that if the tax and penalty are not paid
36 within the time therein stated, in lieu of the ten percent (10%) penalty, a

1 penalty of twenty-five percent (25%) will be added, and the tax and penalty
2 shall be certified to the Attorney General for collection.

3 (d) For the purpose of collecting these taxes and penalties, the
4 ~~director~~ secretary or the Attorney General, in addition to the powers in them
5 vested for the collection of taxes, shall have all the powers vested in
6 county collectors for the purpose of collecting delinquent personal property
7 taxes.

8
9 SECTION 526. Arkansas Code § 26-34-109(d), concerning common carriers
10 and not carrying goods on which taxes are not paid, is amended to read as
11 follows:

12 (d) All taxes due under this section may be recovered by a civil
13 action brought at the instance of the Attorney General in the name of the
14 ~~Director~~ Secretary of the Department of Finance and Administration of the
15 State of Arkansas.

16
17 SECTION 527. Arkansas Code § 26-36-306 is amended to read as follows:

18 26-36-306. Minimum sum collectible.

19 A claimant agency shall not be allowed to effect final setoff and
20 collect debts through use of the remedy established under this subchapter
21 unless the debt is at least twenty dollars (\$20.00). However, the Revenue
22 Division of the Department of Finance and Administration may set off any
23 lesser sum, regardless of this provision, which the ~~Director~~ Secretary of the
24 Department of Finance and Administration shall establish as economically
25 justifiable.

26
27 SECTION 528. Arkansas Code § 26-36-309(b)(2), concerning the
28 notification of a debtor, is amended to read as follows:

29 (2) The notification form shall be approved by the ~~Director~~
30 Secretary of the Department of Finance and Administration.

31
32 SECTION 529. Arkansas Code § 26-36-315(b)(1), concerning joint
33 refunds, is amended to read as follows:

34 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
35 Administration shall notify each taxpayer due a joint refund of the amount
36 and the date of a proposed setoff for a debt certified by a claimant agency

1 to the Revenue Division of the Department of Finance and Administration.

2
3 SECTION 530. Arkansas Code § 26-36-315(c)(2), concerning joint
4 refunds, is amended to read as follows:

5 (2) The nondebtor taxpayer may request the ~~director~~ secretary to
6 consider his or her request for relief upon written documents furnished by
7 the nondebtor taxpayer or upon the written document and the evidence produced
8 by the nondebtor taxpayer at a hearing conducted under the Arkansas Tax
9 Procedure Act, § 26-18-101 et seq.

10
11 SECTION 531. Arkansas Code § 26-36-315(d), concerning joint refunds,
12 is amended to read as follows:

13 (d) A nondebtor taxpayer who requests the ~~director~~ secretary to render
14 his or her decision based on written documents is not entitled by law to any
15 other administrative hearing before the ~~director's~~ secretary's rendering of
16 his or her decision.

17
18 SECTION 532. Arkansas Code § 26-36-320, is amended to read as follows:
19 26-36-320. Rules and regulations.

20 The ~~Director~~ Secretary of the Department of Finance and Administration
21 is authorized to prescribe forms and make all rules which he or she deems
22 necessary in order to effectuate the intent of this subchapter.

23
24 SECTION 533. Arkansas Code § 26-36-321(a), concerning a setoff for
25 debt to the Internal Revenue Service, is amended to read as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
27 Administration may enter into an agreement with the Internal Revenue Service
28 to setoff state income tax refunds to satisfy a past-due and legally
29 enforceable debt to the Internal Revenue Service.

30
31 SECTION 534. Arkansas Code § 26-50-102(a)(1) and (2), concerning the
32 requirement of a wholesaler to furnish a list of retailers, are amended to
33 read as follows:

34 (a)(1) It shall be the duty of all persons, firms, and corporations,
35 and all business establishments of every kind engaged in the wholesale
36 business of selling merchandise in this state to furnish, upon the request in

1 writing of the ~~Director~~ Secretary of the Department of Finance and
 2 Administration of this state, the names of any retailers or other persons to
 3 whom sales have been made, together with the amount of the sales for any
 4 given period, to be used by the ~~director~~ secretary or his or her agents for
 5 the purposes of collecting the gross receipts, use, or other tax as may be
 6 due this state, but for no other purpose.

7 (2) The information provided for shall be furnished to the
 8 ~~director~~ secretary within thirty (30) days.

9
 10 SECTION 535. Arkansas Code § 26-50-102(b), concerning the requirement
 11 of a wholesaler to furnish a list of retailers, is amended to read as
 12 follows:

13 (b) Any wholesale concern selling merchandise in this state failing
 14 and refusing to give the information in writing, as requested by the ~~director~~
 15 secretary, is declared to be liable for any and all tax and penalty found to
 16 be due by the retailer for such period of time as is determined by the
 17 ~~director~~ secretary in event the tax is not collectible from the retailer.

18
 19 SECTION 536. Arkansas Code § 26-51-102(2), concerning the definition
 20 of "director" under the laws governing income taxes, is repealed.

21 ~~(2) "Director" means the Director of the Department of Finance~~
 22 ~~and Administration;~~

23
 24 SECTION 537. Arkansas Code § 26-51-104 is amended to read as follows:
 25 26-51-104. Administration.

26 The ~~Director~~ Secretary of the Department of Finance and Administration
 27 shall administer and enforce the tax imposed by the Income Tax Act of 1929.

28
 29 SECTION 538. Arkansas Code § 26-51-105 is amended to read as follows:
 30 26-51-105. Income tax director, officers, agents, and employees.

31 (a) The ~~Director~~ Secretary of the Department of Finance and
 32 Administration, with the approval of the Governor, may appoint and remove a
 33 person to be known as the Income Tax Director who, under the ~~Director~~
 34 Secretary of the Department of Finance and Administration's supervision,
 35 shall have the direction and control of the assessment and collection of the
 36 taxes imposed by the Income Tax Act of 1929.

1 (b) The Income Tax Director, with the approval of the Governor, may
2 appoint such other officers, agents, deputies, clerks, and employees as he or
3 she may deem necessary, such appointees to have the duties and powers which
4 the ~~Director~~ Secretary of the Department of Finance and Administration may
5 from time to time prescribe.

6 (c) The salaries of all such officers, agents, and employees shall be
7 fixed by the ~~Director~~ Secretary of the Department of Finance and
8 Administration not to exceed the amounts appropriated by the General
9 Assembly; and the ~~Director~~ Secretary of the Department of Finance and
10 Administration and such officers, agents, and employees shall be allowed
11 reasonable and necessary traveling and other expenses incurred in the
12 performance of their duties not to exceed the amounts appropriated by the
13 General Assembly.

14 (d) The ~~Director~~ Secretary of the Department of Finance and
15 Administration may require such of the officers, agents, and employees as he
16 or she may designate to give bond for the faithful performance of their
17 duties and in such sum and with such sureties as he or she may determine, and
18 all premiums on these bonds shall be paid by the ~~Director~~ Secretary of the
19 Department of Finance and Administration out of moneys appropriated for the
20 purposes of the Income Tax Act of 1929.

21
22 SECTION 539. Arkansas Code § 26-51-106 is amended to read as follows:

23 26-51-106. Publication of statistics.

24 The ~~Director~~ Secretary of the Department of Finance and Administration
25 shall prepare and publish annually statistics reasonably available, with
26 respect to the operation of the Income Tax Act of 1929, including amounts
27 collected, classifications of taxpayers, income, exemptions, and such other
28 facts as are deemed pertinent and valuable.

29
30 SECTION 540. Arkansas Code § 26-51-201(d)(1), concerning taxes for
31 individuals, trusts, and estates, is amended to read as follows:

32 (d)(1) The ~~Director~~ Secretary of the Department of Finance and
33 Administration shall prescribe annually a table which shall apply in lieu of
34 the table contained in subsection (a) of this section with respect to each
35 succeeding taxable year. The ~~director~~ secretary shall increase the minimum
36 and maximum dollar amounts for each rate bracket, rounding to the nearest one

1 hundred dollars (\$100), for which a tax is imposed under the table by the
2 cost-of-living adjustment for each calendar year and by not changing the rate
3 applicable to any rate bracket as adjusted.

4
5 SECTION 541. Arkansas Code § 26-51-201(d)(3), concerning taxes for
6 individuals, trusts, and estates, is amended to read as follows:

7 (3) The new tables, as adjusted annually, shall be used by the
8 ~~director~~ secretary in preparing the income tax withholding tables pursuant to
9 § 26-51-907.

10
11 SECTION 542. The introductory language of Arkansas Code § 26-51-
12 201(e), concerning taxes for individuals, trusts, and estates, is amended to
13 read as follows:

14 (e) If the ~~director~~ secretary determines that federal law authorizes
15 the state to collect sales and use tax from sellers that do not have a
16 physical presence in the state, then after the first twelve (12) months of
17 collecting sales and use tax from sellers that do not have a physical
18 presence in the state, the ~~director~~ secretary shall:

19
20 SECTION 543. Arkansas Code § 26-51-202(e)(3)(B), concerning taxes for
21 nonresidents, is amended to read as follows:

22 (B) Likewise, the provisions of subdivision (e)(1) of this
23 section shall not apply to corporate partners of an investment partnership
24 except as provided by regulations adopted by the ~~Director~~ Secretary of the
25 Department of Finance and Administration.

26
27 SECTION 544. Arkansas Code § 26-51-206(c), concerning exceptions to
28 commercial ventures by churches, is amended to read as follows:

29 (c) The ~~Director~~ Secretary of the Department of Finance and
30 Administration is authorized to promulgate reasonable rules and regulations
31 to carry out the provisions of this section.

32
33 SECTION 545. Arkansas Code § 26-51-401(b), concerning the tax year and
34 accounting methods, is amended to read as follows:

35 (b) A taxpayer must provide to the ~~Director~~ Secretary of the
36 Department of Finance and Administration a copy of any certification or

1 approval from the federal Internal Revenue Service authorizing the taxpayer
2 to change his or her accounting method.

3
4 SECTION 546. Arkansas Code § 26-51-402(b), concerning the tax year and
5 a basis for determining liability, is amended to read as follows:

6 (b) A taxpayer must provide to the ~~Director~~ Secretary of the
7 Department of Finance and Administration a copy of any certification or
8 approval from the federal Internal Revenue Service authorizing the taxpayer
9 to change his or her income year.

10
11 SECTION 547. Arkansas Code § 26-51-403(c)(2), concerning income in
12 regards to taxes, is amended to read as follows:

13 (2) If no such method of accounting has been employed or if the
14 method employed does not clearly reflect the income, the computation shall be
15 made upon such basis and in such manner as in the opinion of the ~~Director~~
16 Secretary of the Department of Finance and Administration does clearly
17 reflect the income.

18
19 SECTION 548. Arkansas Code § 26-51-404(b)(7)(B), concerning gross
20 income, is amended to read as follows:

21 (B) When books of account do not clearly and accurately
22 reflect the income earned from sources without the state, the Arkansas income
23 shall be determined by processes or formulas of general apportionment
24 prescribed by the ~~Director~~ Secretary of the Department of Finance and
25 Administration and approved by the Governor;

26
27 SECTION 549. Arkansas Code § 26-51-409(c)(1), concerning the adoption
28 of Federal Subchapter S, is amended to read as follows:

29 (c)(1) However, all nonresident shareholders of S corporations
30 receiving a prorated share of income, loss, deduction, or credit pursuant to
31 the provisions of this section must file a properly executed state income tax
32 return with the ~~director~~ secretary and remit the applicable state income tax
33 due.

34
35 SECTION 550. Arkansas Code § 26-51-410 is amended to read as follows:
36 26-51-410. Inventory.

1 Whenever, in the opinion of the ~~Director~~ Secretary of the Department of
2 Finance and Administration, the use of inventories is necessary in order to
3 clearly determine the income of any taxpayer, inventories shall be taken by
4 the taxpayer, upon such basis as the ~~director~~ secretary may prescribe,
5 conforming as nearly as may be possible to the best accounting practice in
6 the trade or business and most clearly reflecting the income.

7
8 SECTION 551. Arkansas Code § 26-51-411(a)(2)(B), concerning gains,
9 losses, and sales of property, is amended to read as follows:

10 (B) If the facts necessary to determine such basis are
11 unknown to the donee, the ~~Director~~ Secretary of the Department of Finance and
12 Administration shall use the assessed valuation of the property;

13
14 SECTION 552. Arkansas Code § 26-51-418(c), concerning deductions for
15 disabled children, is amended to read as follows:

16 (c) The ~~Director~~ Secretary of the Department of Finance and
17 Administration may adopt appropriate rules and regulations to carry out the
18 purpose and intent of this section and to prevent abuse of the deduction
19 provided for in this section.

20
21 SECTION 553. Arkansas Code § 26-51-423(a)(3), concerning deductions
22 and expenses, is amended to read as follows:

23 (3) Travel Expenses. In determining travel expenses deductible
24 as a business expense in computing net income as provided under subdivision
25 (a)(1) of this section, the deduction for vehicle miles shall be determined
26 by the ~~Director~~ Secretary of the Department of Finance and Administration
27 under his or her regulatory authority in § 26-18-301; and

28
29 SECTION 554. The introductory language of Arkansas Code § 26-51-
30 423(g)(1)(C), concerning deductions and expenses, is amended to read as
31 follows:

32 (C) The taxpayer and the ~~director~~ secretary enter into a
33 written agreement prior to the due date of the taxpayer's Arkansas income tax
34 return:

35
36 SECTION 555. The introductory language of Arkansas Code § 26-51-

1 447(b), concerning deductions for tuition at post-secondary educational
 2 institutions, is amended to read as follows:

3 (b) On or before November 30, 1998, of each year thereafter, the
 4 ~~Director~~ Secretary of the Department of Finance and Administration shall
 5 determine the weighted average tuition of post-secondary institutions of each
 6 of the following classifications:

7
 8 SECTION 556. Arkansas Code § 26-51-457(c), concerning a claim of
 9 right, is amended to read as follows:

10 (c) The ~~Director~~ Secretary of the Department of Finance and
 11 Administration may promulgate rules to administer this section.

12
 13 SECTION 557. Arkansas Code § 26-51-458(d), concerning tax deductions
 14 for volunteer firefighters, is amended to read as follows:

15 (d) The ~~Director~~ Secretary of the Department of Finance and
 16 Administration may promulgate rules to implement this section.

17
 18 SECTION 558. Arkansas Code § 26-51-459(d), concerning a teacher's
 19 classroom investment deductions, is amended to read as follows:

20 (d) The ~~Director~~ Secretary of the Department of Finance and
 21 Administration shall promulgate rules to implement this section, including
 22 without limitation a form for a taxpayer to use in claiming the deduction
 23 provided for under this section.

24
 25 SECTION 559. Arkansas Code § 26-51-501(a)(2)(A)(ii), concerning
 26 personal tax credits, is amended to read as follows:

27 (ii) Subdivision (a)(2)(A)(i) of this section shall
 28 apply if the ~~Director~~ Secretary of the Department of Finance and
 29 Administration continues to provide a tax return on which a husband and wife
 30 can elect to file jointly or separately on the same return.

31
 32 SECTION 560. Arkansas Code § 26-51-501(e)(1)(A), concerning personal
 33 tax credits, is amended to read as follows:

34 (e)(1)(A) Not later than July 15 of each calendar year, the ~~Director~~
 35 Secretary of the Department of Finance and Administration shall increase the
 36 adjusted individual credit and adjusted joint credit by the cost-of-living

1 adjustment for that current calendar year, rounding each amount to the
2 nearest dollar.

3
4 SECTION 561. Arkansas Code § 26-51-501(e)(4), concerning personal tax
5 credits, is amended to read as follows:

6 (4) The ~~director~~ secretary shall not increase the adjusted
7 credit for any calendar year unless the conditions of subsection (f) of this
8 section are met.

9
10 SECTION 562. Arkansas Code § 26-51-504(b), concerning income from
11 sources outside of Arkansas, is amended to read as follows:

12 (b) Before a resident of Arkansas may claim the credit allowed under
13 this section, he or she shall file with his or her income tax return any such
14 additional information as the Director of the State Income Tax Division or
15 the ~~Director~~ Secretary of the Department of Finance and Administration may by
16 regulation require showing in detail the amount of gross and net income
17 derived from property owned or business transacted without this state,
18 together with the amount of tax actually owed on the income to another state
19 or territory.

20
21 SECTION 563. Arkansas Code § 26-51-511(d)(3)(A), concerning coal
22 mining, producing, and extracting, is amended to read as follows:

23 (3)(A) The coal mining enterprise and the eligible transferee
24 shall jointly file a copy of the written credit transfer agreement with the
25 ~~Director~~ Secretary of the Department of Finance and Administration within
26 thirty (30) days of the credit transfer.

27
28 SECTION 564. Arkansas Code § 26-51-513(d), concerning the Arkansas
29 historic rehabilitation income tax credit, is amended to read as follows:

30 (d) The ~~Director~~ Secretary of the Department of Finance and
31 Administration shall promulgate rules to implement this section.

32
33 SECTION 565. Arkansas Code § 26-51-712 is amended to read as follows:
34 26-51-712. Average value of property.

35 The average value of property shall be determined by averaging the
36 values at the beginning and ending of the tax period, but the ~~Director~~

1 Secretary of the Department of Finance and Administration may require the
2 averaging of monthly values during the tax period if reasonably required to
3 reflect properly the average value of the taxpayer's property.
4

5 SECTION 566. The introductory language of Arkansas Code § 26-51-718,
6 concerning the procedure when allocation does not fairly represent taxpayer's
7 business activity, is amended to read as follows:

8 If the allocation and apportionment provisions of this Act do not
9 fairly represent the extent of the taxpayer's business activity in this
10 state, the taxpayer may petition for or the ~~Director~~ Secretary of the
11 Department of Finance and Administration may require, in respect to all or
12 any part of the taxpayer's business activity, if reasonable:
13

14 SECTION 567. The introductory language of Arkansas Code § 26-51-
15 801(a), concerning tax returns by individuals, is amended to read as follows:

16 (a) Every person owning property or doing business in the State of
17 Arkansas shall file a return with the ~~Director~~ Secretary of the Department of
18 Finance and Administration showing his or her gross income and the deductions
19 or credits allowed by §§ 26-51-301, 26-51-302 [repealed], and 26-51-436 if he
20 or she has a gross income of:
21

22 SECTION 568. Arkansas Code § 26-51-801(e), concerning tax returns by
23 individuals, is amended to read as follows:

24 (e) If a person is not required to file a return, the person must
25 complete and submit to his or her employer a statement to that effect on
26 forms approved by the ~~director~~ secretary in order to be exempt from the state
27 withholding tax.
28

29 SECTION 569. The introductory language of Arkansas Code § 26-51-
30 802(c)(3), concerning partnership tax returns, is amended to read as follows:

31 (3) If the apportionment of income by a partnership having
32 income from both within and without Arkansas does not fairly represent the
33 extent of the partnership's business activity in this state, the partnership
34 may petition for or the ~~Director~~ Secretary of the Department of Finance and
35 Administration may require, in respect to all or any part of the taxpayer's
36 business activity, if reasonable:

1
2 SECTION 570. Arkansas Code § 26-51-805(d)(1), concerning consolidated
3 corporate returns, is amended to read as follows:

4 (d)(1) The election to file an Arkansas consolidated corporate income
5 tax return for any income year shall require the filing of consolidated
6 corporate income tax returns for all subsequent income years so long as the
7 individual corporations remain members of the affiliated group unless the
8 ~~Director~~ Secretary of the Department of Finance and Administration consents
9 to the filing of separate returns by any members of the affiliated group.
10

11 SECTION 571. Arkansas Code § 26-51-805(e), concerning consolidated
12 corporate returns, is amended to read as follows:

13 (e) In any case of two (2) or more corporations, whether or not
14 affiliated, owned, or controlled directly or indirectly by the same
15 interests, the ~~director~~ secretary may distribute, apportion, or allocate
16 gross income, deductions, credits, or allowances between or among such
17 corporations if he or she determines that the distribution, apportionment, or
18 allocation is necessary in order to prevent evasion of taxes or clearly to
19 reflect the income to any such corporation. This subsection is based upon the
20 concept of 26 U.S.C. § 482 as of January 1, 1989, as that section applies to
21 corporations.
22

23 SECTION 572. Arkansas Code § 26-51-806(a)(1), concerning the time,
24 place, and forms for filing tax returns, is amended to read as follows:

25 (a)(1) Returns shall be in the form the ~~Director~~ Secretary of the
26 Department of Finance and Administration prescribes and shall be filed with
27 the ~~director's~~ secretary's office at Little Rock.
28

29 SECTION 573. Arkansas Code § 26-51-806(b), concerning the time, place,
30 and forms for filing tax returns, is amended to read as follows:

31 (b)(1) The ~~director~~ secretary shall cause to be prepared blank forms
32 for the returns and shall cause them to be furnished upon application, but
33 failure to receive or secure the forms shall not relieve any taxpayer from
34 the obligation of making any return required by the Income Tax Act of 1929, §
35 26-51-101 et seq.

36 (2) As far as possible and practicable for filing returns for

1 income tax, the ~~director~~ secretary shall use the same form of blanks as is
2 used by the United States down to the net income part of the form.

3
4 SECTION 574. Arkansas Code § 26-51-807(b)(1), concerning the filing of
5 returns and extensions of time, is amended to read as follows:

6 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
7 Administration shall assess the taxpayer interest at the rate of ten percent
8 (10%) per annum on the amount of tax finally determined to be due.

9
10 SECTION 575. Arkansas Code § 26-51-807(c) and (d), concerning the
11 filing of returns and extensions of time, are amended to read as follows:

12 (c) The ~~director~~ secretary may grant a taxpayer's written request to
13 extend the time for filing a corporation income tax return for a period of
14 time not to exceed sixty (60) days in addition to the extensions provided in
15 subsection (a) of this section that correspond to the extensions for filing a
16 federal return.

17 (d) The ~~director~~ secretary may promulgate regulations granting
18 automatic extensions of time to file income tax returns and information
19 returns without the taxpayer being required to submit a written application,
20 a copy of the federal request for extension, or a copy of the document
21 granting the federal extension if the ~~director~~ secretary determines that such
22 requirements are unnecessary for the administration of the income tax laws.

23
24 SECTION 576. Arkansas Code § 26-51-808(a) and (b), concerning the
25 failure to file return or to include income and return or supplemental
26 return, are amended to read as follows:

27 (a) If the ~~Director~~ Secretary of the Department of Finance and
28 Administration shall be of the opinion that any taxpayer has failed to file a
29 return or failed to include in a return filed, either intentionally or
30 through error, items of taxable income, the ~~director~~ secretary may require
31 from the taxpayer a return or a supplementary return, under oath, in such
32 form as he or she shall prescribe, of all the items of income which the
33 taxpayer received during the year for which the return is made, whether or
34 not taxable under the provisions of the Income Tax Act of 1929.

35 (b) If from a supplementary return or otherwise, the ~~Director~~
36 Secretary of the Department of Finance and Administration finds that any

1 items of income taxable under the Income Tax Act of 1929 have been omitted
2 from the original return, he or she may require the items so omitted to be
3 disclosed to him or her, under oath of the taxpayer, and to be added to the
4 original return.

5
6 SECTION 577. Arkansas Code § 26-51-809 is amended to read as follows:

7 26-51-809. Receipts for taxes.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
9 shall give to any person making any payment a full written or printed receipt
10 stating the amount paid and the particular account for which the payment was
11 made and show for which installment it is paid.

12
13 SECTION 578. Arkansas Code § 26-51-810(a), concerning forms provided
14 to tax practitioners, is amended to read as follows:

15 (a) The ~~Director~~ Secretary of the Department of Finance and
16 Administration may impose a postage fee sufficient to defray the cost of
17 postage for mailing out tax forms to tax practitioners.

18
19 SECTION 579. Arkansas Code § 26-51-811(a), concerning information at
20 the source as to recipients of income, is amended to read as follows:

21 (a)(1) Every individual, partnership, limited liability company,
22 corporation, joint-stock company or association, or insurance company, being
23 a resident or having a place of business in this state; members of a
24 partnership or employees in whatever capacity acting, including lessees or
25 mortgagees, of real or personal property; members or managers of limited
26 liability companies or employees in whatever capacity acting; fiduciaries;
27 employers and all officers and employees of this state, or of any political
28 subdivision of this state, having the control, receipt, custody, disposal, or
29 payment of interest, rent, salaries, wages, premiums, annuities,
30 compensations, remunerations, emoluments, or other fixed or determinable
31 annual or periodical gains, profits, and income amounting to two thousand
32 five hundred dollars (\$2,500) or over, paid or payable during any year to any
33 taxpayer shall make complete returns under oath to the ~~Director~~ Secretary of
34 the Department of Finance and Administration, under such regulations and in
35 such form and manner and to such extent as may be prescribed by the ~~director~~
36 secretary with the approval of the Governor.

1 (2) Unless the income is so reported, the ~~director~~ secretary may
2 disallow such payments as deductions or credits in computing the tax of the
3 payer.
4

5 SECTION 580. Arkansas Code § 26-51-812(a) and (b), concerning the
6 withholding of taxes at the source, are amended to read as follows:

7 (a) The ~~Director~~ Secretary of the Department of Finance and
8 Administration, whenever he or she deems it necessary to ensure compliance
9 with the provisions of the Income Tax Act of 1929, may, under rules and
10 regulations prescribed by him or her, require any individual, partnership,
11 limited liability company, corporation, joint-stock company, or association,
12 including lessees or mortgagors and employees of the state or of any
13 political subdivision of the state having control, receipt, custody,
14 disposal, or payment of interest, other than interest coupons payable to
15 bearer, rent, salaries, wages, premiums, compensation, remunerations,
16 emoluments, or other fixed or determinable annual or periodical gains,
17 profits, and income paid or payable to any taxpayer, to deduct and withhold
18 the tax due from the taxpayer and make return thereof and pay the tax to the
19 ~~director~~ secretary.

20 (b)(1) Upon the giving of notice by the ~~director~~ secretary to the
21 fiduciary of an estate or trust that the taxes due under the Income Tax Act
22 of 1929 from the grantor or beneficiary of an estate or trust on income of
23 the estate or trust, which is taxable to the grantor or beneficiary under the
24 provisions of § 26-51-201, have not been paid, the fiduciary shall withhold
25 the amount of the taxes from any payments or distribution due or to become
26 due from the estate or trust to the grantor or beneficiary and transmit the
27 amount so withheld to the ~~director~~ secretary.

28 (2) The notice required in this section is to be served on the
29 fiduciary or other person named above by registered mail, the letter to be
30 directed to the last known address of the fiduciary or other person so named
31 above, as the address appears in the records of the ~~director~~ secretary.

32 (3) Any person failing or refusing to deduct and withhold the
33 tax due from any taxpayer as required by the ~~director~~ secretary pursuant to
34 this section shall be personally liable for such tax, and the ~~director~~
35 secretary may proceed against him or her as provided for in § 27 [repealed]
36 of the Income Tax Act of 1929.

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SECTION 581. Arkansas Code § 26-51-813(b) and (c), concerning reports, returns, confidentiality, and exceptions in regards to tax returns, are amended to read as follows:

(b) The ~~Director~~ Secretary of the Department of Finance and Administration may furnish a copy of any taxpayer's return to any official of the United States or of any state having duties to perform in respect to the assessment or collection of any tax imposed upon or measured by income if the taxpayer is required by the laws of the United States or of the state to make a return in the United States or that state and if the laws of the United States or of the state provide substantially for the same secrecy in respect to the information revealed by the taxpayer's return as is provided by Arkansas laws.

(c) The ~~director~~ secretary and all other public officials and employees shall keep and maintain the same secrecy in respect to any information furnished by any department, commission, or official of the United States or of any other state in respect to the income of any person as is required by the Income Tax Act of 1929 in respect to information concerning the affairs of the taxpayer under the Income Tax Act of 1929.

SECTION 582. Arkansas Code § 26-51-813(e)(1), concerning reports, returns, confidentiality, and exceptions in regards to tax returns, is amended to read as follows:

(e)(1) Nothing in this section shall be construed to prohibit the Department of Finance and Administration from disclosing from any return or other record maintained by the ~~director~~ secretary to the Office of Child Support Enforcement of the Revenue Division of the Department of Finance and Administration the last known address or whereabouts or the last known employer of any deserting parent from whom the office is charged with collecting child support.

SECTION 583. Arkansas Code § 26-51-813(f)(1), concerning reports, returns, confidentiality, and exceptions in regards to tax returns, is amended to read as follows:

(f)(1) Nothing in this section shall be construed to prohibit the Department of Finance and Administration from disclosing from any return or

1 other record maintained by the ~~director~~ secretary to the Student Loan
 2 Guarantee Foundation of Arkansas, the last known address or whereabouts or
 3 the last known employer of any person from whom the Student Loan Guarantee
 4 Foundation of Arkansas is charged with collecting a student loan
 5 indebtedness.

6
 7 SECTION 584. Arkansas Code § 26-51-813(g), concerning reports,
 8 returns, confidentiality, and exceptions in regards to tax returns, is
 9 amended to read as follows:

10 (g)(1) Nothing in this section shall be construed to prohibit the
 11 Department of Finance and Administration from disclosing from any return or
 12 other record maintained by the ~~director~~ secretary to the ~~Department~~ Division
 13 of Higher Education or any Arkansas public institution of higher education
 14 the last known address or whereabouts or the last known employer of any
 15 person from whom these institutions are charged with collecting student
 16 indebtedness.

17 (2) In providing this information, the Department of Finance and
 18 Administration shall not allow the ~~Department~~ Division of Higher Education or
 19 the Arkansas public institutions of higher education to examine the tax
 20 return.

21
 22 SECTION 585. Arkansas Code § 26-51-814 is amended to read as follows:

23 26-51-814. Reports and returns – Preservation and destruction.

24 All reports and returns required by the Income Tax Act of 1929 shall be
 25 preserved for three (3) years and thereafter until the ~~Director~~ Secretary of
 26 the Department of Finance and Administration orders them destroyed.

27
 28 SECTION 586. Arkansas Code § 26-51-816(a), concerning a signature on a
 29 prepared income tax form, is amended to read as follows:

30 (a) The ~~Director~~ Secretary of the Department of Finance and
 31 Administration may require the originator, transmitter, or paid preparer of
 32 an electronically filed Arkansas income tax return to retain the signature
 33 document, form AR8453, as well as all other forms and schedules which support
 34 the return.

35
 36 SECTION 587. Arkansas Code § 26-51-816(c) and (d), concerning a

1 signature on a prepared income tax form, are amended to read as follows:

2 (c) The signature document and all supporting documents for an
3 electronically filed Arkansas return must be made available for inspection by
4 the ~~director~~ secretary upon the ~~director's~~ secretary's request.

5 (d) The ~~director~~ secretary may promulgate rules and regulations for
6 the proper enforcement of this section.

7
8 SECTION 588. Arkansas Code § 26-51-902(3), concerning the definition
9 of "director" under the Arkansas Income Tax Withholding Act, is repealed.

10 ~~(3) "Director" means the Director of the Department of Finance~~
11 ~~and Administration of the State of Arkansas;~~

12
13 SECTION 589. Arkansas Code § 26-51-904 is amended to read as follows:

14 26-51-904. Rules and regulations – Forms.

15 The ~~Director~~ Secretary of the Department of Finance and Administration
16 shall make and prescribe such rules, regulations, and forms as he or she
17 shall deem necessary to carry out the purposes of this subchapter.

18
19 SECTION 590. Arkansas Code § 26-51-905 is amended to read as follows:

20 26-51-905. Withholding of tax.

21 (a)(1) Every employer making payments of wages to employees shall
22 deduct and withhold from the employees' wages an amount determined from
23 withholding tables promulgated by the ~~Director~~ Secretary of the Department of
24 Finance and Administration and furnished to the employer.

25 (2) The full amount deducted and withheld from any employee's
26 wages during the income year shall be credited against the tax liability of
27 the employee under the Income Tax Act of 1929, § 26-51-101 et seq., for that
28 year.

29 (b)(1) Notwithstanding the provisions of subsection (a) of this
30 section, every employer who withholds less than one thousand dollars (\$1,000)
31 for a full year's withholding shall report and remit annually on a date
32 specified by the ~~director~~ secretary any amounts so withheld by the employer.

33 (2) An employer shall be advised by the ~~director~~ secretary of
34 the employer's classification and shall report as classified until such time
35 as the employer advises the ~~director~~ secretary in writing that the employer
36 no longer has employees or the employer is closing the business.

1 (3) However, it shall be the duty of the employer to report to
2 the ~~director~~ secretary at the end of each income year all wages paid to any
3 such employees on the same forms provided in this subchapter for making
4 employer annual withholding statements in order that the ~~director~~ secretary
5 may determine the tax liability, if any, of those employees during that
6 income year.

7
8 SECTION 591. Arkansas Code § 26-51-906 is amended to read as follows:

9 26-51-906. Withholding state income taxes of federal employees by
10 federal agencies.

11 The ~~Director~~ Secretary of the Department of Finance and Administration
12 is authorized and directed to enter into an agreement with the United States
13 Secretary of the Treasury ~~of the United States~~ with respect to withholding of
14 income tax as provided by this subchapter and pursuant to ~~an~~ Pub. Law No. 587
15 of 1952 and to Executive Order No. 10407 of November 7, 1952.

16
17 SECTION 592. Arkansas Code § 26-51-907 is amended to read as follows:

18 26-51-907. Withholding tables.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 shall prepare and furnish to employers state income tax withholding tables
21 based on the current income tax laws of the state, taking into consideration
22 the various deductions and personal tax credits allowed therein. The tables
23 shall be designed to provide for a yearly aggregate withholding that will
24 approximate the state income tax liability of the average taxpayer with the
25 various personal tax credits.

26
27 SECTION 593. Arkansas Code § 26-51-908 is amended to read as follows:

28 26-51-908. Employer's return and payment of taxes withheld.

29 (a)(1) Every employer required to deduct and withhold from wages under
30 this subchapter shall file a withholding return on an annual basis as
31 prescribed by the ~~Director~~ Secretary of the Department of Finance and
32 Administration and annually pay over to the ~~director~~ secretary the full
33 amount required to be deducted and withheld from the wages of the employees
34 if the amount is less than one thousand dollars (\$1,000) per year.

35 (2) Every employer required to deduct and withhold from wages
36 under this subchapter shall file a withholding return on a monthly basis as

1 prescribed by the ~~director~~ secretary and pay over on a monthly basis to the
2 ~~director~~ secretary the full amount required to be deducted and withheld from
3 the wages of the employees if the amount is one thousand dollars (\$1,000) or
4 more per year.

5 (3) However, the ~~director~~ secretary may provide by regulation
6 that every such employer shall on or before the fifteenth day of each month
7 pay over to the ~~director~~ secretary or a depository designated by the ~~director~~
8 secretary the amount required to be deducted and withheld by the employer for
9 the preceding month if the amount is one hundred dollars (\$100) or more.

10 (b)(1) Notwithstanding any other provision of this section, all
11 transient employers shall make return and pay over to the ~~director~~ secretary,
12 on a monthly basis, the full amounts required to be deducted and withheld
13 from the wages by the transient employer for the calendar month.

14 (2) The returns and payments to the ~~director~~ secretary by
15 transient employers shall be made on or before the last day of the month
16 following the month for which the amounts were deducted and withheld from the
17 wages of the transient employer's employees.

18 (c)(1) Notwithstanding any other provision of this section, all
19 employers engaged in any business which is seasonal shall make return and pay
20 over to the ~~director~~ secretary on a monthly basis the amounts required to be
21 deducted and withheld from the wages by the employer for the calendar month.

22 (2) Returns and payments to the ~~director~~ secretary by employers
23 engaged in seasonal business shall be made on or before the last day of the
24 month following the month for which those amounts were deducted and withheld
25 from the wages of the employer's employees.

26 (d) When the ~~director~~ secretary has justifiable reason to believe that
27 the collection of funds required to be withheld by any employer as provided
28 in this subchapter is in jeopardy, the ~~director~~ secretary may require the
29 employer to file a return and pay the amounts required to be withheld at any
30 time.

31 (e) Every employer who fails to withhold or pay to the ~~director~~
32 secretary any sums required by this subchapter to be withheld and paid shall
33 be personally and individually liable for the sums except as provided in §
34 26-51-916.

35 (f) Any sum withheld in accordance with the provisions of this
36 subchapter shall be deemed to be held in trust for the State of Arkansas and

1 shall be recorded by the employer in a ledger account so as to clearly
2 indicate the amount of tax withheld and that the amount is the property of
3 the State of Arkansas.

4 (g)(1) When an employer has become liable to an annual return of
5 withholding, the employer must continue to file an annual report, even though
6 no tax has been withheld, until such time as the employer notifies the
7 ~~director~~ secretary, in writing, that the employer no longer has employees or
8 that the employer is no longer liable for an annual return.

9 (2) When an employer has become liable to a monthly return of
10 withholding, the employer must continue to file a monthly report, even though
11 no tax has been withheld until such time as the employer notifies the
12 ~~director~~ secretary, in writing, that the employer no longer has employees or
13 that the employer is no longer liable for monthly returns.

14 (h)(1) For any withholding tax reporting period, a company or any
15 other business enterprise which provides the service of reporting and
16 remitting withholding tax on the wages paid to Arkansas employees by other
17 employers shall remit all such withholding taxes to the ~~director~~ secretary by
18 electronic funds transfer, as more particularly described in § 26-19-105.

19 (2) However, a company or business which provides tax reporting
20 and remitting services shall not be required to remit withholding taxes by
21 electronic funds transfer if the company or business provides those services
22 for fewer than one hundred (100) Arkansas employers.

23 (3) As used in this subsection, "Arkansas employer" means any
24 employer required by Arkansas law to withhold, report, and remit Arkansas
25 income tax on the wages, salary, or other compensation paid to its employees
26 within this state.

27
28 SECTION 594. Arkansas Code § 26-51-909(b)(1) and (2), concerning
29 annual withholding statements, are amended to read as follows:

30 (b)(1) The annual statement of withholding shall be in the form
31 prescribed by the ~~Director~~ Secretary of the Department of Finance and
32 Administration.

33 (2)(A) The statement from the employer shall be filed with the
34 ~~director~~ secretary on or before January 31 following the close of the income
35 year.

36 (B) For tax years beginning on or after January 1, 2006,

1 an employer who has two hundred fifty (250) or more employees during the
2 employer's income year shall file the statement either:

- 3 (i) Electronically;
4 (ii) On magnetic media; or
5 (iii) In any other machine-readable form approved by
6 the ~~director~~ secretary.

7
8 SECTION 595. Arkansas Code § 26-51-909(c)(5), concerning annual
9 withholding statements, is amended to read as follows:

10 (5) Such other information as the ~~director~~ secretary shall
11 require by rule or regulation.

12
13 SECTION 596. Arkansas Code § 26-51-910 is amended to read as follows:

14 26-51-910. Refunds to employer for overpayment.

15 Any employer who makes an overpayment of the tax required to be
16 remitted to the ~~Director~~ Secretary of the Department of Finance and
17 Administration by § 26-51-908 may file application with the ~~director~~
18 secretary, on a form prescribed by the ~~director~~ secretary, to have the amount
19 of such overpayment refunded to him or her or to have the amount credited
20 against the payment which he or she is required to make for a subsequent
21 quarterly period. However, the refund or credit shall be allowed only to the
22 extent that the amount of the overpayment was not withheld under § 26-51-905
23 by the employer.

24
25 SECTION 597. Arkansas Code § 26-51-911(a) and (b), concerning the
26 declaration of estimated tax, are amended to read as follows:

27 (a) Every taxpayer subject to the tax levied by the Income Tax Act of
28 1929, § 26-51-101 et seq., shall make and file with the ~~Director~~ Secretary of
29 the Department of Finance and Administration a declaration of the estimated
30 tax for the income year if the taxpayer can reasonably expect the estimated
31 tax to be more than one thousand dollars (\$1,000).

32 (b) The declaration of estimated tax shall be made on such forms and
33 shall include such information as the ~~director~~ secretary shall prescribe.

34
35 SECTION 598. Arkansas Code § 26-51-911(c)(1), concerning the
36 declaration of estimated tax, is amended to read as follows:

1 (c)(1) The declaration shall be filed with the ~~director~~ secretary on
2 or before the fifteenth day of the fourth month of the income year of the
3 taxpayer.
4

5 SECTION 599. Arkansas Code § 26-51-911(f), concerning the declaration
6 of estimated tax, is amended to read as follows:

7 (f) A taxpayer may file amendments to a declaration at such times,
8 under such rules and regulations, and in such form as the ~~director~~ secretary
9 shall prescribe.
10

11 SECTION 600. The introductory language of Arkansas Code § 26-51-
12 913(a), concerning payments of estimated tax, is amended to read as follows:

13 (a) The estimated tax as shown on the declaration filed with the
14 ~~Director~~ Secretary of the Department of Finance and Administration shall be
15 paid as follows:
16

17 SECTION 601. Arkansas Code § 26-51-915 is amended to read as follows:
18 26-51-915. Deposits of payments – Refunds.

19 (a) All payments received by the ~~Director~~ Secretary of the Department
20 of Finance and Administration from employers for taxes withheld from
21 employees and all payments received by the ~~director~~ secretary from taxpayers
22 as herein provided shall be deposited into the State Treasury as general
23 revenues to the credit of the State Apportionment Fund.

24 (b) Based upon information provided by the ~~director~~ secretary, the
25 Chief Fiscal Officer of the State shall determine the amount estimated to be
26 necessary to meet any refunds of state income taxes under the provisions of
27 this subchapter, and, upon certification of the Chief Fiscal Officer of the
28 State, the Treasurer of State shall transfer from any general revenues in the
29 General Revenue Allotment Reserve Fund the amount so certified to the
30 Individual Income Tax Withholding Fund, from which the ~~director~~ secretary is
31 authorized to make refunds as provided for by law and by this subchapter.

32 (c) All refund warrants drawn against the Individual Income Tax
33 Withholding Fund which are not presented for payment within one (1) year of
34 issuance shall be void.

35 (d) Neither the ~~director~~ secretary nor any member or employee of the
36 Revenue Division of the Department of Finance and Administration shall be

1 held personally liable for making any refund by reason of a fraudulent
2 withholding certificate being used as a basis for the refund.

3
4 SECTION 602. Arkansas Code § 26-51-917 is amended to read as follows:
5 26-51-917. Employer's withholding account number.

6 Every employer, as defined in this subchapter, shall make application
7 to the Revenue Division of the Department of Finance and Administration for
8 and be assigned an employer's withholding account number. The account number
9 assigned to an employer shall be used by the employer on all returns,
10 reports, and inquiries addressed to the ~~Director~~ Secretary of the Department
11 of Finance and Administration or the division.

12
13 SECTION 603. Arkansas Code § 26-51-919(b)(1)(A)(ii), concerning pass-
14 through entities, is amended to read as follows:

15 (ii) The pass-through entity is liable to the
16 ~~Director~~ Secretary of the Department of Finance and Administration for the
17 payment of the tax required to be withheld and is not liable to the member
18 for the amount withheld and paid to the ~~director~~ secretary.

19
20 SECTION 604. Arkansas Code § 26-51-919(b)(1)(B)(ii), concerning pass-
21 through entities, is amended to read as follows:

22 (ii) The ~~director~~ secretary shall apply the tax
23 withheld and paid by a pass-through entity on distributions to a lower-tier
24 pass-through entity to the withholding required of that lower-tier pass-
25 through entity.

26
27 SECTION 605. Arkansas Code § 26-51-919(b)(2), concerning pass-through
28 entities, is amended to read as follows:

29 (2)(A) On or before the due date for the pass-through entity's
30 composite income tax return described in subsection (d) of this section, a
31 pass-through entity shall file an annual return with the ~~director~~ secretary
32 showing the total amount of income distributed or credited to its nonresident
33 members and the amount of tax withheld and shall remit the amount of tax
34 withheld.

35 (B) The annual return shall be in an electronic format
36 prescribed by the ~~director~~ secretary.

1
2 SECTION 606. Arkansas Code § 26-51-919(c)(2), concerning pass-through
3 entities, is amended to read as follows:

4 (2) The ~~director~~ secretary has determined that the nonresident
5 member's income is not subject to withholding;

6
7 SECTION 607. Arkansas Code § 26-51-919(c)(4)(B), concerning pass-
8 through entities, is amended to read as follows:

9 (B) Has agreed to file an annual information return
10 reporting the name, address, and taxpayer identification number of each
11 member with an annual Arkansas income greater than five hundred dollars
12 (\$500) along with any other information requested by the ~~director~~ secretary;

13
14 SECTION 608. Arkansas Code § 26-51-919(c)(5)(A), concerning pass-
15 through entities, is amended to read as follows:

16 (5)(A) The pass-through entity has filed with the ~~director~~
17 secretary on forms prescribed by the ~~director~~ secretary the nonresident
18 member's signed agreement to timely file an Arkansas corporation, nonresident
19 individual, or trust income tax return, to pay any tax due on the return, and
20 to be subject to the jurisdiction of the Department of Finance and
21 Administration in the courts of this state for the purpose of determining and
22 collecting any Arkansas income tax together with interest and penalties owed
23 by the nonresident member.

24
25 SECTION 609. Arkansas Code § 26-51-919(d)(4), concerning pass-through
26 entities, is amended to read as follows:

27 (4) On or before the fifteenth day of the fourth month following
28 the end of the pass-through entity's tax year, a pass-through entity shall
29 file an annual composite return with the ~~director~~ secretary showing the total
30 amount of income distributed or credited to its nonresident members and the
31 amount of tax withheld and shall remit the tax due on the composite income
32 tax return.

33
34 SECTION 610. Arkansas Code § 26-51-919(e), concerning pass-through
35 entities, is amended to read as follows:

36 (e) The ~~director~~ secretary may promulgate rules necessary to

1 administer this section.

2

3 SECTION 611. Arkansas Code § 26-51-1104(c), concerning the
4 documentation required by a taxpayer, is amended to read as follows:

5 (c) Copies of each of the above documents shall be filed by the
6 taxpayer with his or her return as an attachment to the form prescribed by
7 the ~~Director~~ Secretary of the Department of Finance and Administration.

8

9 SECTION 612. Arkansas Code § 26-51-1105 is amended to read as follows:
10 26-51-1105. Rules and regulations.

11 The ~~Director~~ Secretary of the Department of Finance and Administration,
12 the Director of the ~~Department~~ Division of Higher Education, the Director of
13 the ~~Department~~ Division of Career Education, the Director of the ~~Department~~
14 Division of Workforce Education, and the ~~Executive~~ Director of the Arkansas
15 Economic Development Commission shall promulgate such reasonable rules as
16 they shall deem necessary and appropriate to carry out the purposes of this
17 subchapter.

18

19 SECTION 613. Arkansas Code § 26-51-1306 is amended to read as follows:
20 26-51-1306. Withholding return and payment for racing winnings.

21 Every franchise holder required to deduct and withhold income tax from
22 racing winnings under this subchapter shall file, within sixty (60) days
23 after the termination of its racing season, a withholding return as
24 prescribed by the ~~Director~~ Secretary of the Department of Finance and
25 Administration and pay over to the ~~director~~ secretary the full amount
26 required to be deducted and withheld from the racing winnings by the
27 franchise holder for the income year.

28

29 SECTION 614. Arkansas Code § 26-51-1307(b)(1), concerning the annual
30 statement of withholdings for racing winnings, is amended to read as follows:

31 (b)(1) The annual statement shall be in the form prescribed by the
32 ~~Director~~ Secretary of the Department of Finance and Administration and shall
33 be filed with the ~~director~~ secretary.

34

35 SECTION 615. Arkansas Code § 26-51-1307(c)(5), concerning the annual
36 statement of withholdings for racing winnings, is amended to read as follows:

1 (5) Such other information as the ~~director~~ secretary shall
 2 require by rule or regulation.

3
 4 SECTION 616. Arkansas Code § 26-51-1308(a), concerning the duties of
 5 franchise holders and payees, is amended to read as follows:

6 (a) Every holder of a franchise to conduct dog racing, horse racing,
 7 or electronic games of skill who fails to withhold or pay to the ~~Director~~
 8 Secretary of the Department of Finance and Administration any sums required
 9 by this subchapter to be withheld and paid shall be personally and
 10 individually liable therefor. Any sum or sums withheld in accordance with the
 11 provisions of this subchapter shall be deemed to be held in trust for the
 12 State of Arkansas and shall be recorded by the franchise holder in a ledger
 13 account so as to clearly indicate the amount of tax withheld and that the
 14 amount is the property of the State of Arkansas.

15
 16 SECTION 617. Arkansas Code § 26-51-1309(b)(2), concerning the taxing
 17 of game winnings, withholdings, and remittance, is amended to read as
 18 follows:

19 (2) Remit the tax to the ~~Director~~ Secretary of the Department of
 20 Finance and Administration as provided in § 26-51-1310 and as prescribed by
 21 rules promulgated by the ~~director~~ secretary.

22
 23 SECTION 618. Arkansas Code § 26-51-1310(a), concerning withholdings,
 24 reporting, payment, and electronic games of skill, is amended to read as
 25 follows:

26 (a) The holder of a franchise to conduct electronic games of skill in
 27 this state shall register to withhold the gaming winnings tax under § 26-51-
 28 1309 from winnings from electronic games of skill in the manner prescribed by
 29 the ~~Director~~ Secretary of the Department of Finance and Administration.

30
 31 SECTION 619. The introductory language of Arkansas Code § 26-51-
 32 1401(d), concerning the apportionment allocation of net income, is amended to
 33 read as follows:

34 (d) If the allocation and apportionment provisions of this subchapter
 35 do not fairly represent the extent of the taxpayer's business activity in
 36 this state, the taxpayer may petition for, or the ~~Director~~ Secretary of the

1 Department of Finance and Administration may require, in respect to all or
2 any part of the taxpayer's business activity, if reasonable:

3
4 SECTION 620. Arkansas Code § 26-51-1402(8)(J)(iii), concerning the
5 apportionment and allocation of net income of financial institutions, is
6 amended to read as follows:

7 (iii) The ~~Director~~ Secretary of the Department of
8 Finance and Administration is authorized to exclude any person from the
9 application of this subdivision (8)(J) upon such person's proving, by clear
10 and convincing evidence, that the income-producing activity of such person is
11 not in substantial competition with those persons described in subdivisions
12 (8)(B)-(G) and (I) of this section;

13
14 SECTION 621. Arkansas Code § 26-51-1403(m)(4), concerning the receipts
15 factor, is amended to read as follows:

16 (4) If the taxpayer elects or is required by the ~~Director~~
17 Secretary of the Department of Finance and Administration to use the method
18 set forth in subdivision (m)(3) of this section, it shall use this method on
19 all subsequent returns unless the taxpayer receives prior permission from the
20 ~~director~~ secretary to use, or the ~~director~~ secretary requires, a different
21 method.

22
23 SECTION 622. Arkansas Code § 26-51-1404(d)(2), concerning the property
24 factor, is amended to read as follows:

25 (2) If averaging on this basis does not properly reflect average
26 value, the ~~Director~~ Secretary of the Department of Finance and Administration
27 may require averaging on a more frequent basis.

28
29 SECTION 623. Arkansas Code § 26-51-1404(d)(4), concerning the property
30 factor, is amended to read as follows:

31 (4) When averaging on a more frequent basis is required by the
32 ~~Director~~ Secretary of the Department of Finance and Administration or is
33 elected by the taxpayer, the same method of valuation must be used
34 consistently by the taxpayer with respect to property within and without this
35 state and on all subsequent returns unless the taxpayer receives prior
36 permission from the ~~director~~ secretary or the ~~director~~ secretary requires a

1 different method of determining average value.

2
 3 SECTION 624. Arkansas Code § 26-51-1404(e)(2), concerning the property
 4 factor, is amended to read as follows:

5 (2)(A) Where the use of the general method described in this
 6 subsection results in inaccurate valuations of rented property, any other
 7 method which properly reflects the value may be adopted by the ~~director~~
 8 secretary or by the taxpayer when approved in writing by the ~~director~~
 9 secretary.

10 (B) Once approved, such other method of valuation must be
 11 used on all subsequent returns unless the taxpayer receives prior approval
 12 from the ~~director~~ secretary or unless the ~~director~~ secretary requires a
 13 different method of valuation.

14
 15 SECTION 625. Arkansas Code § 26-51-1404(g)(2)(B), concerning the
 16 property factor, is amended to read as follows:

17 (B) The presumption of proper assignment of a loan
 18 provided in subdivisions (g)(1)(B) and (g)(2)(A) of this section may be
 19 rebutted upon a showing by the ~~director~~ secretary, supported by a
 20 preponderance of the evidence, that the preponderance of substantive contacts
 21 regarding such loan did not occur at the regular place of business to which
 22 it was assigned on the taxpayer's records.

23
 24 SECTION 626. Arkansas Code § 26-51-1701(2), concerning the definition
 25 of "director" under the low income housing tax credit, is repealed.

26 ~~(2) "Director" means the Director of the Department of Finance~~
 27 ~~and Administration;~~

28
 29 SECTION 627. Arkansas Code § 26-51-1702(d) and (e), concerning the
 30 allowance and calculation of tax credit, are amended to read as follows:

31 (d) All or any portion of the Arkansas low income housing tax credits
 32 may be allocated to parties who are eligible under the provisions of
 33 subsection (a) of this section. An owner of a qualified project shall certify
 34 to the ~~Director~~ Secretary of the Department of Finance and Administration the
 35 amount of the Arkansas low income housing tax credit allocated to each
 36 taxpayer.

1 (e) In the event that recapture of Arkansas low income housing tax
2 credits is required pursuant to § 26-51-1703(b) of this subchapter, any
3 statement submitted to the ~~director~~ secretary as provided in this section
4 shall include the proportion of the Arkansas low income housing tax credit
5 required to be recaptured, the identity of each taxpayer subject to the
6 recapture and the amount of Arkansas low income housing tax credit previously
7 allocated to such taxpayer.

8
9 SECTION 628. Arkansas Code § 26-51-1704(b) and (c), concerning the
10 sale, assignment, and transfer of tax credit, are amended to read as follows:

11 (b) An owner or transferee desiring to make a transfer, sale, or
12 assignment as described in subsection (a) of this section shall submit to the
13 ~~Director~~ Secretary of the Department of Finance and Administration a
14 statement which describes the amount of Arkansas low income housing tax
15 credit for which transfer, sale, or assignment of Arkansas low income housing
16 tax credit is eligible. The owner shall provide to the ~~director~~ secretary
17 such information as is specified by the Department of Finance and
18 Administration in regulations so that the Arkansas low income housing tax
19 credit may be properly allocated.

20 (c) In the event that recapture of Arkansas low income housing tax
21 credit is required pursuant to § 26-51-1703(b) of this subchapter, the
22 statements submitted to the ~~director~~ secretary as provided in this section
23 shall include the proportion of the Arkansas low income housing tax credit
24 required to be recaptured, the identity of each transferee subject to
25 recapture, and the amount of Arkansas low income housing tax credit
26 previously transferred to such transferee and such other information as is
27 specified by the department in regulations.

28
29 SECTION 629. Arkansas Code § 26-51-1705 is amended to read as follows:
30 26-51-1705. Rules and regulations.

31 The ~~Director~~ Secretary of the Department of Finance and Administration
32 and the Arkansas Development Finance Authority shall promulgate rules and
33 regulations necessary to administer the provisions of this subchapter. No
34 rule or portion of a rule promulgated under the authority of this section
35 shall become effective until it has been approved by the ~~director~~ secretary
36 in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et

1 seq.

2

3 SECTION 630. Arkansas Code § 26-51-2005(b), concerning qualification
4 and determination of credit, is amended to read as follows:

5 (b)(1) Upon determination by the Director of the Arkansas Economic
6 Development Commission that the project qualifies for credit under this
7 subchapter, the Director of the Arkansas Economic Development Commission
8 shall certify to the ~~Director~~ Secretary of the Department of Finance and
9 Administration that the project is qualified and transmit with his or her
10 certification the documents upon which the certification was based or copies.

11 (2) Upon receipt by the ~~Director~~ Secretary of the Department of
12 Finance and Administration of a certification from the Director of the
13 Arkansas Economic Development Commission that an eligible business is
14 entitled to credit under this subchapter, the ~~Director~~ Secretary of the
15 Department of Finance and Administration shall provide forms to the eligible
16 business on which to claim the credit.

17

18 SECTION 631. Arkansas Code § 26-51-2005(c)(1), concerning
19 qualification and determination of credit, is amended to read as follows:

20 (c)(1) At the end of the calendar year in which the application was
21 made to the Director of the Arkansas Economic Development Commission and at
22 the end of each calendar year thereafter until the project is completed, the
23 eligible business shall certify on the form provided by the ~~Director~~
24 Secretary of the Department of Finance and Administration the amount of
25 expenditures on the project during the preceding calendar year.

26

27 SECTION 632. Arkansas Code § 26-51-2005(c)(2)(A), concerning
28 qualification and determination of credit, is amended to read as follows:

29 (2)(A) Upon receipt of the form certifying expenditures, the
30 ~~Director~~ Secretary of the Department of Finance and Administration shall
31 determine the amount due as a credit for the preceding calendar year and
32 issue a memorandum of credit to the eligible business in the amount of seven
33 percent (7%) of the expenditure.

34

35 SECTION 633. Arkansas Code § 26-51-2005(c)(2)(B)(iii) and (iv),
36 concerning qualification and determination of credit, are amended to read as

1 follows:

2 (iii) The ~~Director~~ Secretary of the Department of
 3 Finance and Administration may require proof of these expenditures.

4 (iv) The ~~Director~~ Secretary of the Department of
 5 Finance and Administration may examine those records necessary and specific
 6 to the project to determine credit eligibility. Any credits disallowed shall
 7 be subject to payment in full.

8
 9 SECTION 634. Arkansas Code § 26-51-2303(b), concerning the
 10 administration of the Arkansas Tax Procedure Act, is amended to read as
 11 follows:

12 (b) The ~~Director~~ Secretary of the Department of Finance and
 13 Administration shall make and prescribe such rules, regulations, and forms as
 14 he or she deems necessary to administer this subchapter.

15
 16 SECTION 635. Arkansas Code § 26-51-2305(a), concerning lottery
 17 withholdings, reporting, and payment, is amended to read as follows:

18 (a) A claim center shall register to withhold income tax under § 26-
 19 51-2304 from lottery winnings in the manner prescribed by the ~~Director~~
 20 Secretary of the Department of Finance and Administration.

21
 22 SECTION 636. Arkansas Code § 26-51-2305(f)(2)(E), concerning lottery
 23 withholdings, reporting, and payment, is amended to read as follows:

24 (E) Such other information as the ~~director~~ secretary shall
 25 require by rule.

26
 27 SECTION 637. Arkansas Code § 26-51-2411(a)(1), concerning the
 28 enforcement and deposit of fees, is amended to read as follows:

29 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
 30 Administration may make rules and prescribe forms for a taxpayer to claim the
 31 investment tax credit provided by this subchapter and for the proper
 32 enforcement of the claim.

33
 34 SECTION 638. Arkansas Code § 26-51-2411(d), concerning the enforcement
 35 and deposit of fees, is amended to read as follows:

36 (d) The ~~director~~ secretary shall demand the repayment of any

1 investment tax credits taken in excess of the investment tax credit allowed
2 by this subchapter.

3
4 SECTION 639. Arkansas Code § 26-51-2502(c) and (d) , concerning the
5 Disaster Relief Income Tax Check-Off Program, are amended to read as follows:

6 (c) The ~~Director~~ Secretary of the Department of Finance and
7 Administration shall have the authority to promulgate all rules and
8 regulations and all income tax forms, returns, and schedules necessary to
9 carry out this program.

10 (d) The ~~Director~~ Secretary of the Department of Finance and
11 Administration is authorized to accept any gifts, grants, bequests, devises,
12 and donations made to the State of Arkansas for the purposes of funding the
13 Arkansas Disaster Relief Program. The ~~director~~ secretary shall deposit any of
14 these gifts, grants, bequests, devises, and donations so received into the
15 Arkansas Disaster Relief Program Trust Fund. These gifts, grants, bequests,
16 devises, and donations shall be used together with any other funds
17 appropriated for funding the program provided for in this section. ~~All gifts,~~
18 ~~grants, bequests, devises, and donations shall be deposited, disbursed,~~
19 ~~budgeted, and regulated under the procedures prescribed by the Chief Fiscal~~
20 ~~Officer of the State under § 19-4-807 [repealed].~~

21
22 SECTION 640. Arkansas Code § 26-51-2502(e)(1)(A) , concerning the
23 Disaster Relief Income Tax Check-Off Program, is amended to read as follows:

24 (e)(1)(A) There is created on the books of the Treasurer of State, the
25 Auditor of State, and the Chief Fiscal Officer of the State an Arkansas
26 Disaster Relief Program Trust Fund to be used by the ~~Arkansas Department~~
27 Division of Emergency Management for disaster relief.

28
29 SECTION 641. Arkansas Code § 26-51-2502(f) , concerning the Disaster
30 Relief Income Tax Check-Off Program, is amended to read as follows:

31 (f)(1) The Revenue Division of the Department of Finance and
32 Administration may establish any rule to effectively carry out the revenue
33 producing provisions of this section.

34 (2) The ~~Director~~ Secretary of the Department of Finance and
35 Administration may promulgate rules to carry out the provisions of this
36 section that allow the ~~director~~ secretary to accept gifts, grants, bequests,

1 devises, and donations.

2
 3 SECTION 642. Arkansas Code § 26-51-2503(a)(3), concerning
 4 contributions to the Arkansas School for the Blind and the Arkansas School
 5 for the Deaf, is amended to read as follows:

6 (3) The ~~Director~~ Secretary of the Department of Finance and
 7 Administration may promulgate all rules and regulations and all income tax
 8 forms, returns, and schedules necessary to implement this section.

9
 10 SECTION 643. The introductory language of Arkansas Code § 26-51-
 11 2504(d), concerning the Baby Sharon Act, is amended to read as follows:

12 (d) The ~~Director~~ Secretary of the Department of Finance and
 13 Administration may:

14
 15 SECTION 644. Arkansas Code § 26-51-2504(f), concerning the Baby Sharon
 16 Act, is amended to read as follows:

17 (f) The ~~director~~ secretary shall promulgate all rules and regulations
 18 and all income tax forms, returns, and schedules necessary to carry out the
 19 revenue-producing provisions of this section.

20
 21 SECTION 645. The introductory language of Arkansas Code § 26-51-
 22 2506(d), concerning the Military Family Relief Check-off Program, is amended
 23 to read as follows:

24 (d) The ~~Director~~ Secretary of the Department of Finance and
 25 Administration may:

26
 27 SECTION 646. Arkansas Code § 26-51-2506(f), concerning the Military
 28 Family Relief Check-off Program, is amended to read as follows:

29 (f) The ~~director~~ secretary shall promulgate rules and all income tax
 30 forms, returns, and schedules necessary to carry out the revenue-producing
 31 provisions of this section.

32
 33 SECTION 647. Arkansas Code § 26-51-2506(j)(2), concerning the Military
 34 Family Relief Check-off Program, is amended to read as follows:

35 (2) The provisions of this section allowing the ~~director~~
 36 secretary to accept gifts, grants, bequests, devises, and donations shall be

1 effective on August 1, 2005.

2
 3 SECTION 648. Arkansas Code § 26-51-2507(a)(3), concerning
 4 contributions to the Arkansas Area Agencies on Aging, is amended to read as
 5 follows:

6 (3) The ~~Director~~ Secretary of the Department of Finance and
 7 Administration may promulgate rules and develop all income tax forms,
 8 returns, and schedules necessary to implement this section.

9
 10 SECTION 649. Arkansas Code § 26-51-2508(d), concerning the income tax
 11 check-off program for contributions to the Newborn Umbilical Cord Blood
 12 Initiative, is amended to read as follows:

13 (d) The ~~Director~~ Secretary of the Department of Finance and
 14 Administration shall promulgate all rules and all income tax forms, returns,
 15 and schedules necessary to carry out the program.

16
 17 SECTION 650. Arkansas Code § 26-51-2509(c), concerning contributions
 18 to the Arkansas Tax-Deferred Tuition Savings Program account, is amended to
 19 read as follows:

20 (c) The ~~Director~~ Secretary of the Department of Finance and
 21 Administration shall promulgate rules and develop all income tax forms,
 22 returns, and schedules necessary to implement this section.

23
 24 SECTION 651. Arkansas Code § 26-51-2510(d), concerning contributions
 25 to the Arkansas Game and Fish Foundation, is amended to read as follows:

26 (d) The ~~Director~~ Secretary of the Department of Finance and
 27 Administration may promulgate rules necessary to carry out the program
 28 established under this section.

29
 30 SECTION 652. Arkansas Code § 26-52-103(14), concerning the definition
 31 of "director" under the laws regarding gross receipts tax, is repealed.

32 ~~(14) "Director" means the Director of the Department of Finance~~
 33 ~~and Administration or any of his or her authorized agents;~~

34
 35 SECTION 653. Arkansas Code § 26-52-103(31), concerning the definition
 36 of "tax period" under the laws regarding gross receipts tax, is amended to

1 read as follows:

2 (31) "Tax period" or "taxable period" means either the calendar
3 period or the taxpayer's fiscal period when a taxpayer has obtained a permit
4 from the ~~director~~ Secretary of the Department of Finance and Administration
5 or from any of his or her authorized agents to use a fiscal period in lieu of
6 a calendar period;

7

8 SECTION 654. Arkansas Code § 26-52-105 is amended to read as follows:

9 26-52-105. Administration – Rules and regulations.

10 (a) The administration of this chapter is vested in and shall be
11 exercised by the ~~Director~~ Secretary of the Department of Finance and
12 Administration.

13 (b) The ~~director~~ secretary shall promulgate rules and regulations and
14 prescribe forms for the proper enforcement of this chapter.

15

16 SECTION 655. Arkansas Code § 26-52-106(b), concerning the cost of
17 administration and the distribution of an annual surplus, is amended to read
18 as follows:

19 (b) If any funds appropriated for the administration of this chapter
20 shall remain in the hands of the ~~Director~~ Secretary of the Department of
21 Finance and Administration at the end of each fiscal year that shall not have
22 been actually used in the administration of this chapter, then the funds
23 shall be remitted by the ~~director~~ secretary to the Treasurer of State for
24 distribution in the same manner and for the same purposes provided for in §
25 26-52-107.

26

27 SECTION 656. Arkansas Code § 26-52-107 is amended to read as follows:

28 26-52-107. Disposition of taxes, interest, and penalties.

29 All taxes, interest, penalties, and costs received by the ~~Director~~
30 Secretary of the Department of Finance and Administration under the
31 provisions of this chapter shall be general revenues and shall be deposited
32 into the State Treasury to the credit of the State Apportionment Fund. The
33 Treasurer of State shall allocate and transfer the same to the various State
34 Treasury funds participating in general revenues in the respective
35 proportions to each as provided by, and to be used for the respective
36 purposes set forth in, the Revenue Stabilization Law, § 19-5-101 et seq.

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SECTION 657. Arkansas Code § 26-52-108 is amended to read as follows:
26-52-108. Changes in law – Notice to permit holders.

The ~~Director~~ Secretary of the Department of Finance and Administration shall give each gross receipts tax permit holder under § 26-52-201 written notice of any new state sales and use tax law or any change in the present state sales and use tax law within thirty (30) days after the adjournment of the General Assembly.

SECTION 658. Arkansas Code § 26-52-110(f), concerning sellers and affiliated persons, referral agreements, and requirement of notice, is amended to read as follows:

(f) The ~~Director~~ Secretary of the Department of Finance and Administration shall promulgate rules to implement this section.

SECTION 659. Arkansas Code § 26-52-201(a) and (b), concerning the requirement for a gross receipts tax permit, are amended to read as follows:

(a) It shall be unlawful for any taxpayer to transact business within this state prior to issuance and receipt of an Arkansas gross receipts tax permit from the ~~Director~~ Secretary of the Department of Finance and Administration.

(b) A separate permit for each business location must be obtained from the ~~director~~ secretary.

SECTION 660. Arkansas Code § 26-52-201(e), concerning the requirement for a gross receipts tax permit, are amended to read as follows:

(e) The ~~director~~ secretary is authorized to establish types and classifications of Arkansas gross receipts tax permits, including without limitation special permits for taxpayers whose principal line of business does not include the retail selling of tangible personal property, specified digital products, or a digital code or the performing of taxable services.

SECTION 661. Arkansas Code § 26-52-202(a), concerning an application for a gross receipts tax permit, is amended to read as follows:

(a) Every taxpayer shall file with the ~~Director~~ Secretary of the Department of Finance and Administration an application for a gross receipts

1 tax permit to conduct the taxpayer's business, setting forth such information
2 as the ~~director~~ secretary may require.

3
4 SECTION 662. Arkansas Code § 26-52-202(c), concerning an application
5 for a gross receipts tax permit, is amended to read as follows:

6 (c) A taxpayer is permitted to file an application through an agent if
7 the registration is filed with the ~~director~~ secretary and is made in writing.

8
9 SECTION 663. Arkansas Code § 26-52-203(a) and (b), concerning fee
10 deposits or the requirement of a bond, are amended to read as follows:

11 (a) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall require prior to the issuance of any new Arkansas gross
13 receipts tax permit the payment of a nonrefundable fee of fifty dollars
14 (\$50.00), which shall be remitted with each new application for a permit.

15 (b) All persons doing a retail business in this state, which business
16 is subject to the provisions of this chapter, who do not have a permanent
17 domicile in this state, shall make a sufficient cash deposit or sufficient
18 bond with the ~~director~~ secretary to cover their annual sales tax before doing
19 business in this state or before receiving a permit to do business in this
20 state as provided in § 26-52-201.

21
22 SECTION 664. Arkansas Code § 26-52-207(a)(1) and (2), concerning the
23 discontinuance of a business and unpaid taxes, are amended to read as
24 follows:

25 (a)(1) Any taxpayer operating under a permit as provided in this
26 subchapter, upon discontinuance of business by sale or otherwise, shall
27 return the permit to the ~~Director~~ Secretary of the Department of Finance and
28 Administration for cancellation together with a remittance of any unpaid or
29 accrued taxes.

30 (2) Failure to surrender a permit and pay any and all accrued
31 taxes shall be sufficient cause for the ~~director~~ secretary to refuse the
32 issuance of any permit in the future to the taxpayer to engage in or transact
33 any other business in this state.

34
35 SECTION 665. Arkansas Code § 26-52-207(b), concerning the
36 discontinuance of a business and unpaid taxes, is amended to read as follows:

1 (b) The ~~director~~ secretary shall not issue a permit to continue or
 2 conduct the business to the purchaser of the business until all tax claims
 3 due in the State of Arkansas under this section have been settled and paid.
 4

5 SECTION 666. Arkansas Code § 26-52-210(a)(1)(B), concerning an
 6 automatic expiration of gross receipts tax permits, is amended to read as
 7 follows:

8 (B)(i) The ~~Director~~ Secretary of the Department of Finance
 9 and Administration shall notify the taxpayer in writing that the gross
 10 receipts tax permit has expired.

11 (ii) Within thirty (30) days after the date of the
 12 notice, the taxpayer shall return the permit to the ~~director~~ secretary.
 13

14 SECTION 667. Arkansas Code § 26-52-210(b), concerning an automatic
 15 expiration of gross receipts tax permits, is amended to read as follows:

16 (b)(1) Any taxpayer who has been notified that his or her gross
 17 receipts tax permit will expire may petition the ~~director~~ secretary to retain
 18 the taxpayer's gross receipts tax permit if the taxpayer reasonably expects
 19 to engage in business within the twelve-month period immediately following
 20 the notification.

21 (2) The ~~director~~ secretary may allow a taxpayer to retain the
 22 taxpayer's gross receipts tax permit if the taxpayer demonstrates to the
 23 ~~director's~~ secretary's satisfaction that the taxpayer will require a gross
 24 receipts tax permit within the following twelve (12) months to engage in
 25 business.
 26

27 SECTION 668. Arkansas Code § 26-52-303(c)(1), concerning border cities
 28 or towns, tax rates, and exemptions, is amended to read as follows:

29 (c)(1) The ~~Director~~ Secretary of the Department of Finance and
 30 Administration shall require any person claiming this exemption to file a
 31 sworn statement in writing that the person is a resident of that city or
 32 incorporated town and such other information as the ~~director~~ secretary may
 33 determine is necessary to establish the residence of the person.
 34

35 SECTION 669. Arkansas Code § 26-52-314(e), concerning prepaid calling
 36 services and prepaid wireless calling services, is amended to read as

1 follows:

2 (e) The ~~Director~~ Secretary of the Department of Finance and
3 Administration shall promulgate rules to implement this section.

4

5 SECTION 670. The introductory language of Arkansas Code § 26-52-
6 317(a)(1), concerning food and food ingredients, is amended to read as
7 follows:

8 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
9 Administration shall determine the following conditions:

10

11 SECTION 671. Arkansas Code § 26-52-317(a)(1)(C)(ii), concerning food
12 and food ingredients, is amended to read as follows:

13 (ii) The ~~director~~ secretary shall make the
14 determination under subdivision (a)(1)(C)(i) of this section on a monthly
15 basis following the determination that the conditions under subdivision
16 (a)(1)(A) of this section have been met.

17

18 SECTION 672. The introductory language of Arkansas Code § 26-52-
19 317(a)(2)(A), concerning food and food ingredients, is amended to read as
20 follows:

21 (2)(A) ~~Beginning July 1, 2013, the director~~ The secretary shall
22 make a monthly determination as to whether the aggregate amount of deductions
23 from net general revenues attributable to the following during the most
24 recently ended six-month consecutive period, as compared with the same six-
25 month period in the prior year, has declined by thirty-five million dollars
26 (\$35,000,000) or more:

27

28 SECTION 673. Arkansas Code § 26-52-317(a)(2)(B), concerning food and
29 food ingredients, is amended to read as follows:

30 (B)(i) In making the determination in this subdivision
31 (a)(2), the ~~director~~ secretary shall consider all economic factors existing
32 at the time of the determination that could potentially affect the decline in
33 the aggregate amount of deductions, including without limitation pending
34 litigation.

35 (ii) If the consideration of additional economic
36 factors under subdivision (a)(2)(B)(i) of this section results in a

1 determination that the decline in the aggregate amount of deductions is not
2 likely to remain at that reduced level, the ~~director~~ secretary shall conclude
3 that the conditions in this subdivision (a)(2) have not been met.
4

5 SECTION 674. Arkansas Code § 26-52-317(a)(3), concerning food and food
6 ingredients, is amended to read as follows:

7 (3) When the ~~director~~ secretary finds that all of the conditions
8 in either subdivision (a)(1) of this section or subdivision (a)(2) of this
9 section have been met, then the gross receipts or gross proceeds taxes levied
10 under subsection (c) of this section shall be levied at the rate of zero
11 percent (0%) on the sale of food and food ingredients beginning on the first
12 day of the calendar quarter that is at least thirty (30) days following the
13 determination of the ~~director~~ secretary.
14

15 SECTION 675. Arkansas Code § 26-52-317(c)(1)(A)-(C), concerning food
16 and food ingredients, are amended to read as follows:

17 (A) Seventy-six and six-tenths percent (76.6%) of the
18 taxes, interest, penalties, and costs received by the ~~director~~ secretary
19 under this subdivision (c)(1) shall be deposited as general revenues;

20 (B) Eight and five-tenths percent (8.5%) of the taxes,
21 interest, penalties, and costs received by the ~~director~~ secretary under this
22 subdivision (c)(1) shall be deposited into the Property Tax Relief Trust
23 Fund; and

24 (C) Fourteen and nine-tenths percent (14.9%) of the taxes,
25 interest, penalties, and costs received by the ~~director~~ secretary under this
26 subdivision (c)(1) shall be deposited into the Educational Adequacy Fund.
27

28 SECTION 676. Arkansas Code § 26-52-318(a)(21), concerning heavy
29 equipment, is amended to read as follows:

30 (21) Any other equipment determined by the ~~Director~~ Secretary of
31 the Department of Finance and Administration to be heavy equipment.
32

33 SECTION 677. Arkansas Code § 26-52-319(a)(2)(A)-(C), concerning
34 natural gas and electricity used by manufacturers, are amended to read as
35 follows:

36 (A) Seventy-six and six-tenths percent (76.6%) of the tax,

1 interest, penalties, and costs received by the ~~Director~~ Secretary of the
2 Department of Finance and Administration shall be deposited as general
3 revenues;

4 (B) Eight and five-tenths percent (8.5%) of the tax,
5 interest, penalties, and costs received by the ~~director~~ secretary shall be
6 deposited into the Property Tax Relief Trust Fund; and

7 (C) Fourteen and nine-tenths percent (14.9%) of the tax,
8 interest, penalties, and costs received by the ~~director~~ secretary shall be
9 deposited into the Educational Adequacy Fund.

10
11 SECTION 678. Arkansas Code § 26-52-319(e) and (f), concerning natural
12 gas and electricity used by manufacturers, are amended to read as follows:

13 (e) Before the sale of natural gas or electricity at the reduced
14 excise tax rate levied in this section, the ~~director~~ secretary may require
15 any seller of natural gas or electricity to obtain a certificate from the
16 consumer, in the form prescribed by the ~~director~~ secretary, certifying that
17 the manufacturer is eligible to purchase natural gas and electricity at the
18 reduced excise tax rate.

19 (f) The ~~director~~ secretary shall promulgate rules for the proper
20 administration of this section.

21
22 SECTION 679. Arkansas Code § 26-52-320(c), concerning portable toilets
23 and associated services, is amended to read as follows:

24 (c) The ~~Director~~ Secretary of the Department of Finance and
25 Administration may promulgate rules to implement this section.

26
27 SECTION 680. Arkansas Code § 26-52-321(b), concerning fishing guide
28 services, is amended to read as follows:

29 (b) The ~~Director~~ Secretary of the Department of Finance and
30 Administration shall promulgate rules to implement this section.

31
32 SECTION 681. Arkansas Code § 26-52-322(c), concerning withdrawals from
33 stock, is amended to read as follows:

34 (c) The ~~Director~~ Secretary of the Department of Finance and
35 Administration may promulgate rules to implement this section.

36

1 SECTION 682. Arkansas Code § 26-52-402(d), concerning tax exemptions
2 for certain machinery and equipment, is amended to read as follows:

3 (d) The ~~Director~~ Secretary of the Department of Finance and
4 Administration may promulgate rules and regulations for the orderly and
5 efficient administration of this section.

6
7 SECTION 683. Arkansas Code § 26-52-403(c), concerning farm equipment
8 and machinery, is amended to read as follows:

9 (c) The ~~Director~~ Secretary of the Department of Finance and
10 Administration shall promulgate rules and prescribe forms for claiming the
11 exemption provided by this section.

12
13 SECTION 684. Arkansas Code § 26-52-406(b), concerning prescription
14 drugs and oxygen, is amended to read as follows:

15 (b) The ~~Director~~ Secretary of the Department of Finance and
16 Administration shall adopt such appropriate rules and regulations as the
17 ~~director~~ secretary deems necessary to assume the effective and efficient
18 administration of the exemption provided for in this section and to prevent
19 abuse thereof.

20
21 SECTION 685. Arkansas Code § 26-52-414(b), concerning products sold to
22 humane societies, is amended to read as follows:

23 (b) The ~~Director~~ Secretary of the Department of Finance and
24 Administration shall issue a certificate to the officers of each humane
25 society organized under § 20-19-101, which shall indicate the identity of the
26 humane society officer and the humane society with which the humane society
27 officer is associated. Sales to a humane society shall be exempt from the
28 Arkansas gross receipts tax upon presentation of the certificate.

29
30 SECTION 686. Arkansas Code § 26-52-416(d), concerning electricity sold
31 to low-income households, is amended to read as follows:

32 (d) On forms provided by the ~~Director~~ Secretary of the Department of
33 Finance and Administration, a residential customer qualifying for the
34 exemption in this section shall notify the electric utility providing service
35 to the residential customer of the residential customer's intention to claim
36 the exemption in this section.

1
2 SECTION 687. Arkansas Code § 26-52-416(e)(2), concerning electricity
3 sold to low-income households, is amended to read as follows:

4 (2) When a residential customer who has qualified for the
5 exemption in this section has household income exceeding the twelve-thousand-
6 dollar limit, the residential customer is disqualified from the exemption in
7 this section and shall notify the electric utility on forms provided by the
8 ~~director~~ secretary. The notice form shall be mailed to the electric utility
9 on or before March 1 of the year following the year the household income
10 exceeds twelve thousand dollars (\$12,000).

11
12 SECTION 688. Arkansas Code § 26-52-416(f)(2), concerning electricity
13 sold to low-income households, is amended to read as follows:

14 (2) The electric utility shall bill a residential customer for
15 the amount of tax due as a result of the residential customer's
16 disqualification under this section and remit the tax to the ~~director~~
17 secretary.

18
19 SECTION 689. Arkansas Code § 26-52-427(f), concerning property
20 purchased for use in the performance of construction contracts, is amended to
21 read as follows:

22 (f) The ~~Director~~ Secretary of the Department of Finance and
23 Administration shall promulgate rules and prescribe forms for claiming a
24 rebate as provided by this section.

25
26 SECTION 690. Arkansas Code § 26-52-440(a)(1), concerning the
27 definition of "exemption certificate" under the laws concerning tax
28 exemptions for qualified museums, is amended to read as follows:

29 (1) "Exemption certificate" means an exemption certificate
30 issued by the ~~Director~~ Secretary of the Department of Finance and
31 Administration under subdivision (d)(1) of this section;

32
33 SECTION 691. Arkansas Code § 26-52-440(a)(3)(B), concerning the
34 definition of "exemption certificate" under the laws concerning tax
35 exemptions for qualified museums, is amended to read as follows:

36 (B) The ~~director~~ secretary has issued an exemption

1 certificate to the nonprofit organization; and

2
3 SECTION 692. The introductory language of Arkansas Code § 26-52-
4 440(c), concerning the definition of "exemption certificate" under the laws
5 concerning tax exemptions for qualified museums, is amended to read as
6 follows:

7 (c) A nonprofit organization requesting recognition as a qualified
8 museum shall file with the ~~director~~ secretary on forms prescribed by the
9 ~~director~~ secretary a written statement under oath:

10
11 SECTION 693. Arkansas Code § 26-52-440(d) and (e), concerning the
12 definition of "exemption certificate" under the laws concerning tax
13 exemptions for qualified museums, are amended to read as follows:

14 (d)(1) After filing the statement required under subdivision (c)(1) of
15 this section, if the ~~director~~ secretary finds that the nonprofit organization
16 has a good faith plan and intent to satisfy the conditions of subdivision
17 (c)(2) of this section prior to January 1, 2013, the ~~director~~ secretary shall
18 issue an exemption certificate to the nonprofit organization within sixty
19 (60) days after the filing of the statement.

20 (2) The ~~director~~ secretary may revoke the exemption certificate
21 at any time after it is issued if the ~~director~~ secretary determines that the
22 nonprofit organization is unable to satisfy the conditions under subdivision
23 (c)(2) of this section prior to January 1, 2013.

24 (3) After filing the statement required under subdivision (c)(2)
25 of this section, if the ~~director~~ secretary determines that the nonprofit
26 organization has not met the conditions under subdivision (c)(2) of this
27 section, the ~~director~~ secretary shall revoke the exemption certificate of the
28 nonprofit organization.

29 (4) If the nonprofit organization fails to file the statement
30 described in subdivision (c)(2) of this section on or prior to June 30, 2013,
31 the ~~director~~ secretary shall revoke the exemption certificate.

32 (5) Revocation by the ~~director~~ secretary of an exemption
33 certificate shall be retroactive to the date of its issuance subject to
34 subsection (e) of this section.

35 (e)(1) If the ~~director~~ secretary revokes the exemption certificate,
36 any tax deficiency, related interest, and applicable penalties due under this

1 chapter, the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq., or
2 the Arkansas Tax Procedure Act, § 26-18-101 et seq., may be assessed against
3 the nonprofit organization but may not be assessed against a third party that
4 has relied in good faith on the exemption certificate prior to its
5 revocation.

6 (2) If the ~~director~~ secretary revokes the exemption certificate,
7 any tax deficiency, related interest, and applicable penalties assessed
8 against the nonprofit organization shall also include any tax deficiency,
9 related interest, and applicable penalties assessed on purchases made by the
10 nonprofit organization's contractors and agents for the benefit of the
11 nonprofit organization in reliance on the exemption certificate.

12 (3)(A) Any assessment by the ~~director~~ secretary under
13 subdivision (e)(1) of this section or subdivision (e)(2) of this section
14 shall be made in accordance with the Arkansas Tax Procedure Act, § 26-18-101
15 et seq.

16 (B) However, the time period for the ~~director~~ secretary to
17 make the assessment is extended to whichever of the following occurs first:

- 18 (i) Three (3) years from the date the nonprofit
19 organization files the statement under subdivision (c)(2) of this section; or
20 (ii) July 1, 2016.

21 (4) The nonprofit organization may contest any assessment or
22 other determination by the ~~director~~ secretary in accordance with the Arkansas
23 Tax Procedure Act, § 26-18-101 et seq.

24
25 SECTION 694. Arkansas Code § 26-52-441(d), concerning natural gas and
26 electricity used in the manufacturing of tires, is amended to read as
27 follows:

28 (d) The ~~Director~~ Secretary of the Department of Finance and
29 Administration shall promulgate rules for the proper administration of this
30 section.

31
32 SECTION 695. Arkansas Code § 26-52-446(d) and (e), concerning grain
33 drying and storage facilities, are amended to read as follows:

34 (d) Before allowing the exemption of a utility under this section, the
35 ~~Director~~ Secretary of the Department of Finance and Administration may
36 require a seller of a utility to obtain a certificate from the taxpayer in

1 the form prescribed by the ~~director~~ secretary, certifying that the taxpayer
2 is eligible for the exemption.

3 (e) The ~~director~~ secretary shall promulgate rules for the proper
4 administration of this section.

5
6 SECTION 696. Arkansas Code § 26-52-450(d) and (e), concerning
7 utilities used for qualifying agricultural structures and qualifying
8 aquaculture and horticulture equipment, are amended to read as follows:

9 (d) Before allowing the exemption of a utility under this section, the
10 ~~Director~~ Secretary of the Department of Finance and Administration may
11 require a seller of a utility to obtain a certificate from the taxpayer in
12 the form prescribed by the ~~director~~ secretary, certifying that the taxpayer
13 is eligible for the exemption.

14 (e) The ~~director~~ secretary shall promulgate rules for the proper
15 administration of this section.

16
17 SECTION 697. Arkansas Code § 26-52-501(a)(2), concerning preparation
18 of returns and payment of taxes, is amended to read as follows:

19 (2) When a taxpayer becomes liable to file a report with the
20 ~~Director~~ Secretary of the Department of Finance and Administration, the
21 taxpayer must continue to file the report, even though no tax is due, until
22 such time as the taxpayer notifies the ~~director~~ secretary, in writing, that
23 the taxpayer is no longer liable for the report.

24
25 SECTION 698. Arkansas Code § 26-52-501(b), concerning preparation of
26 returns and payment of taxes, is amended to read as follows:

27 (b)(1) For the purpose of ascertaining the amount of tax payable under
28 this chapter, it shall be the duty of all taxpayers on or before the
29 twentieth day of each month to deliver to the ~~director~~ secretary, upon forms
30 prescribed and furnished by the ~~director~~ secretary, returns showing the total
31 tax due derived from all taxable sales during the preceding calendar month.

32 (2) The returns shall show such further information as the
33 ~~director~~ secretary may require to enable the ~~director~~ secretary to compute
34 correctly and collect the tax levied.

35 (3) Whether an individual, corporation, partnership, limited
36 liability company, or other entity, every taxpayer shall file a single report

1 combining all taxes due derived from sales made from all Arkansas locations
2 of the taxpayer's business which are registered and permitted with the
3 ~~director~~ secretary under the same federal employer's identification number or
4 Social Security number.

5
6 SECTION 699. Arkansas Code § 26-52-501(e), concerning preparation of
7 returns and payment of taxes, is amended to read as follows:

8 (e) The taxpayer shall compute and remit to the ~~director~~ secretary the
9 required tax due for the preceding calendar month, with the remittance of the
10 tax to accompany the returns required in this subchapter.

11
12 SECTION 700. Arkansas Code § 26-52-501(h)-(j), concerning preparation
13 of returns and payment of taxes, are amended to read as follows:

14 (h) When the average amount of tax for which the taxpayer is liable
15 for the previous fiscal year beginning on July 1 and ending on June 30 does
16 not exceed one hundred dollars (\$100) per month, the ~~director~~ secretary may
17 notify the taxpayer that a quarterly report and remittance in lieu of a
18 monthly report may be made on or before July 20, October 20, January 20, and
19 April 20 of each year for the preceding three-month period.

20 (i) When the average amount of tax for which the taxpayer is liable
21 for the previous fiscal year beginning on July 1 and ending on June 30 does
22 not exceed twenty-five dollars (\$25.00) per month, the ~~director~~ secretary may
23 notify the taxpayer that a yearly report and remittance in lieu of a monthly
24 report may be made on or before January 20 of each year for the preceding
25 twelve-month period.

26 (j) The ~~director~~ secretary may establish by regulation separate
27 requirements for filing reports and returns and paying the tax levied under
28 this chapter for taxpayers whose principal line of business does not include
29 the retail selling of tangible personal property, specified digital products,
30 or a digital code or performing taxable services.

31
32 SECTION 701. Arkansas Code § 26-52-502 is amended to read as follows:
33 26-52-502. Tax return on basis of cash actually received.

34 (a) Any person taxable under this chapter doing business wholly or
35 partly on a credit basis may make application to the ~~Director~~ Secretary of
36 the Department of Finance and Administration for permission to prepare his or

1 her returns on the basis of cash actually received.

2 (b) The application shall be granted by the ~~director~~ secretary under
3 such rules and regulations as the ~~director~~ secretary may prescribe.

4 (c) Any person making the application shall be taxable on all moneys
5 collected during the taxable period.

6
7 SECTION 702. Arkansas Code § 26-52-503(a) and (b), concerning a
8 discount for early payment of taxes, are amended to read as follows:

9 (a) At the time of transmitting the returns required under this
10 chapter to the ~~Director~~ Secretary of the Department of Finance and
11 Administration, the taxpayer shall remit with the returns to the ~~director~~
12 secretary ninety-eight percent (98%) of the state tax due under this chapter
13 and ninety-eight percent (98%) of the city and county gross receipts taxes
14 collected by the ~~director~~ secretary.

15 (b) Failure of the taxpayer to remit the tax on or before the
16 twentieth day of the applicable month shall cause the taxpayer to forfeit his
17 or her claim to the discount, and the taxpayer shall remit to the ~~director~~
18 secretary one hundred percent (100%) of the amount of tax plus any penalty
19 and interest due.

20
21 SECTION 703. The introductory language of Arkansas Code § 26-52-
22 503(c)(2)(C), concerning a discount for early payment of taxes, is amended to
23 read as follows:

24 (C) The limitations on the state tax discount under this
25 section apply to early payment of city and county gross receipts taxes
26 collected by the ~~director~~ secretary, under the following schedule:

27
28 SECTION 704. Arkansas Code § 26-52-505(a), concerning the sales of
29 aircraft, is amended to read as follows:

30 (a) Every person selling new or used aircraft in this state, whether
31 from an established business, under a dealership, as a flying service, or as
32 a private individual, shall obtain and hold a permit as provided in § 26-52-
33 202 and shall make a monthly report and remittance to the ~~Director~~ Secretary
34 of the Department of Finance and Administration as provided in this chapter,
35 together with copies of invoices, sales tickets, or bills of sale reflecting
36 the date of all sales of aircraft, the purchaser's name and address, the

1 make, year, model, serial number, and gross sales price of each aircraft, and
2 the amount of tax collected from the purchaser.

3
4 SECTION 705. The introductory language of Arkansas Code § 26-52-
5 508(a), concerning the collection of taxes by sellers or admissions
6 collectors, is amended to read as follows:

7 (a) The tax levied by this chapter shall be paid to the ~~Director~~
8 Secretary of the Department of Finance and Administration by:

9
10 SECTION 706. The introductory language of Arkansas Code § 26-52-
11 509(a)(1), concerning the direct payment of taxes by a consumer or user, is
12 amended to read as follows:

13 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
14 Administration by agreement with any consumer or user may:

15
16 SECTION 707. Arkansas Code § 26-52-509(a)(3), concerning the direct
17 payment of taxes by a consumer or user, is amended to read as follows:

18 (3) A person who has entered into a limited direct pay agreement
19 under this section and makes purchases of property or services under the
20 authority of that agreement without paying the gross receipts or compensating
21 use taxes due on those purchases is responsible for remitting the proper
22 amount of tax due to the ~~director~~ secretary as required by law.

23
24 SECTION 708. Arkansas Code § 26-52-509(b), concerning the direct
25 payment of taxes by a consumer or user, is amended to read as follows:

26 (b) The agreements may be revoked at any time by the ~~director~~
27 secretary whenever the ~~director~~ secretary determines that the revocation
28 thereof should be in the best interests of collection of gross receipts
29 taxes.

30
31 SECTION 709. Arkansas Code § 26-52-510(a)(1) and (2), concerning the
32 direct payment of tax by a consumer on new and used motor vehicles, trailers,
33 or semitrailers, are amended to read as follows:

34 (a)(1) On or before the time for registration as prescribed by § 27-
35 14-903(a), a consumer shall pay to the ~~Director~~ Secretary of the Department
36 of Finance and Administration the tax levied by this chapter and all other

1 gross receipts taxes levied by the state with respect to the sale of a new or
2 used motor vehicle, trailer, or semitrailer required to be licensed in this
3 state, instead of the taxes being collected by the dealer or seller.

4 (2) The ~~director~~ secretary shall require the payment of the
5 taxes at the time of registration before issuing a license for the new or
6 used motor vehicle, trailer, or semitrailer.

7
8 SECTION 710. Arkansas Code § 26-52-510(a)(4)(B), concerning the direct
9 payment of tax by a consumer new and used motor vehicles, trailers, or
10 semitrailers, are amended to read as follows:

11 (B) The consumer shall pay to the ~~director~~ secretary the
12 penalty under subdivision (a)(4)(A) of this section and the taxes due before
13 the ~~director~~ secretary issues a license for the motor vehicle, trailer, or
14 semitrailer.

15
16 SECTION 711. Arkansas Code § 26-52-510(g)(1)(B) and (C), concerning
17 the direct payment of tax by a consumer new and used motor vehicles,
18 trailers, or semitrailers, are amended to read as follows:

19 (B) If the published loan value exceeds the invoiced
20 price, then the taxpayer must establish to the ~~director's~~ secretary's
21 satisfaction that the price reflected on the invoice or other document is
22 true and correct.

23 (C) If the ~~director~~ secretary determines that the invoiced
24 price is not the actual selling price of the vehicle, then the total
25 consideration will be deemed to be the published loan value.

26
27 SECTION 712. Arkansas Code § 26-52-510(g)(2), concerning the direct
28 payment of tax by a consumer new and used motor vehicles, trailers, or
29 semitrailers, is amended to read as follows:

30 (2)(A) For purposes of this section, the total consideration for
31 a new or used trailer or semitrailer shall be the actual sales price as
32 provided on a bill of sale, invoice, or financing agreement.

33 (B) The ~~director~~ secretary may require additional
34 information to conclusively establish the true selling price of the new or
35 used trailer or semitrailer.

36

1 SECTION 713. The introductory language of Arkansas Code § 26-52-
2 514(a), concerning the determination of total consideration for the sale of a
3 vehicle an alternative method, is amended to read as follows:

4 (a) The ~~Director~~ Secretary of the Department of Finance and
5 Administration is authorized to adopt an alternative method for determining
6 the total consideration for the sale of new or used:

7
8 SECTION 714. The introductory language of Arkansas Code § 26-52-
9 515(a), concerning the refund of sales tax on vehicles returned as defective,
10 is amended to read as follows:

11 (a) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall refund to a manufacturer any state and local sales or
13 use tax which the manufacturer refunded to the consumer, lessee, or lessor
14 pursuant to the Arkansas New Motor Vehicle Quality Assurance Act, § 4-90-401
15 et seq., or other defective vehicle buy-back agreement, if the manufacturer
16 provides to the Department of Finance and Administration:

17
18 SECTION 715. Arkansas Code § 26-52-515(a)(5), concerning the refund of
19 sales tax on vehicles returned as defective, is amended to read as follows:

20 (5) Such other information as shall be required by the ~~director~~
21 secretary.

22
23 SECTION 716. Arkansas Code § 26-52-515(c)(2), concerning the refund of
24 sales tax on vehicles returned as defective, is amended to read as follows:

25 (2) The ~~director~~ secretary shall prescribe the forms and other
26 information necessary to issue the voucher.

27
28 SECTION 717. Arkansas Code § 26-52-517(a), concerning exemption
29 certificates, is amended to read as follows:

30 (a) The sales tax liability for all sales of tangible personal
31 property, specified digital products, digital codes, and taxable services is
32 upon the seller unless the purchaser claims an exemption and the seller
33 obtains identifying information of the purchaser and the reason the purchaser
34 is claiming the exemption in the manner prescribed by the ~~Director~~ Secretary
35 of the Department of Finance and Administration.

36

1 SECTION 718. Arkansas Code § 26-52-517(b)(1), concerning exemption
2 certificates, is amended to read as follows:

3 (b)(1) When tangible personal property, specified digital products, a
4 digital code, or taxable services are purchased tax-free under subsection (a)
5 of this section and the tangible personal property, specified digital
6 products, digital code, or taxable service is not resold by the purchaser,
7 the purchaser is solely liable for reporting and remitting to the ~~director~~
8 secretary any tax which should have been paid at the time of purchase.

9
10 SECTION 719. Arkansas Code § 26-52-517(c)(1), concerning exemption
11 certificates, is amended to read as follows:

12 (c)(1) The ~~director~~ secretary may provide sale for resale certificates
13 to assist retailers in properly accounting for nontaxable sales of tangible
14 personal property or taxable services.

15
16 SECTION 720. Arkansas Code § 26-52-517(e), concerning exemption
17 certificates, is amended to read as follows:

18 (e) A seller that follows the exemption requirements as prescribed by
19 the ~~director~~ secretary is relieved from any tax otherwise applicable if it is
20 determined that the purchaser improperly claimed an exemption.

21
22 SECTION 721. Arkansas Code § 26-52-518(c), concerning exemption
23 certificates, is amended to read as follows:

24 (c) Promoters or organizers of special events shall register for sales
25 tax collection with the ~~Director~~ Secretary of the Department of Finance and
26 Administration and shall provide to special event vendors special event sales
27 tax reporting forms and any other information which may be required by the
28 ~~director~~ secretary.

29
30 SECTION 722. Arkansas Code § 26-52-518(f)(2), concerning exemption
31 certificates, is amended to read as follows:

32 (2) Promoters and organizers shall be liable for their failure
33 to remit to the ~~director~~ secretary sales taxes which are remitted to them by
34 special event vendors.

35
36 SECTION 723. The introductory language of Arkansas Code § 26-52-

1 519(a), concerning a credit voucher for sales tax on motor vehicles destroyed
2 by catastrophic events, is amended to read as follows:

3 (a) When a consumer has paid sales taxes on a motor vehicle within the
4 last one hundred eighty (180) days and the motor vehicle is destroyed or
5 damaged by some catastrophic event resulting from a natural cause to the
6 extent that the value of the motor vehicle is less than thirty percent (30%)
7 of its retail value, as found in the National Automobile Dealers
8 Association's Official Price Guide, or other source approved by the Office of
9 Motor Vehicle, the consumer may apply to the ~~Director~~ Secretary of the
10 Department of Finance and Administration for a sales tax credit voucher in
11 the amount of any state and local sales or use taxes paid on the motor
12 vehicle transaction, if the consumer provides to the Department of Finance
13 and Administration:

14
15 SECTION 724. Arkansas Code § 26-52-519(a)(5), concerning a credit
16 voucher for sales tax on motor vehicles destroyed by catastrophic events, is
17 amended to read as follows:

18 (5) Any other information as shall be required by the ~~director~~
19 secretary as necessary to issue the voucher.

20
21 SECTION 725. Arkansas Code § 26-52-519(c), concerning a credit voucher
22 for sales tax on motor vehicles destroyed by catastrophic events, is amended
23 to read as follows:

24 (c) When a consumer has tendered a trade-in motor vehicle toward the
25 purchase of the vehicle which is credited under subsection (a) of this
26 section, the consumer may apply to the ~~director~~ secretary for a credit
27 voucher in the amount of the trade-in vehicle's consideration also.

28
29 SECTION 726. Arkansas Code § 26-52-519(e), concerning a credit voucher
30 for sales tax on motor vehicles destroyed by catastrophic events, is amended
31 to read as follows:

32 (e) The ~~director~~ secretary shall prescribe the forms, the nature of
33 satisfactory proof of the vehicle's values, and any other information as is
34 necessary to issue the credit vouchers under this section.

35
36 SECTION 727. Arkansas Code § 26-52-523(c)(1) and (2), concerning a

1 credit or rebate on local sales and use tax, are amended to read as follows:

2 (c)(1) A purchaser that is required by § 26-52-501, § 26-52-509, or §
3 26-53-125 to file a sales or use tax return may file a claim for a credit or
4 rebate under this section with the ~~Director~~ Secretary of the Department of
5 Finance and Administration in connection with the sales or use tax return and
6 offset the amount of credit or rebate claimed against any municipal or county
7 sales or use tax due to be remitted with the return.

8 (2) A purchaser that qualifies for a credit or rebate under this
9 section and is not required to file a sales or use tax return as provided in
10 subdivision (c)(1) of this section may file a claim for a credit or rebate
11 under this section with the ~~director~~ secretary.

12
13 SECTION 728. Arkansas Code § 26-52-523(g), concerning a credit or a
14 rebate on local sales and use tax, is amended to read as follows:

15 (g) The ~~director~~ secretary may promulgate rules to administer this
16 section, including without limitation providing an administratively feasible
17 method for filing a claim for a credit or rebate and any necessary forms.

18
19 SECTION 729. Arkansas Code § 26-52-523(i), concerning a credit or a
20 rebate on local sales and use tax, is amended to read as follows:

21 (i) Except as provided in subsection (h) of this section, this section
22 applies to any local sales or use tax collected by the ~~director~~ secretary
23 pursuant to any state tax law authorizing a county or municipality to levy a
24 sales or use tax.

25
26 SECTION 730. The introductory language of Arkansas Code § 26-52-
27 802(a), concerning the sale of manufactured homes, modular homes, or mobile
28 homes, is amended to read as follows:

29 (a) Whether from an established business or by a licensed retailer,
30 every person selling manufactured homes or modular homes in this state shall
31 obtain a permit and report and remit to the ~~Director~~ Secretary of the
32 Department of Finance and Administration as provided in this chapter,
33 together with:

34
35 SECTION 731. Arkansas Code § 26-53-102(9), concerning the definition
36 of "director" under the Arkansas Compensating Tax Act of 1949, is repealed.

1 ~~(9) "Director" means the Director of the Department of Finance~~
2 ~~and Administration;~~

3
4 SECTION 732. Arkansas Code § 26-53-103(a), concerning the
5 administration of the Arkansas Compensating Tax Act of 1949, is amended to
6 read as follows:

7 (a) The administration of this subchapter is vested in and shall be
8 exercised by the ~~Director~~ Secretary of the Department of Finance and
9 Administration.

10
11 SECTION 733. Arkansas Code § 26-53-104(a), concerning rules,
12 regulations, and forms under the Arkansas Compensating Tax Act of 1949, is
13 amended to read as follows:

14 (a) The ~~Director~~ Secretary of the Department of Finance and
15 Administration shall promulgate rules and regulations and prescribe forms for
16 the proper enforcement of this subchapter.

17
18 SECTION 734. Arkansas Code § 26-53-104(b)(2), concerning rules,
19 regulations, and forms under the Arkansas Compensating Tax Act of 1949, is
20 amended to read as follows:

21 (2) A complete file of all the rules, regulations, and forms
22 shall be kept in the office of the ~~director~~ secretary.

23
24 SECTION 735. Arkansas Code § 26-53-105 is amended to read as follows:
25 26-53-105. Sales and Use Tax Section.

26 The ~~Director~~ Secretary of the Department of Finance and Administration
27 shall create within the Revenue Division of the Department of Finance and
28 Administration the Sales and Use Tax Section for the collection, enforcement,
29 and administration of the tax levied by this subchapter.

30
31 SECTION 736. Arkansas Code § 26-53-114(d), concerning an exemption for
32 certain machinery and equipment, is amended to read as follows:

33 (d) The ~~Director~~ Secretary of the Department of Finance and
34 Administration may promulgate rules and regulations for the orderly and
35 efficient administration of this section.

36

1 SECTION 737. Arkansas Code § 26-53-121(1), concerning the registration
2 of vendors, is amended to read as follows:

3 (1) Register with the ~~Director~~ Secretary of the Department of
4 Finance and Administration;

5
6 SECTION 738. Arkansas Code § 26-53-121(3), concerning the registration
7 of vendors, is amended to read as follows:

8 (3) Provide other information as the ~~director~~ secretary may
9 require.

10
11 SECTION 739. Arkansas Code § 26-53-123(b), concerning tax liability,
12 is amended to read as follows:

13 (b) However, a receipt from a vendor authorized by the ~~Director~~
14 Secretary of the Department of Finance and Administration under such rules
15 and regulations as he or she may prescribe to collect the tax imposed given
16 to the purchaser in accordance with the provisions of §§ 26-53-121 and 26-53-
17 122 shall be sufficient to relieve the purchaser from further liability for
18 the tax to which the receipt may refer.

19
20 SECTION 740. Arkansas Code § 26-53-125(a)(1) and (2), concerning the
21 return and payment of taxes, are amended to read as follows:

22 (a)(1)(A) The tax imposed by this subchapter shall be due and payable
23 to the ~~Director~~ Secretary of the Department of Finance and Administration
24 monthly on or before the twentieth day of each month except as provided in
25 this subchapter.

26 (B) When a taxpayer has become liable to file a report
27 with the ~~director~~ secretary, the taxpayer must continue to file a report,
28 even though no tax is due, until the taxpayer notifies the ~~director~~ secretary
29 in writing that the taxpayer is no longer liable for those reports.

30 (2) Every vendor selling tangible personal property, specified
31 digital products, a digital code, or taxable services for storage, use,
32 distribution, or consumption in this state shall file with the ~~director~~
33 secretary on or before the twentieth day of each month a sales and use tax
34 return for the preceding monthly period in such form as may be prescribed by
35 the ~~director~~ secretary, showing:

36 (A) The total tax levied by this subchapter due on all

1 tangible personal property, specified digital products, digital codes, or
 2 taxable services sold by the vendor during the preceding monthly period, the
 3 storage, use, distribution, or consumption of which is subject to the tax
 4 levied by this subchapter; and

5 (B) Such other information as the ~~director~~ secretary may
 6 deem necessary for the proper administration of this subchapter.

7
 8 SECTION 741. Arkansas Code § 26-53-125(b)(1), concerning the return
 9 and payment of taxes, is amended to read as follows:

10 (b)(1) Every person purchasing tangible personal property, specified
 11 digital products, a digital code, or taxable services of which the storage,
 12 use, distribution, or consumption is subject to the tax levied by this
 13 subchapter and who has not paid the tax due with respect to the tangible
 14 personal property, specified digital products, digital code, or taxable
 15 services to a vendor registered in accordance with the provisions of §§ 26-
 16 53-121 and 26-53-122 shall file a return with the ~~director~~ secretary on or
 17 before the twentieth day of each month for the preceding monthly period in
 18 such a form as may be prescribed by the ~~director~~ secretary showing:

19 (A) The tax levied by this subchapter due on the tangible
 20 personal property, specified digital products, digital code, or taxable
 21 services purchased during the preceding monthly period; and

22 (B) Such other information as the ~~director~~ secretary may
 23 deem necessary for the proper administration of this subchapter.

24
 25 SECTION 742. Arkansas Code § 26-53-125(c)(1), concerning the return
 26 and payment of taxes, is amended to read as follows:

27 (1) Upon registration, the ~~director~~ secretary shall provide the
 28 vendor the required Arkansas returns;

29
 30 SECTION 743. Arkansas Code § 26-53-125(d)(1), concerning the return
 31 and payment of taxes, is amended to read as follows:

32 (d)(1) When the average amount of tax for which the taxpayer is liable
 33 for the previous fiscal year beginning on July 1 and ending on June 30 does
 34 not exceed one hundred dollars (\$100) per month, the ~~director~~ secretary may
 35 notify the taxpayer that a quarterly report and remittance in lieu of a
 36 monthly report may be made on or before July 20, October 20, January 20, and

1 April 20 of each year for the preceding three-month period.

2
3 SECTION 744. Arkansas Code § 26-53-126(a)(2), concerning taxes,
4 payment, and collections on new and used motor vehicles, trailers, and
5 semitrailers, is amended to read as follows:

6 (2)(A) On or before the time for registration as prescribed by §
7 27-14-903(a), the person making application to register the motor vehicle,
8 trailer, or semitrailer shall pay the taxes to the ~~Director~~ Secretary of the
9 Department of Finance and Administration instead of the taxes being collected
10 by the dealer or individual seller.

11 (B) The ~~director~~ secretary shall collect the taxes before
12 issuing a license for the motor vehicle, trailer, or semitrailer.

13
14 SECTION 745. Arkansas Code § 26-53-126(a)(4)(B), concerning taxes,
15 payment, and collections on new and used motor vehicles, trailers, and
16 semitrailers, is amended to read as follows:

17 (B) The person making application to register the motor
18 vehicle, trailer, or semitrailer shall pay to the ~~director~~ secretary the
19 penalty under subdivision (a)(4)(A) of this section and the taxes due before
20 the ~~director~~ secretary issues a license for the motor vehicle, trailer, or
21 semitrailer.

22
23 SECTION 746. Arkansas Code § 26-53-126(f)(1)(B) and (C), concerning
24 taxes, payment, and collections on new and used motor vehicles, trailers, and
25 semitrailers, are amended to read as follows:

26 (B) If the published loan value exceeds the invoiced price, then
27 the taxpayer must establish to the ~~director's~~ secretary's satisfaction that
28 the price reflected on the invoice or other document is true and correct.

29 (C) If the ~~director~~ secretary determines that the invoiced
30 price is not the actual selling price of the vehicle, then the total
31 consideration will be deemed to be the published loan value.

32
33 SECTION 747. Arkansas Code § 26-53-126(f)(2)(B), concerning taxes,
34 payment, and collections on new and used motor vehicles, trailers, and
35 semitrailers, is amended to read as follows:

36 (B) The ~~director~~ secretary may require additional

1 information to conclusively establish the true selling price of the new or
2 used trailer or semitrailer.

3
4 SECTION 748. Arkansas Code § 26-53-127 is amended to read as follows:
5 26-53-127. Refunds to governmental agencies.

6 A governmental agency may apply to the ~~Director~~ Secretary of the
7 Department of Finance and Administration for refund of the amount of the tax
8 levied and paid upon sales to it for food and food ingredients used for free
9 distribution to the poor and needy or to public penal and eleemosynary
10 institutions, as provided by law.

11
12 SECTION 749. Arkansas Code § 26-53-129 is amended to read as follows:
13 26-53-129. Suits for violations of subchapter – Agent for service.

14 (a) In all suits brought in any of the courts of this state by the
15 ~~Director~~ Secretary of the Department of Finance and Administration against
16 any vendor for any violation of this subchapter, the suits shall be brought
17 thereon in any courts of this state having jurisdiction of the subject
18 matter.

19 (b)(1) Every vendor shall designate with the ~~director~~ Secretary of the
20 Department of Finance and Administration an agent for service within this
21 state for the purpose of enforcing this subchapter.

22 (2) If a vendor has not designated or shall fail to designate
23 with the ~~director~~ Secretary of the Department of Finance and Administration
24 an agent for service within this state, then the Secretary of State shall be
25 deemed the agent for service, or any agent or employee of the vendor within
26 this state shall be deemed agent for service.

27
28 SECTION 750. Arkansas Code § 26-53-131(a)(1)(A)(ii), concerning credit
29 for taxes paid in another state, is amended to read as follows:

30 (ii) Proof of payment of such a tax shall be made
31 according to the rules and regulations promulgated by the ~~Director~~ Secretary
32 of the Department of Finance and Administration.

33
34 SECTION 751. Arkansas Code § 26-53-131(a)(1)(B), concerning credit for
35 taxes paid in another state, is amended to read as follows:

36 (B) If the amount of tax paid in another state is less

1 than the amount of Arkansas compensating tax imposed on the property or
2 services by this subchapter, then the taxpayer shall pay to the ~~director~~
3 secretary an amount of Arkansas compensating tax sufficient to make the
4 combined amount of tax paid in the other state and this state equal to the
5 total amount of Arkansas compensating tax that would be due if no tax on the
6 property or services had been paid to any other state.

7
8 SECTION 752. Arkansas Code § 26-53-138(f), concerning exemptions for
9 property purchased for the use and performance of a construction contract, is
10 amended to read as follows:

11 (f) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall promulgate rules and prescribe forms for claiming a
13 rebate as provided by this section.

14
15 SECTION 753. The introductory language of Arkansas Code § 26-53-
16 145(a)(1), concerning food and food ingredients, is amended to read as
17 follows:

18 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall determine the following conditions:

20
21 SECTION 754. Arkansas Code § 26-53-145(a)(1)(C)(ii), concerning food
22 and food ingredients, is amended to read as follows:

23 (ii) The ~~director~~ secretary shall make the
24 determination under subdivision (a)(1)(C)(i) of this section on a monthly
25 basis following the determination that the conditions under subdivision
26 (a)(1)(A) of this section have been met.

27
28 SECTION 755. The introductory language of Arkansas Code § 26-53-
29 145(a)(2)(A), concerning food and food ingredients, is amended to read as
30 follows:

31 (2)(A) Beginning July 1, 2013, the ~~director~~ secretary shall make
32 a monthly determination as to whether the aggregate amount of deductions from
33 net general revenues attributable to the following during the most recently
34 ended six-month consecutive period, as compared with the same six-month
35 period in the prior year, has declined by thirty-five million dollars
36 (\$35,000,000) or more:

1
2 SECTION 756. Arkansas Code § 26-53-145(a)(2)(B), concerning food and
3 food ingredients, is amended to read as follows:

4 (B)(i) In making the determination in this subdivision
5 (a)(2), the ~~director~~ secretary shall consider all economic factors existing
6 at the time of the determination that could potentially affect the decline in
7 the aggregate amount of deductions, including without limitation pending
8 litigation.

9 (ii) If the consideration of additional economic
10 factors under subdivision (a)(2)(B)(i) of this section results in a
11 determination that the decline in the aggregate amount of deductions is not
12 likely to remain at that reduced level, the ~~director~~ secretary shall conclude
13 that the conditions in this subdivision (a)(2) have not been met.

14
15 SECTION 757. Arkansas Code § 26-53-145(a)(3), concerning food and food
16 ingredients, is amended to read as follows:

17 (3) When the ~~director~~ secretary finds that all of the conditions
18 in either subdivision (a)(1) or subdivision (a)(2) of this section have been
19 met, then the compensating use taxes levied under subsection (c) of this
20 section shall be levied at the rate of zero percent (0%) on the sale of food
21 and food ingredients beginning on the first day of the calendar quarter that
22 is at least thirty (30) days following the determination of the ~~director~~
23 secretary.

24
25 SECTION 758. Arkansas Code § 26-53-145(c)(1)(A)-(C), concerning food
26 and food ingredients, are amended to read as follows:

27 (A) Seventy-six and six-tenths percent (76.6%) of the
28 taxes, interest, penalties, and costs received by the ~~director~~ secretary
29 under this subdivision (c)(1) shall be deposited as general revenues;

30 (B) Eight and five-tenths percent (8.5%) of the taxes,
31 interest, penalties, and costs received by the ~~director~~ secretary under this
32 subdivision (c)(1) shall be deposited into the Property Tax Relief Trust
33 Fund; and

34 (C) Fourteen and nine-tenths percent (14.9%) of the taxes,
35 interest, penalties, and costs received by the ~~director~~ secretary under this
36 subdivision (c)(1) shall be deposited into the Educational Adequacy Fund.

1
2 SECTION 759. Arkansas Code § 26-53-146(a)(1), concerning the
3 definition of "exemption certification" under the exemptions for qualified
4 museums, is amended to read as follows:

5 (1) "Exemption certificate" means an exemption certificate
6 issued by the ~~Director~~ Secretary of the Department of Finance and
7 Administration under subdivision (d)(1) of this section;

8
9 SECTION 760. Arkansas Code § 26-53-146(a)(3)(B), concerning the
10 exemptions for qualified museums, is amended to read as follows:

11 (B) The ~~director~~ secretary has issued an exemption
12 certificate to the nonprofit organization; and

13
14 SECTION 761. The introductory language of Arkansas Code § 26-53-
15 146(c), concerning the exemptions for qualified museums, is amended to read
16 as follows:

17 (c) A nonprofit organization requesting recognition as a qualified
18 museum shall file with the ~~director~~ secretary on forms prescribed by the
19 ~~director~~ secretary a written statement under oath:

20
21 SECTION 762. Arkansas Code § 26-53-146(d) and (e), concerning the
22 exemptions for qualified museums, are amended to read as follows:

23 (d)(1) After filing the statement required under subdivision (c)(1) of
24 this section, if the ~~director~~ secretary finds that the nonprofit organization
25 has a good faith plan and intent to satisfy the conditions of subdivision
26 (c)(2) of this section prior to January 1, 2013, the ~~director~~ secretary shall
27 issue an exemption certificate to the nonprofit organization within sixty
28 (60) days after the filing of the statement.

29 (2) The ~~director~~ secretary may revoke the exemption certificate
30 at any time after it is issued if the ~~director~~ secretary determines that the
31 nonprofit organization is unable to satisfy the conditions under subdivision
32 (c)(2) of this section prior to January 1, 2013.

33 (3) After filing the statement required under subdivision (c)(2)
34 of this section, if the ~~director~~ secretary determines that the nonprofit
35 organization has not met the conditions under subdivision (c)(2) of this
36 section, the ~~director~~ secretary shall revoke the exemption certificate of the

1 nonprofit organization.

2 (4) If the nonprofit organization fails to file the statement
3 described in subdivision (c)(2) of this section on or prior to June 30, 2013,
4 the ~~director~~ secretary shall revoke the exemption certificate.

5 (5) Revocation by the ~~director~~ secretary of an exemption
6 certificate shall be retroactive to the date of its issuance subject to
7 subsection (e) of this section.

8 (e)(1) If the ~~director~~ secretary revokes the exemption certificate,
9 any tax deficiency, related interest, and applicable penalties due under the
10 Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., this subchapter, or
11 the Arkansas Tax Procedure Act, § 26-18-101 et seq., may be assessed against
12 the nonprofit organization but may not be assessed against a third party that
13 has relied in good faith on the exemption certificate prior to its
14 revocation.

15 (2) If the ~~director~~ secretary revokes the exemption certificate,
16 any tax deficiency, related interest, and applicable penalties assessed
17 against the nonprofit organization shall also include any tax deficiency,
18 related interest, and applicable penalties assessed on purchases made by the
19 nonprofit organization's contractors and agents for the benefit of the
20 nonprofit organization in reliance on the exemption certificate.

21 (3)(A) Any assessment by the ~~director~~ secretary under
22 subdivision (e)(1) ~~of this section~~ or subdivision (e)(2) of this section
23 shall be made in accordance with the Arkansas Tax Procedure Act, § 26-18-101
24 et seq.

25 (B) However, the time period for the ~~director~~ secretary to
26 make the assessment is extended to whichever of the following occurs first:

- 27 (i) Three (3) years from the date the nonprofit
28 organization files the statement under subdivision (c)(2) of this section; or
29 (ii) July 1, 2016.

30 (4) The nonprofit organization may contest any assessment or
31 other determination by the ~~director~~ secretary in accordance with the Arkansas
32 Tax Procedure Act, § 26-18-101 et seq.

33
34 SECTION 763. Arkansas Code § 26-53-147(b) and (c), concerning heavy
35 equipment, are amended to read as follows:

- 36 (b) The purchaser shall pay the use tax to the ~~Director~~ Secretary of

1 the Department of Finance and Administration.

2 (c) If the purchaser pays the use tax to an out-of-state dealer, the
3 purchaser shall present proof to the ~~director~~ secretary that the Arkansas use
4 tax has been paid.

5
6 SECTION 764. Arkansas Code § 26-53-148(a)(2)(A)-(C), concerning
7 natural gas and electricity used by manufacturers, are amended to read as
8 follows:

9 (A) Seventy-six and six-tenths percent (76.6%) of the tax,
10 interest, penalties, and costs received by the ~~Director~~ Secretary of the
11 Department of Finance and Administration shall be deposited as general
12 revenues;

13 (B) Eight and five-tenths percent (8.5%) of the tax,
14 interest, penalties, and costs received by the ~~director~~ secretary shall be
15 deposited into the Property Tax Relief Trust Fund; and

16 (C) Fourteen and nine-tenths percent (14.9%) of the tax,
17 interest, penalties, and costs received by the ~~director~~ secretary shall be
18 deposited into the Educational Adequacy Fund.

19
20 SECTION 765. Arkansas Code § 26-53-148(e) and (f), concerning natural
21 gas and electricity used by manufacturers, are amended to read as follows:

22 (e) Before purchasing any natural gas or electricity at the reduced
23 excise tax rate levied in this section, the ~~director~~ secretary may require
24 any seller of natural gas or electricity to obtain a certificate from the
25 consumer, in the form prescribed by the ~~director~~ secretary, certifying that
26 the manufacturer is eligible to purchase natural gas and electricity at the
27 reduced excise tax rate.

28 (f) The ~~director~~ secretary shall promulgate rules for the proper
29 administration of this section.

30
31 SECTION 766. Arkansas Code § 26-53-203(b), concerning tangible
32 personal property, specified digital products, or a digital code procured
33 from outside the state for use by contractors, is amended to read as follows:

34 (b) In the case of leases or rentals of tangible personal property,
35 specified digital products, or a digital code by a contractor for use,
36 storage, distribution, or consumption in this state, the contractor shall

1 report and remit the compensating tax on the basis of rental or lease
2 payments made to the lessor of the tangible personal property, specified
3 digital products, or digital code during the term of the lease or rental,
4 which lease rentals shall be in accordance with written contracts between the
5 lessor and the lessee furnished to the ~~Director~~ Secretary of the Department
6 of Finance and Administration.

7
8 SECTION 767. Arkansas Code § 26-53-203(c)(1) and (2), concerning
9 tangible personal property, specified digital products, or a digital code
10 procured from outside the state for use by contractors, are amended to read
11 as follows:

12 (c)(1) This subchapter does not apply in respect to the use,
13 consumption, distribution, or storage of tangible personal property,
14 specified digital products, or a digital code as defined in this chapter for
15 use or consumption in this state upon which a like tax equal to or greater
16 than the amount imposed by this subchapter has been paid in another state,
17 the proof of payment of the tax to be according to rules and regulations made
18 by the ~~director~~ secretary.

19 (2) If the amount of tax paid in another state is not at least
20 equal to or greater than the amount of tax imposed by the Arkansas
21 Compensating Tax Act of 1949, § 26-53-101 et seq., then the contractor shall
22 pay to the ~~director~~ secretary an amount sufficient to make the tax paid in
23 the other state and this state equal to the total amount of tax due under
24 Arkansas law.

25
26 SECTION 768. Arkansas Code § 26-53-301 is amended to read as follows:

27 26-53-301. Authority of ~~director~~ secretary to negotiate enforcement
28 agreements with other states.

29 (a) When in the judgment of the ~~Director~~ Secretary of the Department
30 of Finance and Administration it is necessary in order to secure the
31 collection of any tax, penalties, or interest due or to become due under this
32 subchapter, the ~~director~~ secretary may negotiate agreements with the tax
33 departments of other states in respect to the collecting, reporting, payment,
34 and enforcement of tax on sales of tangible personal property, specified
35 digital products, a digital code, or taxable services to residents of
36 Arkansas by a retailer maintaining a place of business in the other state.

1 (b) In consideration of the agreement, the ~~director~~ secretary may make
2 similar agreements for the collecting, reporting, payment, and enforcement of
3 tax as imposed by the other states on sales of tangible personal property,
4 specified digital products, a digital code, or taxable services to residents
5 of other states by retailers maintaining places of business in Arkansas.
6

7 SECTION 769. Arkansas Code § 26-53-302 is amended to read as follows:
8 26-53-302. Arrangements for collection and payment.

9 The ~~Director~~ Secretary of the Department of Finance and Administration,
10 in negotiating an agreement with the tax department of another state, may as
11 part of the agreement provide for reciprocal arrangements whereby the parties
12 collecting the tax in the other state may deduct at the time of making
13 returns to the ~~director~~ secretary such percentage of the amount due and
14 accounted for, which may be retained by the parties reporting as an offset
15 against costs of collecting and reporting as is allowed by other states to
16 parties in this state collecting the tax for the other state. No deduction
17 shall be allowed, however, if the amount due is delinquent at the time of the
18 tax payment.
19

20 SECTION 770. Arkansas Code § 26-53-303 is amended to read as follows:
21 26-53-303. Waiver of collection and enforcement of taxes.

22 (a) The ~~Director~~ Secretary of the Department of Finance and
23 Administration, in negotiating agreements, is authorized by way of compromise
24 to waive the collection and enforcement of taxes on sales to residents of
25 Arkansas made in another state and delivered into Arkansas when the sales
26 were made prior to the effective date of any agreement negotiated.

27 (b) However, the ~~director~~ secretary in any case shall not be
28 authorized to waive payment and enforcement of the tax in another state
29 unless the tax department of the other state waives collection, payment, and
30 enforcement of their tax in this state in the same manner as the tax payment
31 is waived by this state.
32

33 SECTION 771. Arkansas Code § 26-54-109(e), concerning a list to be
34 prepared of all organizing and qualifying corporations, is amended to read as
35 follows:

36 (e) The ~~Director~~ Secretary of the Department of Finance and

1 Administration shall provide the Secretary of State a list of corporations
2 doing business in this state and filing tax reports with the Department of
3 Finance and Administration. However, the ~~director~~ Secretary of the Department
4 of Finance and Administration shall not include any information deemed
5 confidential by any other law.

6
7 SECTION 772. Arkansas Code § 26-55-101(b), concerning an exemption for
8 the United States Government's vehicles and refunds, is amended to read as
9 follows:

10 (b) When motor vehicle fuel upon which the tax has been paid is sold
11 to any agent or employee of the United States Government for use in a motor
12 vehicle belonging to the United States Government, and is used in its
13 business exclusively, the wholesaler or dealer may not charge the consumer
14 with the amount of the tax but may claim the refund of the tax under such
15 regulations as the ~~Director~~ Secretary of the Department of Finance and
16 Administration may prescribe.

17
18 SECTION 773. Arkansas Code § 26-55-204 is amended to read as follows:
19 26-55-204. Rules and regulations.

20 The ~~Director~~ Secretary of the Department of Finance and Administration
21 shall prescribe and publish such rules and regulations as may be necessary
22 for the enforcement of this subchapter.

23
24 SECTION 774. Arkansas Code § 26-55-207(2), concerning tax exemptions,
25 is amended to read as follows:

26 (2) The sale of motor fuel by a duly licensed distributor for
27 export from the State of Arkansas, and shipped by common carrier FOB
28 destination, to any other state or territory or to any foreign country, or
29 the export of motor fuel by a duly licensed distributor from the State of
30 Arkansas to any other state or territory or to any foreign country, if
31 satisfactory proof of actual exportation of all the motor fuel is furnished
32 at the time and in the manner prescribed by the ~~Director~~ Secretary of the
33 Department of Finance and Administration;

34
35 SECTION 775. Arkansas Code § 26-55-207(4), concerning tax exemptions,
36 is amended to read as follows:

1 (4) The sale of motor fuel for use in propelling airplanes,
2 provided that satisfactory proof is furnished in the manner prescribed by the
3 ~~director~~ secretary that the motor fuel is to be used in the propelling of
4 airplanes.

5
6 SECTION 776. Arkansas Code § 26-55-213(a), concerning a distributor's
7 license, requirements, and the penalty for noncompliance, is amended to read
8 as follows:

9 (a) It shall be unlawful for any distributor to receive, use, sell, or
10 distribute any motor fuel or to engage in business within this state unless
11 the distributor is the holder of an uncanceled license issued by the
12 ~~Director~~ Secretary of the Department of Finance and Administration to engage
13 in the business or, if the distributor is an agent, commission or otherwise,
14 of a distributor as defined in this subchapter, unless the agent is the
15 holder of a certified duplicate copy of an uncanceled license issued by the
16 ~~director~~ secretary to the agent's principal.

17
18 SECTION 777. The introductory language of Arkansas Code § 26-55-
19 214(a), concerning a distributor's license, application, and bond, is amended
20 to read as follows:

21 (a) To procure a distributor's license, every distributor shall file
22 with the ~~Director~~ Secretary of the Department of Finance and Administration
23 an application upon oath and in a form prescribed by the ~~director~~ secretary,
24 setting forth:

25
26 SECTION 778. Arkansas Code § 26-55-214(b)(1), concerning a
27 distributor's license, application, and bond, is amended to read as follows:

28 (b)(1) Concurrent with the filing of an application for a
29 distributor's license, every distributor shall file with the ~~director~~
30 secretary a bond of the character stipulated and in the amount provided for
31 in § 26-55-222.

32
33 SECTION 779. Arkansas Code § 26-55-214(c), concerning a distributor's
34 license, application, and bond, is amended to read as follows:

35 (c) The ~~director~~ secretary shall keep and file all applications and
36 bonds with an alphabetical index together with a record of all licensed

1 distributors.

2
3 SECTION 780. Arkansas Code § 26-55-215 is amended to read as follows:
4 26-55-215. Distributor's license – Issuance of certificate.

5 The application in proper form having been accepted for filing, the
6 bond having been accepted and approved, and the other conditions and
7 requirements of §§ 26-55-213 and 26-55-214 having been complied with, the
8 ~~Director~~ Secretary of the Department of Finance and Administration shall
9 issue to the distributor a license certificate to transact business as a
10 distributor in the State of Arkansas.

11
12 SECTION 781. Arkansas Code § 26-55-216 is amended to read as follows:
13 26-55-216. Distributor's license – Nonassignable.

14 The license certificate issued by the ~~Director~~ Secretary of the
15 Department of Finance and Administration shall not be assignable and shall be
16 valid only for the distributor in whose name it was issued.

17
18 SECTION 782. Arkansas Code § 26-55-217(a), concerning the requirement
19 to display a distributor's license, is amended to read as follows:

20 (a) The license certificate issued by the ~~Director~~ Secretary of the
21 Department of Finance and Administration shall be displayed conspicuously in
22 the principal place of business of the distributor in the State of Arkansas.

23
24 SECTION 783. Arkansas Code § 26-55-219 is amended to read as follows:
25 26-55-219. Distributor's license – Refusal.

26 (a) In the event that any application for a license to transact
27 business as a distributor in the State of Arkansas shall be filed by any
28 person whose license shall at any time have been cancelled for cause by the
29 ~~Director~~ Secretary of the Department of Finance and Administration, or in
30 case the ~~director~~ secretary shall be of the opinion that the application is
31 not filed in good faith or in the event that the application is filed by some
32 person as a subterfuge for the real person in interest whose license or
33 registration shall theretofore have been cancelled for cause by the ~~director~~
34 secretary, or for any other valid reason, then and in any of said events the
35 ~~director~~ secretary, after a hearing of which the applicant shall have been
36 given five (5) days' notice in writing and at which the applicant shall have

1 the right to appear in person or by counsel and present testimony, shall have
2 and is given the right and authority to refuse to issue to the person a
3 license certificate to transact business as a distributor in the State of
4 Arkansas.

5 (b) Any distributor who is aggrieved by the action of the ~~director~~
6 secretary in refusing to issue the license applied for, within thirty (30)
7 days from the time of the refusal, may appeal to the circuit court of the
8 county of the distributor's residence where the distributor shall be entitled
9 to a hearing de novo. An appeal shall lie from the circuit court to the
10 Supreme Court as in other cases now provided by law.

11
12 SECTION 784. Arkansas Code § 26-55-221 is amended to read as follows:

13 26-55-221. Licenses – Persons other than distributors.

14 Persons, other than distributors, purchasing or otherwise acquiring
15 motor fuel in tank car, tank truck, or cargo lots for sale, distribution, or
16 use within the State of Arkansas, in the discretion of the ~~Director~~ Secretary
17 of the Department of Finance and Administration shall also be licensed as set
18 forth in §§ 26-55-213 – 26-55-220 upon compliance with the provisions of §§
19 26-55-213 – 26-55-220 and thereupon shall be deemed to be the distributor for
20 all purposes of this subchapter with respect to the motor fuel received while
21 the license remains unrevoked.

22
23 SECTION 785. Arkansas Code § 26-55-222 is amended to read as follows:

24 26-55-222. Bonds – Requirement – Amounts – Waiver.

25 (a)(1) Every distributor shall file with the ~~Director~~ Secretary of the
26 Department of Finance and Administration a surety bond of not less than one
27 and one-half ($1\frac{1}{2}$) times or one hundred fifty percent (150%) of the prior six
28 (6) months average motor fuel tax due, based upon the gallonage of motor fuel
29 to be sold or distributed as shown by the application for a permit if the
30 applicant has not heretofore been engaged in the business of a distributor as
31 herein defined, or as shown by sales for the previous year if the applicant
32 theretofore has been engaged in the business in this state.

33 (2) However, no bond shall be filed for less than one thousand
34 dollars (\$1,000).

35 (3) If the ~~director~~ secretary deems it necessary to protect the
36 state in the collection of gasoline taxes, the ~~director~~ secretary may require

1 any distributor to post a bond in an amount up to three (3) times or three
 2 hundred percent (300%) of the prior six (6) months average motor fuel tax
 3 due.

4 (b)(1) Provided further, the ~~director~~ secretary or the ~~director's~~
 5 secretary's authorized agent is authorized to waive the posting of bond by
 6 any licensed motor fuel distributor that is organized and operating under the
 7 laws of Arkansas and that is wholly owned by residents of this state and who
 8 has been licensed for a period of at least three (3) years and who has not
 9 been delinquent in remitting motor fuel taxes during the three-year period
 10 immediately preceding application by the distributor for waiver of bond.

11 (2) If any motor fuel distributor whose bond has been waived by
 12 the ~~director~~ secretary or the ~~director's~~ secretary's agent as authorized in
 13 this subsection subsequently becomes delinquent in remitting motor fuel taxes
 14 to the ~~director~~ secretary, the ~~director~~ secretary or the ~~director's~~
 15 secretary's agent may require that the distributor post a bond in the amount
 16 required in this section, and the distributor shall not be eligible to
 17 petition for a waiver of bond for a period of three (3) years thereafter.

18
 19 SECTION 786. Arkansas Code § 26-55-223 is amended to read as follows:

20 26-55-223. Bonds – Deposit or pledge of government obligations as
 21 alternative.

22 In lieu of furnishing a bond executed by a surety company, as
 23 hereinbefore provided, any distributor may furnish the distributor's bond or
 24 bonds not so executed, if the distributor concurrently therewith deposits and
 25 pledges with the ~~Director~~ Secretary of the Department of Finance and
 26 Administration direct obligations of the United States or obligations of any
 27 agency of the United States fully guaranteed by it or bonds of the State of
 28 Arkansas of equal full amount to the amount of the bond required by § 26-55-
 29 222, as collateral security for the payment of the bonds.

30
 31 SECTION 787. Arkansas Code § 26-55-224 is amended to read as follows:

32 26-55-224. Bonds – Additional bonds – Conditions for requirement.

33 (a) In the event that upon a hearing, of which the distributor shall
 34 be given five (5) days' notice in writing, the ~~Director~~ Secretary of the
 35 Department of Finance and Administration shall decide that the amount of the
 36 existing bond is insufficient to ensure payment to the State of Arkansas of

1 the amount of the tax and any penalties and interest for which the
 2 distributor is or may at any time become liable, then the distributor upon
 3 the written demand of the ~~director~~ secretary shall immediately file an
 4 additional bond in the same manner and form with a surety company thereon
 5 approved by the ~~director~~ secretary in any amount determined by the ~~director~~
 6 secretary to be necessary to secure at all times the payment by the
 7 distributor to the State of Arkansas of all taxes, penalties, and interest
 8 due under the provisions of this subchapter.

9 (b) If the distributor fails to do so, the ~~director~~ secretary shall
 10 immediately cancel the license certificate of the distributor.

11
 12 SECTION 788. Arkansas Code § 26-55-225 is amended to read as follows:

13 26-55-225. Bonds – New bonds – Conditions for requirement.

14 (a) In the event that liability upon the bond thus filed by the
 15 distributor with the ~~Director~~ Secretary of the Department of Finance and
 16 Administration shall be discharged or reduced, whether by judgment rendered,
 17 payment made, or otherwise, or if in the opinion of the ~~director~~ secretary
 18 any surety on the bond theretofore given shall have become unsatisfactory or
 19 unacceptable, then the ~~director~~ secretary may require the distributor to file
 20 a new bond with a satisfactory surety in the same form and amount, failing
 21 which the ~~director~~ secretary shall immediately cancel the license certificate
 22 of said distributor.

23 (b) If the new bond is furnished by the distributor as above provided,
 24 the ~~director~~ secretary shall cancel and surrender the bond of the distributor
 25 for which the new bond shall be substituted.

26
 27 SECTION 789. Arkansas Code § 26-55-226 is amended to read as follows:

28 26-55-226. Bonds – Release or discharge of surety.

29 (a)(1) Any surety on any bond furnished by a distributor as provided
 30 in §§ 26-55-222 – 26-55-225 shall be released and discharged from any and all
 31 liability to the State of Arkansas accruing on the bond after the expiration
 32 of sixty (60) days from the date upon which the surety shall have lodged with
 33 the ~~Director~~ Secretary of the Department of Finance and Administration
 34 written request to be released and discharged.

35 (2) However, the request shall not operate to relieve, release,
 36 or discharge the surety from any liability already accrued, or which shall

1 accrue, before the expiration of the sixty-day period.

2 (b)(1) The ~~director~~ secretary shall promptly on receipt of notice of
3 the request notify the distributor who furnished the bond, and unless the
4 distributor on or before the expiration of the sixty-day period files with
5 the ~~director~~ secretary a new bond with a surety company satisfactory to the
6 ~~director~~ secretary in the amount and form provided in § 26-55-222, the
7 ~~director~~ secretary shall immediately cancel the license of the distributor.

8 (2) If the new bond is furnished by the distributor as provided
9 above, the ~~director~~ secretary shall cancel and surrender the bond of the
10 distributor for which the new bond shall be substituted.

11
12 SECTION 790. Arkansas Code § 26-55-229(a) and (b), concerning tax
13 reports, are amended to read as follows:

14 (a) For the purpose of determining the amount of the tax imposed by
15 this subchapter, the ~~Director~~ Secretary of the Department of Finance and
16 Administration may require such supporting documents as the ~~director~~
17 secretary may deem necessary to assure accurate reporting.

18 (b)(1) The reports shall be filed on forms prescribed by the ~~director~~
19 secretary and shall be filed with the ~~director~~ secretary on or before the
20 twenty-fifth day of each calendar month following the reporting month in
21 question.

22 (2) Once a distributor has become liable to file a monthly
23 report with the ~~director~~ secretary, the distributor must continue to file a
24 monthly report, even though no tax is due, until such time as the distributor
25 notifies the ~~director~~ secretary in writing that the distributor is no longer
26 liable for monthly reports.

27
28 SECTION 791. Arkansas Code § 26-55-229(c)(4) and (5), concerning tax
29 reports, are amended to read as follows:

30 (4) An itemized statement of the number of gallons of motor fuel
31 sold by the distributor during the preceding calendar month and exempted from
32 the tax by § 26-55-207(1)-(4), separately itemizing the amount of motor fuel
33 sold and claimed to be exempt under each of the subdivisions (1)-(4) of § 26-
34 55-207, and the statement shall furnish such information relating to such
35 sales as shall be required by the ~~director~~ secretary and reasonably necessary
36 to the enforcement by the ~~director~~ secretary of the provisions of this

1 subchapter;

2 (5) An itemized statement of the number of gallons of motor fuel
3 sold by the distributor within a border rate area and at the border rate tax,
4 as is permitted by §§ 26-55-210 and 26-55-212, together with such information
5 relating to such sales as shall be required by the ~~director~~ secretary and
6 reasonably necessary to the enforcement by the ~~director~~ secretary of the
7 provisions of this subchapter;

8

9 SECTION 792. The introductory language of Arkansas Code § 26-55-
10 230(a), concerning the computation and payment of taxes, is amended to read
11 as follows:

12 (a) At the time of filing of each monthly report with the ~~Director~~
13 Secretary of the Department of Finance and Administration, each distributor
14 shall pay to the ~~director~~ secretary the full amount of the motor fuel tax for
15 the next-preceding calendar month, which shall be computed as follows:

16

17 SECTION 793. Arkansas Code § 26-55-230(c), concerning the computation
18 and payment of taxes, is amended to read as follows:

19 (c) The ~~director~~ secretary by regulation shall provide for the payment
20 and collection of the motor fuel tax when it is due but which under the terms
21 of this subchapter is not required to be remitted by a distributor.

22

23 SECTION 794. Arkansas Code § 26-55-231 is amended to read as follows:

24 26-55-231. Failure to report or pay tax – Revocation or cancellation
25 of license.

26 (a)(1) If a distributor at any time files a false monthly report of
27 the data or information required by this subchapter or fails, refuses, or
28 neglects to file the monthly report required by this subchapter, or to pay
29 the full amount of the tax as required by this subchapter, the ~~Director~~
30 Secretary of the Department of Finance and Administration may give notice to
31 the distributor of an intention to revoke the license of the distributor.

32 (2) The distributor shall be entitled to a period of five (5)
33 days after receipt of the notice from the ~~director~~ secretary, within which to
34 apply for a hearing before the ~~director~~ secretary on the question of having
35 the distributor's license revoked. The ~~director~~ secretary shall grant a
36 hearing at such time and place as the ~~director~~ secretary may designate of

1 which the distributor shall have five (5) days' advance notice in writing.

2 (3) After the hearing, at which time the distributor shall be
3 entitled to present evidence and argument of counsel, the ~~director~~ secretary
4 shall decide whether the distributor's license shall be revoked.

5 (4)(A) Upon the issuance of an order revoking the license, the
6 distributor shall be entitled to an appeal to the circuit court in the county
7 where the distributor may do business where the question shall be tried de
8 novo.

9 (B) An appeal shall lie from the circuit court of that
10 county as in other cases provided by law.

11 (5) If the distributor fails to apply for a hearing within the
12 time set out in subdivision (a)(2) of this section, the ~~director~~ secretary
13 may forthwith cancel the license of the distributor and notify the
14 distributor of the cancellation by registered mail to the last known address
15 of the distributor appearing on the files of the ~~director~~ secretary. The
16 ~~director~~ secretary shall also notify the surety company on the distributor's
17 bond in like manner.

18 (b)(1) Upon receipt of a written request from any duly licensed
19 distributor under this subchapter to cancel the license issued to the
20 distributor, the ~~director~~ secretary shall have the power to cancel the
21 license effective sixty (60) days from the date of the receipt of the written
22 request.

23 (2) However, no license shall be cancelled upon the request of
24 any distributor unless and until the distributor prior to the date of the
25 cancellation shall have paid to the State of Arkansas all excise taxes
26 payable under the laws of the State of Arkansas, together with any and all
27 penalties, interest, and fines accruing under any of the provisions of this
28 subchapter, and unless and until the distributor shall have surrendered to
29 the ~~director~~ secretary the license certificate theretofore issued to the
30 distributor.

31 (c) If upon investigation the ~~director~~ secretary ascertains and finds
32 that any person to whom a license has been issued under this subchapter is no
33 longer engaged in the receipt, use, or sale of motor fuel as a distributor
34 and has not been so engaged for a period of sixty (60) days, the ~~director~~
35 secretary shall have the power to cancel the license by giving the person
36 thirty (30) days' notice of the cancellation mailed to the last known address

1 of the person, in which event the license certificate theretofore issued to
2 the person shall be surrendered to the ~~director~~ secretary.

3 (d) In the event that the license of any distributor shall be
4 cancelled by the ~~director~~ secretary as provided in this section and in the
5 further event that the distributor shall have paid to the State of Arkansas
6 all excise taxes due and payable by it under this subchapter, together with
7 any and all penalties accruing under any of the provisions of this
8 subchapter, then the ~~director~~ secretary shall cancel and surrender the bond
9 filed by the distributor.

10
11 SECTION 795. Arkansas Code § 26-55-232 is amended to read as follows:
12 26-55-232. Failure to report or pay taxes promptly – Penalties.

13 (a) When any distributor fails to file its monthly report with the
14 ~~Director~~ Secretary of the Department of Finance and Administration on or
15 before the time fixed in this subchapter for the filing thereof, when the
16 distributor fails to submit the data outlined in §§ 26-55-229 and 26-55-230
17 in the monthly report, or when the distributor fails to pay to the ~~director~~
18 secretary the amount of excise taxes due to the State of Arkansas when the
19 excise taxes are payable, the distributor shall be subject to applicable
20 penalty and interest provisions of the Arkansas Tax Procedure Act, § 26-18-
21 101 et seq.

22 (b)(1) If the excise tax is not paid within sixty (60) days after the
23 date the excise tax is due, then the ~~director~~ secretary shall suspend the
24 license of the distributor.

25 (2)(A) When the ~~director~~ secretary issues a notice of proposed
26 assessment to the distributor under § 26-18-403, the ~~director~~ secretary may
27 notify the bonding company of the excise tax delinquency.

28 (B) At the end of the ten-day demand for payment period
29 that begins on the date a final assessment is issued under § 26-18-401, the
30 ~~director~~ secretary shall notify the bonding company of the excise tax
31 delinquency and declare the bond forfeited.

32
33 SECTION 796. Arkansas Code § 26-55-234(b)(1), concerning the
34 statements and reports from persons that are not distributors, is amended to
35 read as follows:

36 (b)(1) On or before the twenty-fifth day of each calendar month on

1 forms prescribed by the ~~Director~~ Secretary of the Department of Finance and
2 Administration, the person shall report to the ~~director~~ secretary all
3 purchases or other acquisitions and sales or other disposition of motor fuel
4 during the next preceding calendar month giving a record of each tank car,
5 tank truck, or cargo lot delivered to a point within the state and of all
6 motor fuel otherwise delivered to the person.

7
8 SECTION 797. Arkansas Code § 26-55-234(b)(2)(J), concerning the
9 statements and reports from persons that are not distributors, is amended to
10 read as follows:

11 (J) Any other additional information the ~~director~~
12 secretary may require relative to the motor fuel.

13
14 SECTION 798. The introductory language of Arkansas Code § 26-55-
15 234(c), concerning the statements and reports from persons that are not
16 distributors, is amended to read as follows:

17 (c) On or before the twenty-fifth day of each calendar month on forms
18 prescribed by the ~~director~~ secretary, the terminal shall report to the
19 ~~director~~ secretary all purchases or other acquisitions and sales or other
20 disposition of motor fuel during the next preceding calendar month, which
21 report shall include the following:

22
23 SECTION 799. Arkansas Code § 26-55-234(c)(4)(E), concerning the
24 statements and reports from persons that are not distributors, is amended to
25 read as follows:

26 (E) The person possessing a license from the ~~director~~
27 secretary who requested the removal of the motor fuel from that storage.

28
29 SECTION 800. Arkansas Code § 26-55-234(d), concerning the statements
30 and reports from persons that are not distributors, is amended to read as
31 follows:

32 (d) When any person or terminal purchasing or otherwise acquiring
33 motor fuel by pipeline, in a tank car, tank truck, or cargo lot and selling
34 or otherwise disposing of the motor fuel for delivery in Arkansas and not
35 required by a provision of this subchapter to register as a distributor in
36 motor fuel, fails to submit the person's or terminal's monthly report to the

1 ~~director~~ secretary by the twenty-fifth day of each calendar month or when the
2 person or terminal fails to submit in the monthly report the data required by
3 this subchapter, the person or terminal shall be guilty of a violation and
4 shall be fined an amount not greater than one hundred dollars (\$100) for the
5 first offense and shall be fined an amount not less than one hundred dollars
6 (\$100) nor more than one thousand dollars (\$1,000) for each subsequent
7 offense.

8
9 SECTION 801. Arkansas Code § 26-55-235(a), concerning the reports from
10 carriers transporting motor fuels, is amended to read as follows:

11 (a) Every railroad company, and every street, suburban, or interurban
12 railroad company, every pipeline company, every water transportation company,
13 and every common carrier transporting motor fuel, kerosene, or other
14 hydrocarbon products, either in interstate or in intrastate commerce, to
15 points within Arkansas, and every person transporting motor fuel or kerosene
16 by whatever manner to a point within the state from any point outside of the
17 state shall report under oath to the ~~Director~~ Secretary of the Department of
18 Finance and Administration, on forms prescribed by the ~~director~~ secretary,
19 all deliveries of motor fuel, kerosene, or other hydrocarbon products, so
20 made to points within Arkansas.

21
22 SECTION 802. Arkansas Code § 26-55-235(c), concerning the reports from
23 carriers transporting motor fuels, is amended to read as follows:

24 (c) The reports shall also show such additional information relative
25 to shipments of motor fuel as the ~~director~~ secretary may require.

26
27 SECTION 803. Arkansas Code § 26-55-236 is amended to read as follows:

28 26-55-236. Failure to file reports, statements, or returns –
29 Falsification – Penalties.

30 Upon conviction, a person who refuses or neglects to make any
31 statement, report, or return required by this subchapter or who knowingly
32 makes, aids, or assists another person in making a false statement in a
33 return or report required by this subchapter to the ~~Director~~ Secretary of the
34 Department of Finance and Administration is guilty of an unclassified
35 misdemeanor and shall be punished by a fine of not less than one thousand
36 dollars (\$1,000) nor more than ten thousand dollars (\$10,000) or imprisonment

1 for a term of not less than thirty (30) days and not more than one (1) year,
2 or both fine and imprisonment.

3
4 SECTION 804. Arkansas Code § 26-55-239 is amended to read as follows:
5 26-55-239. Forms for reports or records.

6 The ~~Director~~ Secretary of the Department of Finance and Administration
7 shall have the authority to prescribe all forms upon which reports shall be
8 made to the ~~director~~ secretary or forms of records to be used by
9 distributors.

10
11 SECTION 805. Arkansas Code § 26-55-240(a)(1), concerning the
12 discontinuance or transfer of a business, is amended to read as follows:

13 (a)(1) Whenever a distributor ceases to engage in business as a
14 distributor within the State of Arkansas by reason of the discontinuance,
15 sale, or transfer of the business of the distributor, it shall be the duty of
16 the distributor to notify the ~~Director~~ Secretary of the Department of Finance
17 and Administration in writing at least ten (10) days prior to the time the
18 discontinuance, sale, or transfer takes effect.

19
20 SECTION 806. Arkansas Code § 26-55-240(b)(2), concerning the
21 discontinuance or transfer of a business, is amended to read as follows:

22 (2) It shall be the duty of any distributor concurrently with
23 the discontinuance, sale, or transfer to make a report and pay all taxes,
24 interest, and penalties, and to surrender to the ~~director~~ secretary the
25 license certificate theretofore issued to the distributor by the ~~director~~
26 secretary.

27
28 SECTION 807. Arkansas Code § 26-55-240(c), concerning the
29 discontinuance or transfer of a business, is amended to read as follows:

30 (c) Unless the notice provided for in subsection (a) of this section
31 shall have been given to the ~~director~~ secretary as provided in subsection (a)
32 of this section, the purchaser or transferee shall be liable to the State of
33 Arkansas for the amount of all taxes, penalties, and interest under this
34 subchapter accrued against any distributor selling or transferring the
35 distributor's business, on the date of the sale or transfer but only to the
36 extent of the value of the property and business acquired from the

1 distributor.

2

3 SECTION 808. Arkansas Code § 26-55-241(b), concerning unpaid taxes,
4 liend on property, and enforcement, is amended to read as follows:

5 (b)(1) The lien may be enforced by the ~~Director~~ Secretary of the
6 Department of Finance and Administration by filing a certificate of
7 indebtedness as provided for in § 26-18-701 or by any other legal means.

8 (2) The action of the ~~director~~ secretary in attempting to
9 collect the delinquent taxes by issuing the certificate of indebtedness shall
10 not be construed to be an election of remedies.

11

12 SECTION 809. The introductory language of Arkansas Code § 26-55-
13 242(a), concerning the sale of a distributor's property and the certificate
14 of lien, is amended to read as follows:

15 (a) Neither the sheriff of any county where the property affected is
16 situated nor any receiver, assignee, or other officer shall sell the property
17 or franchise of any person who is a distributor without first filing with the
18 ~~Director~~ Secretary of the Department of Finance and Administration a
19 statement containing:

20

21 SECTION 810. Arkansas Code § 26-55-242(b) and (c), concerning the sale
22 of a distributor's property and the certificate of lien, are amended to read
23 as follows:

24 (b) It shall be the duty of the ~~director~~ secretary, after receiving
25 notice as provided in subsection (a) of this section, to furnish to the
26 sheriff, receiver, assignee, or other officer having charge of the sale,
27 certified copies of all motor fuel tax, penalties, and interest on file as
28 liens against the person and, in the event that there are no liens, a
29 certificate showing that fact. The certified copies of the certificate shall
30 be publicly read by that officer at and immediately before the sale of the
31 property or franchise of the person.

32 (c) It shall be the duty of the ~~director~~ secretary to furnish to any
33 person applying therefor a certificate showing the amount of all liens for
34 motor fuel tax, penalties, and interest that may be in the files of the
35 ~~director~~ secretary against any person under the provisions of this
36 subchapter.

1
2 SECTION 811. Arkansas Code § 26-55-245 is amended to read as follows:

3 26-55-245. Refunds – Taxes erroneously or illegally collected – Lost
4 fuel.

5 (a) In the event it appears to the ~~Director~~ Secretary of the
6 Department of Finance and Administration that any taxes or penalties imposed
7 by this subchapter have been erroneously or illegally collected from any
8 distributor, the ~~director~~ secretary shall certify the amount thereof and
9 authorize and permit the distributor to make an equivalent deduction from the
10 distributor's next motor fuel tax payment to the State of Arkansas.

11 (b) In the event any distributor sustains a loss of motor fuel due to
12 fire, flood, storm, theft, or other causes beyond the distributor's control
13 other than through evaporation, which product has been received as defined by
14 § 26-55-202(13), the ~~director~~ secretary shall authorize and permit the
15 distributor to deduct the quantity so lost from the quantity subject to tax
16 on the motor fuel tax report filed for the month in which the loss occurred
17 or any subsequent report filed within a period of one (1) year. However, the
18 same loss may be allowed only one (1) time.

19 (c)(1) Before the ~~director~~ secretary shall certify or authorize any
20 distributor to make any deduction or take any credit on its reports on
21 account of any tax having been erroneously or illegally collected or on
22 account of any loss as provided in subsections (a) and (b) of this section,
23 satisfactory evidence, upon such forms and in such a manner as shall be
24 prescribed by the Revenue Division of the Department of Finance and
25 Administration, shall be submitted to the supervisor of the Motor Fuel Tax
26 Section of the Department of Finance and Administration, who shall determine
27 from the evidence if any deduction or credit is to be allowed.

28 (2) Thereupon the supervisor of the section shall transmit to
29 the ~~director~~ secretary his or her certificate of approval, and the ~~director~~
30 secretary may in his or her discretion allow the deduction or credit in the
31 amount the ~~director~~ secretary thinks proper or may reject the deduction or
32 credit altogether.

33 (3) The rejection or confirmation of the deduction or credit
34 shall be final, and upon the confirmation by the ~~director~~ secretary, the
35 deduction or credit shall then be allowed in due course by the supervisor of
36 the section.

1
2 SECTION 812. Arkansas Code § 26-55-247 is amended to read as follows:
3 26-55-247. Confiscation and sale of equipment of persons transporting
4 motor fuel unlawfully.

5 (a) Any person who knowingly transports or causes to be transported
6 any motor fuel in any manner in violation of the provisions of this
7 subchapter in addition to other penalties and punishment provided for in this
8 subchapter shall be subject to the immediate confiscation of the tank truck
9 or vehicle and the contents therein which are thus unlawfully transported, by
10 the ~~Director~~ Secretary of the Department of Finance and Administration or the
11 ~~director's~~ secretary's agents.

12 (b) Unless the operator or owner of the tank truck or vehicle can
13 prove to the satisfaction of the ~~director~~ secretary at a hearing for that
14 purpose within ten (10) days that the motor fuel was being transported,
15 transferred, or delivered in accordance with this subchapter or any other act
16 affecting the transportation of motor fuel, and in accordance with any
17 regulations issued pursuant to this subchapter or any other act, the tank
18 truck or vehicle and the contents therein shall be sold by the ~~director~~
19 secretary at auction without any recourse or liability on the ~~director~~
20 secretary or any of the ~~director's~~ secretary's agents or the State of
21 Arkansas.

22
23 SECTION 813. Arkansas Code § 26-55-249 is amended to read as follows:
24 26-55-249. Public inspection of records.

25 The records of the ~~Director~~ Secretary of the Department of Finance and
26 Administration pertaining to motor fuel taxes shall at all reasonable times
27 be open to the inspection of the public with the approval of the ~~director~~
28 secretary.

29
30 SECTION 814. Arkansas Code § 26-55-250 is amended to read as follows:
31 26-55-250. Exchange of information among states.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 upon request duly received from the officials to whom are intrusted the
34 enforcement of the motor fuel tax laws of any other state shall forward to
35 the officials any information which the ~~director~~ secretary may have in his or
36 her possession relative to the manufacture, receipt, sale, use,

1 transportation, or shipment by any person of motor fuel.

2
3 SECTION 815. Arkansas Code § 26-55-403 is amended to read as follows:
4 26-55-403. ~~Director's powers~~ Authority of secretary.

5 The ~~Director~~ Secretary of the Department of Finance and Administration
6 shall have the authority to make, amend, and enforce regulations, to subpoena
7 witnesses and documents, to administer oaths, and to do and perform all other
8 acts the ~~director~~ secretary shall deem necessary to carry out the purpose and
9 intent of this subchapter.

10
11 SECTION 816. Arkansas Code § 26-55-405 is amended to read as follows:
12 26-55-405. Refund permits.

13 (a) No person, firm, or corporation shall secure a refund of tax under
14 this subchapter unless that person is the holder of an unrevoked permit
15 issued by the ~~Director~~ Secretary of the Department of Finance and
16 Administration before the purchase of the motor fuel.

17 (b) The permit shall be numbered and issued annually and shall entitle
18 the holder to make application for refund under this subchapter.

19 (c) Applications for the permits shall be filed with the ~~director~~
20 secretary on forms prescribed by the ~~director~~ secretary and shall contain the
21 same information, so far as applicable, as is required in § 26-55-305
22 [repealed], and such other information as the ~~director~~ secretary may require.

23
24 SECTION 817. Arkansas Code § 26-55-406 is amended to read as follows:
25 26-55-406. Applications for refund.

26 Applications for refund pursuant to this subchapter shall be sworn to
27 and shall be made to the ~~Director~~ Secretary of the Department of Finance and
28 Administration and shall be in the same form and contain the same
29 information, so far as applicable, as is required in § 26-55-301 et seq.
30 [repealed], and in addition, shall contain such other information as may be
31 required by the ~~director~~ secretary.

32
33 SECTION 818. Arkansas Code § 26-55-408 is amended to read as follows:
34 26-55-408. Dealers' and sellers' records and reports.

35 Dealers and sellers of motor fuel shall keep the same records and shall
36 prepare the same invoices and make the same reports to the ~~Director~~ Secretary

1 of the Department of Finance and Administration with respect to motor fuel
2 sold to permit holders under this subchapter as is required by § 26-55-301 et
3 seq. [repealed], with respect to agricultural motor fuel sales.

4
5 SECTION 819. Arkansas Code § 26-55-604 is amended to read as follows:
6 26-55-604. Rules and regulations – Audit assistance.

7 The Director of State Highways and Transportation shall prescribe and
8 promulgate rules and regulations necessary for the proper enforcement of this
9 subchapter with the advice of the Legislative Council, and in any audits
10 conducted by the Arkansas Department of Transportation relating to the Motor
11 Fuel Tax Law, § 26-55-201 et seq., or the Special Motor Fuels Tax Law, § 26-
12 56-101 et seq., or this subchapter or other pertinent laws, may call upon the
13 ~~Director~~ Secretary of the Department of Finance and Administration for
14 assistance.

15
16 SECTION 820. Arkansas Code § 26-55-605(a)(1), concerning the
17 import/export load permit required and exceptions, is amended to read as
18 follows:

19 (1) Being a supplier or distributor, licensed by the ~~Director~~
20 Secretary of the Department of Finance and Administration under the laws of
21 the State of Arkansas, as those terms are defined in the Motor Fuel Tax Law,
22 § 26-55-201 et seq., and the Special Motor Fuels Tax Law, § 26-56-101 et
23 seq.; and

24
25 SECTION 821. Arkansas Code § 26-55-608(b), concerning the authority of
26 the Arkansas Highway Police Division the Arkansas Department of
27 Transportation to stop, investigate, and impound vehicles, is amended to read
28 as follows:

29 (b) If after the examination or investigation it is determined that
30 the transporter should have secured an import/export load permit as required
31 by this subchapter, but has failed to secure that permit, the enforcement
32 officer shall immediately cause the offending vehicle and its operator to be
33 removed to the nearest Arkansas Department of Transportation property, port
34 of entry, or any designated location where the ~~Director~~ Secretary of the
35 Department of Finance and Administration's representative shall immediately
36 assess the tax on that load together with the penalty provided in § 26-55-609

1 against the person found to be responsible for the payment of the tax.

2
3 SECTION 822. Arkansas Code § 26-55-705 is amended to read as follows:
4 26-55-705. License required – Application.

5 (a) Before any person, firm, or corporation subject to § 26-55-702
6 imports for use on the highways of this state gasoline in the fuel supply
7 tanks of any motor vehicle, or in any other container, with a gross loaded
8 weight of twenty-six thousand one pounds (26,001 lbs.) or more, the person
9 shall file application for and obtain a license from the ~~Director~~ Secretary
10 of the Department of Finance and Administration.

11 (b) The application required by this section shall be verified by
12 affidavit and filed on a form prescribed and furnished by the ~~director~~
13 secretary, stating the name, address, kind of business of the applicant, the
14 applicant's principal place of business, and such other relevant information
15 as the ~~director~~ secretary may require.

16 (c) The applications must also contain, as a condition to the issuance
17 of the license, an agreement by the applicant to comply with the requirements
18 of the subchapter and the lawful rules and regulations of the ~~director~~
19 secretary.

20
21 SECTION 823. Arkansas Code § 26-55-706 is amended to read as follows:
22 26-55-706. Bond of applicant.

23 (a) Before any license application shall be approved by the ~~Director~~
24 Secretary of the Department of Finance and Administration, the applicant
25 shall file a bond, with surety satisfactory to the ~~director~~ secretary,
26 payable to the State of Arkansas and conditioned upon the applicant's
27 compliance with the provisions of this subchapter and the rules and
28 regulations of the ~~director~~ secretary.

29 (b)(1) The bond shall be in the sum of not less than five hundred
30 dollars (\$500) and not more than twenty thousand dollars (\$20,000), the
31 amount to be fixed in each case by the ~~director~~ secretary.

32 (2) However, the amount of any bond may be increased or
33 decreased within the foregoing limits by the ~~director~~ secretary at any time.

34 (c) No bond shall be cancelled by the surety thereon until the
35 expiration of sixty (60) days after receipt of notice of the cancellation by
36 the ~~director~~ secretary, and the cancellation shall have no retroactive

1 effect.

2
3 SECTION 824. Arkansas Code § 26-55-707(a), concerning licenses,
4 issuance, and terms and conditions, is amended to read as follows:

5 (a) Upon approval of the application and bond, the ~~Director~~ Secretary
6 of the Department of Finance and Administration shall issue to the applicant
7 a nontransferable fuel user's license bearing a distinctive number, to remain
8 in full force until surrendered, suspended, or cancelled in the manner
9 provided in this subchapter.

10
11 SECTION 825. Arkansas Code § 26-55-708 is amended to read as follows:
12 26-55-708. Registration of licensee's motor vehicles.

13 (a)(1) Before any motor vehicle with a gross loaded weight of twenty-
14 six thousand one pounds (26,001 lbs.) or more is operated on the public
15 highways of this state, the operation of which is subject to the tax levied
16 by this subchapter, the ~~Director~~ Secretary of the Department of Finance and
17 Administration shall issue to each permitted gasoline, diesel, and liquefied
18 petroleum gas user a distinctive marking to be prominently displayed on the
19 passenger door of each vehicle traveling the public highways within this
20 state.

21 (2) This marking shall be a nontransferable marking which shall
22 be renewed on an annual basis.

23 (b) Applications for gasoline, diesel, and liquefied petroleum gas
24 users' permits must be on a form prescribed and furnished by the ~~director~~
25 secretary, to include such relevant information as deemed necessary by the
26 ~~director~~ secretary, for the proper administration of this subchapter.

27 (c) The ~~director~~ secretary shall maintain a record of the quantity of
28 markings issued each permitted user.

29
30 SECTION 826. Arkansas Code § 26-55-710(a)(1), concerning quarterly
31 mileage reports and tax computation, is amended to read as follows:

32 (a)(1) Every person, firm, or corporation licensed under this
33 subchapter on or before the last day of the month following the end of each
34 calendar quarter shall file with the ~~Director~~ Secretary of the Department of
35 Finance and Administration, on forms prescribed by the ~~director~~ secretary, a
36 report showing the quantities of gasoline purchased and used in this state

1 during the preceding calendar quarter, together with payment of the tax due
2 thereon.

3
4 SECTION 827. Arkansas Code § 26-55-710(b), concerning quarterly
5 mileage reports and tax computation, is amended to read as follows:

6 (b) If it shall be determined by the quarterly reports filed with the
7 ~~director~~ secretary that the interstate user has used more gallons of gasoline
8 in this state than the gasoline tax due thereon has been paid, the interstate
9 user shall remit to the ~~director~~ secretary an excise tax of eighteen and one-
10 half cents (18½¢) per gallon on the gasoline.

11
12 SECTION 828. Arkansas Code § 26-55-710(g)(3), concerning quarterly
13 mileage reports and tax computation, is amended to read as follows:

14 (3) An interstate user who had a total tax liability for motor
15 fuel taxes during the previous calendar year of less than one hundred dollars
16 (\$100) upon application to the ~~director~~ secretary may obtain permission to
17 report the interstate user's motor fuel tax liability on an annual basis. The
18 annual report shall be due on or before the last day of the month following
19 the end of each fiscal year.

20
21 SECTION 829. Arkansas Code § 26-55-710(h), concerning quarterly
22 mileage reports and tax computation, is amended to read as follows:

23 (h) The ~~director~~ secretary shall prescribe the appropriate forms
24 necessary for the administration of this subchapter. The ~~director~~ secretary
25 may make appropriate rules and regulations necessary to ensure the accurate
26 reporting of mileage traveled and gallons used and purchased by the licensed
27 interstate users.

28
29 SECTION 830. Arkansas Code § 26-55-713(a), concerning claims for
30 refunds by nonbonded users, is amended to read as follows:

31 (a) Claims for refunds of motor fuel taxes by nonbonded users of motor
32 fuel or claims for credits for motor fuel taxes shall not be valid unless
33 properly presented upon motor fuel tax forms as promulgated by and as
34 required by the ~~Director~~ Secretary of the Department of Finance and
35 Administration.

36

1 SECTION 831. Arkansas Code § 26-55-713(b)(1), concerning claims for
2 refunds by nonbonded users, is amended to read as follows:

3 (b)(1) The ~~director~~ secretary may assess and charge a fee upon all
4 forms furnished by the Revenue Division of the Department of Finance and
5 Administration when those forms pertain to the motor fuel tax laws of this
6 state.

7
8 SECTION 832. Arkansas Code § 26-55-713(c), concerning claims for
9 refunds by nonbonded users, is amended to read as follows:

10 (c) The ~~director~~ secretary shall not furnish forms for cash refunds or
11 credits for motor fuel taxes to nonbonded users of motor fuel unless and
12 until the General Assembly provides by law for the issuance of credits and
13 cash refunds to nonbonded users of motor fuel who qualify for the credits or
14 cash refunds or motor fuel taxes.

15
16 SECTION 833. Arkansas Code § 26-55-714(a)(1), concerning interstate
17 users and tax refund procedures, is amended to read as follows:

18 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall quarterly determine the amount estimated to be necessary
20 to pay refunds to interstate users of motor fuels who are entitled to refunds
21 with respect to a portion of the motor fuel taxes paid in this state as
22 authorized in § 26-55-710, and upon certification by the ~~director~~ secretary,
23 the Treasurer of State shall transfer from the gross amount of motor fuel
24 taxes collected each month the amount so certified and shall credit it to the
25 Interstate Motor Fuel Tax Refund Fund, which is established on the books of
26 the State Treasury, from which the Department of Finance and Administration
27 shall make refunds as provided by law.

28
29 SECTION 834. Arkansas Code § 26-55-714(c), concerning interstate users
30 and tax refund procedures, is amended to read as follows:

31 (c) Neither the ~~director~~ secretary nor any member or employee of the
32 department shall be held personally liable for making any refund by reason of
33 a fraudulent claim being filed as a basis for that refund.

34
35 SECTION 835. The introductory language of Arkansas Code § 26-55-
36 714(d), concerning interstate users and tax refund procedures, is amended to

1 read as follows:

2 (d) The ~~director~~ secretary is authorized to promulgate rules and
3 regulations and to prescribe the necessary forms required for the
4 administration of claims for tax refunds from interstate users of motor fuels
5 in this state as authorized by law, which rules and regulations shall be in
6 conformance with the following requirements:

7

8 SECTION 836. Arkansas Code § 26-55-714(d)(1) and (2), concerning
9 interstate users and tax refund procedures, are amended to read as follows:

10 (1) The ~~director~~ secretary shall first determine with respect to
11 each refund claim filed that the bond of the interstate user is adequate to
12 compensate the State of Arkansas for any losses with respect to the recovery
13 of any refunds illegally claimed by the interstate user, and the ~~director~~
14 secretary may require the increase of the bond if the ~~director~~ secretary
15 determines it to be inadequate before approving any claim for refund;

16 (2) Each interstate user of motor fuels claiming refunds shall
17 maintain adequate records to substantiate each claim for refund, and the
18 ~~director~~ secretary may reject any claim for refund if the ~~director~~ secretary
19 determines the applicant has not maintained adequate records or has not
20 conformed to the rules and regulations of the department in filing the claim;

21

22 SECTION 837. Arkansas Code § 26-55-719 is amended to read as follows:

23 26-55-719. Records – Preservation – Inspection.

24 (a) Each person, firm, or corporation subject to this subchapter must
25 maintain and keep for a period of three (3) years records of mileage traveled
26 by vehicles operated in this state, together with inventories, withdrawals,
27 purchases supported by invoices, and all relevant records and papers that may
28 be required by the ~~Director~~ Secretary of the Department of Finance and
29 Administration.

30 (b) The ~~director~~ secretary or his or her authorized representative
31 shall be entitled to inspect these records at any time.

32

33 SECTION 838. Arkansas Code § 26-55-803(a) and (b), concerning the
34 requirement for entry slips and the computation taxes, are amended to read as
35 follows:

36 (a) All licensed motor fuel user and distillate special fuel user out-

1 of-state trucks with a gross loaded weight of twenty-six thousand one pounds
2 (26,001 lbs.) or more entering the State of Arkansas at the point of entry
3 shall secure a copy of an entry slip from the ~~Director~~ Secretary of the
4 Department of Finance and Administration or his or her authorized agent or
5 employee.

6 (b) The entry slip shall be signed by the ~~director~~ secretary or his or
7 her authorized agent or employee, and the entry slip shall also be signed by
8 the driver of the vehicle.

9
10 SECTION 839. Arkansas Code § 26-55-803(d), concerning the requirement
11 for entry slips and the computation taxes, is amended to read as follows:

12 (d) The entry slip shall remain in the vehicle for the remainder of
13 the trip over the highways of this state and shall be produced for the
14 inspection of the ~~director~~ secretary or his or her authorized employee or
15 representative, at any point within the state and shall also be produced at
16 the port of exit to the ~~director~~ secretary or his or her authorized agent or
17 employee, for determination of any fuel taxes due the state.

18
19 SECTION 840. Arkansas Code § 26-55-804(1)(B) and (C), concerning the
20 payment of taxes, are amended to read as follows:

21 (B) At the time of the purchase of the fuel, the owner or
22 operator of the vehicle shall obtain from the dealer from whom purchased an
23 invoice or sales ticket, or forms approved by the ~~Director~~ Secretary of the
24 Department of Finance and Administration, which shall contain the name and
25 address of the seller of the fuel, the name and address of the purchaser, the
26 date of purchase, the amount or quantity and kind of fuel purchased, and the
27 invoice or sales ticket shall remain in the vehicle for the remainder of the
28 trip over the highways of this state.

29 (C) The invoice or sales ticket shall be preserved and
30 retained by the owner or operator for not less than three (3) years and shall
31 be produced for the inspection and examination of the ~~director~~ secretary or
32 his or her authorized agent or employee at any reasonable time and place,
33 either inside or outside this state, upon proper demand for the invoice or
34 sales ticket; or

35
36 SECTION 841. Arkansas Code § 26-55-804(2), concerning the payment of

1 taxes, is amended to read as follows:

2 (2)(A) By the payment of the amount of tax which would be due
3 upon a sufficient quantity of fuel to propel the vehicle over the highways of
4 this state to the ~~director~~ secretary or to his or her agent, representative,
5 or employee.

6 (B) At the time of payment of the tax, the ~~director~~
7 secretary or his or her employee or representative shall issue to the person
8 paying the tax a receipt showing the amount of tax paid, the name and address
9 of the owner or operator of the vehicle, a description of the vehicle,
10 including the license number and state of registration, the point at which
11 the vehicle entered upon the highways of this state, the destination and the
12 place where the vehicle is to leave the highways of this state, and any other
13 information which the ~~director~~ secretary may require, which receipt shall be
14 signed by the ~~director~~ secretary or his or her agent or representative.

15 (C) The receipt shall remain in the vehicle for the
16 remainder of the trip over the highways of this state and thereafter shall be
17 preserved and retained by the owner or operator for a period of not less than
18 three (3) years, and shall be produced for the inspection of the ~~director~~
19 secretary or his or her authorized agent or representative, at any reasonable
20 time and place either within or without this state upon proper demand.

21

22 SECTION 842. Arkansas Code § 26-55-901(1)(B), concerning vehicle tank
23 inspections, is amended to read as follows:

24 (B) Otherwise, "compartment" means any one (1) of those
25 subdivisions of a tank designed to hold petroleum products, unless otherwise
26 provided by the ~~Director~~ Secretary of the Department of Finance and
27 Administration by regulations adopted pursuant to § 26-55-903.

28

29 SECTION 843. Arkansas Code § 26-55-1004(a)(1), concerning the
30 disposition of revenues, is amended to read as follows:

31 (a)(1) All taxes, interest, penalties, and costs received by the
32 ~~Director~~ Secretary of the Department of Finance and Administration from the
33 additional taxes and fees levied by this subchapter shall be classified as
34 special revenues and shall be deposited into the State Treasury.

35

36 SECTION 844. Arkansas Code § 26-55-1101 is amended to read as follows:

1 26-55-1101. Definition.

2 As used in this subchapter, "~~director~~ secretary" means the ~~Director~~
3 Secretary of the Department of Finance and Administration or his or her
4 authorized agent.

5
6 SECTION 845. Arkansas Code § 26-55-1102(a), concerning the authority
7 of the Director of the Department of Finance and Administration to enter into
8 fuel tax agreements, audits not precluded, and the identification of decal
9 cost, is amended to read as follows:

10 (a) The ~~Director~~ Secretary of the Department of Finance and
11 Administration is authorized to enter into the International Fuel Tax
12 Agreement of July 1987 with jurisdictions outside this state to provide for
13 cooperation and assistance among member jurisdictions in the administration
14 and collection of taxes imposed upon the consumption of all fuels used in
15 vehicles operated or intended to operate interstate. Provided, however, that
16 the agreement shall not be effective until stated and agreed to in writing
17 and filed with the ~~director~~ secretary.

18
19 SECTION 846. Arkansas Code § 26-55-1102(c), concerning the authority
20 of the Director of the Department of Finance and Administration to enter into
21 fuel tax agreements, audits not precluded, and the identification of decal
22 cost, is amended to read as follows:

23 (c) No agreement authorized by this subchapter shall preclude the
24 ~~director~~ secretary from auditing the records of any person subject to the
25 provisions of this chapter or the Special Motor Fuels Tax Law, § 26-56-101 et
26 seq.

27
28 SECTION 847. Arkansas Code § 26-55-1301(1), concerning the definition
29 of "director" under the laws governing refunds and motor fuels used by fire
30 departments, is amended to read as follows:

31 (1) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
32 Department of Finance and Administration or any of his or her deputies,
33 employees, or agents;

34
35 SECTION 848. Arkansas Code § 26-55-1303(a), concerning a refund
36 permit, is amended to read as follows:

1 (a) No fire department shall secure a refund of tax under this
2 subchapter unless the fire department is the holder of an unrevoked permit
3 which was issued by the ~~Director~~ Secretary of the Department of Finance and
4 Administration before the purchase of the motor fuel or the distillate
5 special fuel.

6
7 SECTION 849. Arkansas Code § 26-55-1303(c), concerning a refund
8 permit, is amended to read as follows:

9 (c) An application for the permit shall be filed with the ~~director~~
10 secretary on forms prescribed by the ~~director~~ secretary and shall contain
11 such information as the ~~director~~ secretary may require.

12
13 SECTION 850. Arkansas Code § 26-55-1303(e), concerning a refund
14 permit, is amended to read as follows:

15 (e) The refund permit of any person who violates any provision of this
16 subchapter shall be revoked by the ~~director~~ secretary and shall not be
17 reissued until two (2) years have elapsed after the date of the revocation.

18
19 SECTION 851. The introductory language of Arkansas Code § 26-55-
20 1304(a), concerning an application for a refund, is amended to read as
21 follows:

22 (a) The refund permit holder shall file with the ~~Director~~ Secretary of
23 the Department of Finance and Administration an application for refund on
24 forms furnished by the ~~director~~ secretary which shall include, but not be
25 limited to, the following information:

26
27 SECTION 852. Arkansas Code § 26-55-1304(a)(6), concerning an
28 application for a refund, is amended to read as follows:

29 (6) Other information as the ~~director~~ secretary shall require.

30
31 SECTION 853. Arkansas Code § 26-55-1304(b)(2), concerning an
32 application for a refund, is amended to read as follows:

33 (2) The application shall be notarized and made to the ~~director~~
34 secretary.

35
36 SECTION 854. Arkansas Code § 26-55-1304(d)(1), concerning an

1 application for a refund, is amended to read as follows:

2 (d)(1) The ~~director~~ secretary shall promulgate a rule establishing the
3 annual date for claiming a refund pursuant to this subchapter.

4
5 SECTION 855. Arkansas Code § 26-55-1305(b)(1), concerning refunds paid
6 from the Gasoline Tax Refund Fund, is amended to read as follows:

7 (b)(1)(A) The ~~Director~~ Secretary of the Department of Finance and
8 Administration shall annually estimate the amount necessary to pay refunds to
9 the users of distillate special fuel who are entitled to refunds with respect
10 to distillate special fuel taxes paid in this state as authorized in this
11 subchapter.

12 (B) Upon certification by the ~~director~~ secretary, the
13 Treasurer of State shall transfer from the gross amount of distillate special
14 fuel taxes collected each month the amount so certified and shall credit the
15 amount to the fund.

16
17 SECTION 856. Arkansas Code § 26-55-1305(e), concerning refunds paid
18 from the Gasoline Tax Refund Fund, is amended to read as follows:

19 (e) Neither the ~~director~~ secretary nor any member or employee of the
20 Department of Finance and Administration shall be held personally liable for
21 making any refund by reason of a fraudulent claim filed as a basis for the
22 refund.

23
24 SECTION 857. Arkansas Code § 26-55-1306(a), concerning the inspection
25 of records kept by a fire department, is amended to read as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
27 Administration shall keep a permanent record by fire department of the amount
28 of refund claimed and paid to each claimant.

29
30 SECTION 858. Arkansas Code § 26-55-1308 is amended to read as follows:
31 26-55-1308. ~~Director's powers~~ Authority of secretary.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 may make, amend, and enforce regulations, subpoena witnesses and documents,
34 administer oaths, and do and perform all other acts necessary to carry out
35 the purpose and intent of this subchapter.

36

1 SECTION 859. Arkansas Code § 26-56-102(1)(F), concerning special motor
2 fuels taxes, is amended to read as follows:

3 (F) Such other information or forms as the ~~Director~~
4 Secretary of the Department of Finance and Administration by regulation may
5 adopt or require to implement the intent of this subchapter;

6
7 SECTION 860. Arkansas Code § 26-56-102(5), concerning the definition
8 of "director" under the laws governing special motor fuels taxes, is amended
9 to read as follows:

10 (5) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
11 Department of Finance and Administration or his or her duly authorized
12 agents;

13
14 SECTION 861. Arkansas Code § 26-56-104 is amended to read as follows:
15 26-56-104. Rules and regulations.

16 The ~~Director~~ Secretary of the Department of Finance and Administration
17 is authorized and empowered to promulgate such rules and regulations, not
18 inconsistent with this chapter, as the ~~director~~ secretary shall deem
19 necessary and desirable to facilitate the collection of the taxes levied in
20 this chapter and to otherwise effectuate the purposes of this chapter, and
21 these rules and regulations shall have the same effect as if specifically set
22 forth in this chapter.

23
24 SECTION 862. Arkansas Code § 26-56-105(b) and (c), concerning the
25 payment of taxes by the Arkansas Department of Transportation, are amended to
26 read as follows:

27 (b) The department shall remit this tax each month to the ~~Director~~
28 Secretary of the Department of Finance and Administration who will distribute
29 the tax as outlined in this chapter.

30 (c) For purposes of computing this tax, the department shall use its
31 fuel consumption reports and shall file with the ~~director~~ secretary an
32 appropriate monthly report stating the gallons used in the department's motor
33 vehicles and the tax due and payable.

34
35 SECTION 863. Arkansas Code § 26-56-201(b)(3), concerning the
36 imposition of taxes and exemptions, is amended to read as follows:

1 (3) Sales of distillate special fuel by a licensed supplier for
2 export from the State of Arkansas when shipped by common carrier FOB
3 destination to any other state or territory or to any foreign country, or the
4 export of distillate special fuel by a licensed supplier from the State of
5 Arkansas to any other state or territory or to any foreign country, if
6 satisfactory proof of actual exportation of all the distillate special fuel
7 is furnished at the time and in the manner prescribed by the ~~Director~~
8 Secretary of the Department of Finance and Administration;

9
10 SECTION 864. Arkansas Code § 26-56-204(a), concerning licenses and
11 bonds for suppliers and users, is amended to read as follows:

12 (a)(1)(A) No person shall commence operations as a supplier, user, or
13 off-road consumer of distillate special fuel without first procuring a
14 license for that purpose from the ~~Director~~ Secretary of the Department of
15 Finance and Administration. The license shall be issued and remain in effect
16 until revoked as provided in this section.

17 (B)(i) Any person holding or applying for a supplier's
18 license after August 1, 1987, shall make an election to operate either as a
19 pipeline importer or first receiver. Once having made an election in writing
20 filed with the ~~director~~ secretary, the election will remain in force until
21 such time as the supplier makes another written election to change the
22 supplier's status.

23 (ii) The election and any change therein shall take
24 effect on the first month following filing of the election.

25 (iii) The ~~director~~ secretary may promulgate such
26 forms and regulations as may be necessary to ensure uniformity with federal
27 usage of exemption certificates issued for nonhighway diesel purchases.

28
29 SECTION 865. Arkansas Code § 26-56-204(b)(2)(B), concerning licenses
30 and bonds for suppliers and users, is amended to read as follows:

31 (B) A taxable use of distillate special fuel purchased
32 tax-free by an applicant for an annual registration as a user or off-road
33 consumer, in addition to the penal provisions prescribed in this subchapter,
34 at the discretion of the ~~director~~ secretary shall forfeit the right of the
35 applicant to purchase distillate special fuel tax-free.

36

1 SECTION 866. Arkansas Code § 26-56-204(c), concerning licenses and
2 bonds for suppliers and users, is amended to read as follows:

3 (c)(1) Every supplier shall file with the ~~director~~ secretary a surety
4 bond of not less than one and one-half (1½) times or one hundred fifty
5 percent (150%) of the prior six (6) months average distillate special fuel
6 tax due which is based upon the gallonage of distillate special fuel to be
7 sold or distributed as shown by the application for a license if the
8 applicant has not previously been engaged in the business of a supplier, or
9 as shown by sales for the previous year if the applicant previously has been
10 engaged in the business in this state. However, no bond shall be filed for
11 less than one thousand dollars (\$1,000).

12 (2) If the ~~director~~ secretary deems it necessary to protect the
13 state in the collection of distillate special fuel taxes, the ~~director~~
14 secretary may require any supplier to post a bond in an amount up to three
15 (3) times or three hundred percent (300%) of the prior six (6) months average
16 distillate special fuel tax due.

17 (3)(A) However, the ~~director~~ secretary is authorized to waive
18 the posting of bond by any licensed supplier organized and operating under
19 the laws of Arkansas and wholly owned by residents of this state who has been
20 licensed for a period of at least three (3) years and who has not been
21 delinquent in remitting distillate special fuel taxes during the three-year
22 period immediately preceding application by the supplier for waiver of bond.

23 (B) If any supplier whose bond has been waived by the
24 ~~director~~ secretary as authorized in subdivision (c)(3)(A) of this section,
25 subsequently becomes delinquent in remitting distillate special fuel taxes to
26 the ~~director~~ secretary, the ~~director~~ secretary may require that the supplier
27 post a bond in the amount required in this section, and the supplier shall
28 not be eligible to petition for a waiver of bond for a period of three (3)
29 years thereafter.

30
31 SECTION 867. Arkansas Code § 26-56-204(d)(1), concerning licenses and
32 bonds for suppliers and users, is amended to read as follows:

33 (d)(1) Each application of an interstate user for a license shall be
34 accompanied by a surety bond of a surety company authorized to do business in
35 this state, in favor of the ~~director~~ secretary, satisfactory to the ~~director~~
36 secretary, and in an amount to be fixed by the ~~director~~ secretary of not less

1 than one thousand dollars (\$1,000) nor more than fifty thousand dollars
2 (\$50,000), guaranteeing the payment of any and all taxes, penalties,
3 interest, attorney's fees, and costs levied by, accrued, or accruing under
4 this subchapter.

5
6 SECTION 868. Arkansas Code § 26-56-204(e)(2), concerning licenses and
7 bonds for suppliers and users, is amended to read as follows:

8 (2) The bond shall be conditioned upon the prompt filing of true
9 reports and the payment by the supplier or interstate user to the ~~director~~
10 secretary of any and all distillate special fuel taxes which are levied or
11 imposed by the State of Arkansas, together with any and all penalties and
12 interest thereon, and generally upon faithful compliance with the provisions
13 of this subchapter.

14
15 SECTION 869. Arkansas Code § 26-56-204(f)-(i), concerning licenses and
16 bonds for suppliers and users, are amended to read as follows:

17 (f)(1) In the event that liability upon the bond filed pursuant to
18 this section by the supplier or interstate user with the ~~director~~ secretary
19 shall be discharged or reduced, whether by judgment rendered, payment made,
20 or otherwise, or if in the opinion of the ~~director~~ secretary any surety on
21 the bond shall have become unsatisfactory or unacceptable, then the ~~director~~
22 secretary may require the filing of a new bond with a satisfactory surety in
23 the same form and amount; failing which, the ~~director~~ secretary shall
24 immediately cancel the license of the supplier or interstate user.

25 (2) If a new bond shall be furnished, the ~~director~~ secretary
26 shall cancel the bonds for which the new bond shall be substituted.

27 (g) In the event that upon a hearing of which the supplier or
28 interstate user shall be given five (5) days' notice in writing, the ~~director~~
29 secretary shall decide that the amount of the existing bond is insufficient
30 to ensure payment to the State of Arkansas of the amount of the tax and any
31 penalties and interest for which said supplier or interstate user is or may
32 at any time become liable, then the supplier or interstate user upon written
33 demand of the ~~director~~ secretary shall immediately file an additional bond in
34 the same manner and form and with a surety company thereon approved by the
35 ~~director~~ secretary in any amount determined by the ~~director~~ secretary to be
36 necessary to secure at all times the payment to the State of Arkansas of all

1 taxes, penalties, and interest due under the provisions of this section,
2 failing which, the ~~director~~ secretary shall immediately cancel the license of
3 the supplier or interstate user.

4 (h)(1) Any surety on any bond furnished as provided in this section
5 shall be released and discharged from any and all liability to the State of
6 Arkansas accruing on the bond after the expiration of sixty (60) days from
7 the date upon which a surety shall have lodged with the ~~director~~ secretary
8 written request to be released and discharged. However, the request shall not
9 operate to relieve, release, or discharge the surety from any liability
10 already accrued or which shall accrue before the expiration of the sixty-day
11 period.

12 (2) Upon receipt of notice of the request, the ~~director~~
13 secretary shall promptly notify the supplier or interstate user who furnished
14 the bond, and unless the supplier or interstate user on or before the
15 expiration of the sixty-day period files with the ~~director~~ secretary a new
16 bond with a surety company satisfactory to the ~~director~~ secretary in the
17 amount and form as provided in this section, the ~~director~~ secretary shall
18 immediately cancel the license of that supplier or interstate user.

19 (3) If a new bond shall be furnished as provided in this
20 section, the ~~director~~ secretary shall cancel the bond for which the new bond
21 shall be substituted.

22 (i) In lieu of furnishing a bond or bonds executed by a surety company
23 as provided in this section, any supplier or interstate user may furnish a
24 bond or other instrument in a form prescribed by the ~~director~~ secretary of
25 equal, full amount to the amount of the bond or bonds required by this
26 section, which will provide security or payment of all amounts as described
27 in this section and in compliance with all provisions of this subchapter.
28

29 SECTION 870. Arkansas Code § 26-56-204(k)(2), concerning licenses and
30 bonds for suppliers and users, is amended to read as follows:

31 (2)(A) Should his or her license be revoked, any supplier or
32 user may bring an action against the ~~director~~ secretary in the circuit court
33 of the county of his or her domicile within fifteen (15) days of the date of
34 revocation to determine whether or not the supplier or user has in fact
35 violated any of the provisions of this chapter.

36 (B) If the circuit court determines that the provisions of

1 the law have been violated by the supplier or user, it shall affirm the
2 ~~director's~~ secretary's action in revoking the license.

3
4 SECTION 871. Arkansas Code § 26-56-208(a)(1), concerning suppliers'
5 and users' reports and the computation and remittance of taxes, is amended to
6 read as follows:

7 (a)(1) On or before the twenty-fifth day of each calendar month on
8 forms prescribed by the ~~Director~~ Secretary of the Department of Finance and
9 Administration, every supplier shall file with the ~~director~~ secretary a
10 report accounting for the distillate special fuel handled during the
11 preceding month.

12
13 SECTION 872. Arkansas Code § 26-56-208(a)(3)(D), concerning suppliers'
14 and users' reports and the computation and remittance of taxes, is amended to
15 read as follows:

16 (D) Such other documents as the ~~director~~ secretary
17 requires.

18
19 SECTION 873. The introductory language of Arkansas Code § 26-56-
20 208(b)(1), concerning suppliers' and users' reports and the computation and
21 remittance of taxes, is amended to read as follows:

22 (b)(1) When filing the report and paying the tax to the ~~director~~
23 secretary as required in this section, the supplier shall be entitled to
24 deduct from the total number of gallons upon which the tax levied under this
25 chapter is due, the number of gallons:

26
27 SECTION 874. Arkansas Code § 26-56-208(c)(1), concerning suppliers'
28 and users' reports and the computation and remittance of taxes, is amended to
29 read as follows:

30 (c)(1) On forms prescribed by the ~~director~~ secretary, every pipeline
31 company, water transportation company, and common carrier transporting
32 distillate special fuel to points within Arkansas shall report under oath to
33 the ~~director~~ secretary all deliveries of distillate special fuel so made to
34 points within Arkansas.

35
36 SECTION 875. Arkansas Code § 26-56-208(c)(2)(C), concerning suppliers'

1 and users' reports and the computation and remittance of taxes, is amended to
2 read as follows:

3 (C) The report shall also show such additional information
4 relative to a shipment of distillate special fuel as the ~~director~~ secretary
5 may require.

6
7 SECTION 876. The introductory language of Arkansas Code § 26-56-
8 208(d)(2), concerning suppliers' and users' reports and the computation and
9 remittance of taxes, is amended to read as follows:

10 (2) On or before the twenty-fifth day of each calendar month on
11 forms prescribed by the ~~director~~ secretary, the terminal shall report to the
12 ~~director~~ secretary all purchases or other acquisitions and sales or other
13 disposition of distillate special fuel during the next-preceding calendar
14 month, which report shall include the following:

15
16 SECTION 877. Arkansas Code § 26-56-208(d)(2)(D)(v), concerning
17 suppliers' and users' reports and the computation and remittance of taxes, is
18 amended to read as follows:

19 (v) The person possessing a license from the
20 ~~director~~ secretary who requested the removal of the distillate special fuel
21 from that storage.

22
23 SECTION 878. Arkansas Code § 26-56-208(d)(3), concerning suppliers'
24 and users' reports and the computation and remittance of taxes, is amended to
25 read as follows:

26 (3) When any terminal purchasing or otherwise acquiring
27 distillate special fuel by pipeline and selling or otherwise disposing of the
28 distillate special fuel for delivery in Arkansas and not required by a
29 provision of this subchapter to register as a supplier in distillate special
30 fuel, fails to submit the terminal's monthly report to the ~~director~~ secretary
31 by the twenty-fifth day of each calendar month or when the terminal fails to
32 submit in the monthly report the data required by this subchapter, the
33 terminal shall be guilty of a violation and shall be fined an amount not
34 greater than one hundred dollars (\$100) for the first offense and shall be
35 fined an amount not less than one hundred dollars (\$100) nor more than one
36 thousand dollars (\$1,000) for each subsequent offense.

1
2 SECTION 879. Arkansas Code § 26-56-209(b)(2)(C)(ii), concerning
3 required records, invoices, and the falsification of records, is amended to
4 read as follows:

5 (ii) Another counterpart shall be delivered to the
6 operator of the motor vehicle and carried in the cab compartment of the motor
7 vehicle for inspection by the ~~Director~~ Secretary of the Department of Finance
8 and Administration or his or her representatives until the fuel it covers has
9 been consumed.

10
11 SECTION 880. Arkansas Code § 26-56-209(c)(1), concerning required
12 records, invoices, and the falsification of records, is amended to read as
13 follows:

14 (c)(1) Every person who operates a motor vehicle that is equipped to
15 use motor fuels taxable under the Motor Fuel Tax Law, § 26-55-201 et seq.,
16 and distillate special fuel interchangeably in the propulsion of the motor
17 vehicle shall carry in the cab compartment of the motor vehicle for
18 inspection by the ~~director~~ secretary or his or her representative, not only
19 the counterpart of the serially-numbered invoice required under subsection
20 (b) of this section for the delivery of distillate special fuel into the fuel
21 supply tanks of the motor vehicle but also an invoice or receipt from the
22 seller for each delivery into the fuel supply tanks of the motor vehicle of
23 motor fuels taxable under the Motor Fuel Tax Law, § 26-55-201 et seq., which
24 latter invoice or receipt shall show the same information as to date of
25 delivery, quantity, speedometer or hub meter mileage, and motor vehicle
26 registration number as is required for the invoice covering distillate
27 special fuel.

28
29 SECTION 881. Arkansas Code § 26-56-214(a), concerning interstate
30 users, reports, and the computation of taxes and refunds, is amended to read
31 as follows:

32 (a) Whenever an interstate user of distillate special fuel who is a
33 bonded user of distillate special fuel in all states in which he or she
34 operates has exportations in excess of importations of tax-paid distillate
35 special fuel in the fuel supply tanks of motor vehicles which distillate
36 special fuel was delivered by a supplier into bulk storage facilities of the

1 user within the State of Arkansas, the supplier may make a refund or allow a
2 credit for the amount of the tax upon the excess upon approval by the
3 ~~Director~~ Secretary of the Department of Finance and Administration of a
4 statement from the user to the effect that the tax-paid distillate special
5 fuel was exported.

6
7 SECTION 882. Arkansas Code § 26-56-214(b)(2), concerning interstate
8 users, reports, and the computation of taxes and refunds, is amended to read
9 as follows:

10 (2) If it shall be determined by the quarterly report that the
11 interstate user has used distillate special fuel in this state in excess of
12 the number of gallons of the distillate special fuel upon which the Arkansas
13 tax had been paid, the interstate user shall remit to the ~~director~~ secretary,
14 at the time of filing the report, an excise tax of eighteen and one-half
15 cents (18½¢) per gallon of the excess gallonage used.

16
17 SECTION 883. Arkansas Code § 26-56-214(c), concerning interstate
18 users, reports, and the computation of taxes and refunds, is amended to read
19 as follows:

20 (c) The quarterly report required by this subchapter shall be filed on
21 or before the last day of the month following the end of each calendar
22 quarter and shall be made on forms prescribed by the ~~director~~ secretary and
23 shall include such information as the ~~director~~ secretary may require.

24
25 SECTION 884. Arkansas Code § 26-56-214(d)(1) and (2), concerning
26 interstate users, reports, and the computation of taxes and refunds, are
27 amended to read as follows:

28 (d)(1) For the purpose of determining whether a distillate special
29 fuel user owes tax or is entitled to a credit or refund as provided in
30 subsection (b) of this section, the distillate special fuel user shall file
31 with the ~~director~~ secretary a report showing the quantities of special motor
32 fuels used in this state during the preceding calendar quarter. This report
33 shall be due on or before the last day of the month following the end of each
34 calendar quarter.

35 (2) If it shall be determined by the quarterly report filed with
36 the ~~director~~ secretary that the distillate special fuel user has used more

1 gallons of special motor fuel in this state than the special motor fuel tax
2 due thereon has been paid, the distillate special fuel user shall remit to
3 the ~~director~~ secretary an excise tax of eighteen and one-half cents (18½¢)
4 per gallon of special motor fuel.

5
6 SECTION 885. Arkansas Code § 26-56-214(i), concerning interstate
7 users, reports, and the computation of taxes and refunds, is amended to read
8 as follows:

9 (i)(1) The ~~director~~ secretary shall prescribe the appropriate forms
10 necessary for the administration of this subchapter.

11 (2) The ~~director~~ secretary may make appropriate rules and
12 regulations necessary to ensure the accurate reporting of the special motor
13 fuel tax.

14
15 SECTION 886. Arkansas Code § 26-56-215(a)(1), concerning interstate
16 users and tax refund procedures, is amended to read as follows:

17 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall quarterly estimate the amount necessary to pay refunds
19 to interstate users of special motor fuels who are entitled to refunds with
20 respect to special motor fuel taxes paid in this state as authorized in § 26-
21 56-214, and upon certification by the ~~director~~ secretary, the Treasurer of
22 State shall transfer from the gross amount of special motor fuel taxes
23 collected each month the amount so certified and shall credit the amount to
24 the Interstate Motor Fuel Tax Refund Fund, which is established on the books
25 of the State Treasury, from which the Department of Finance and
26 Administration shall make refunds as provided by law.

27
28 SECTION 887. Arkansas Code § 26-56-215(c), concerning interstate users
29 and tax refund procedures, is amended to read as follows:

30 (c) Neither the ~~director~~ secretary nor any member or employee of the
31 department shall be held personally liable for making any refund by reason of
32 a fraudulent claim being filed as a basis for the refund.

33
34 SECTION 888. The introductory language of Arkansas Code § 26-56-
35 215(d), concerning interstate users and tax refund procedures, is amended to
36 read as follows:

1 (d) The ~~director~~ secretary is authorized to promulgate rules and
 2 regulations and to prescribe the necessary forms required for the
 3 administration of claims for tax refunds from interstate users of special
 4 motor fuels in this state as authorized by law, which rules and regulations
 5 shall be in conformance with the following requirements:

6
 7 SECTION 889. Arkansas Code § 26-56-215(d)(1) and (2), concerning
 8 interstate users and tax refund procedures, are amended to read as follows:

9 (1) The ~~director~~ secretary shall first determine, with respect
 10 to each refund claim filed, that the bond of the interstate user is adequate
 11 to compensate the State of Arkansas for any losses with respect to the
 12 recovery of any refunds illegally claimed by the interstate user, and the
 13 ~~director~~ secretary may require the increase of the bond if the ~~director~~
 14 secretary determines it to be inadequate before approving any claim for
 15 refund;

16 (2) Each interstate user of motor fuels and special motor fuels
 17 claiming refunds shall maintain adequate records to substantiate each claim
 18 for refund, and the ~~director~~ secretary may reject any claim for refund if the
 19 ~~director~~ secretary determines the applicant has not maintained adequate
 20 records or has not conformed to the rules and regulations of the department
 21 in filing the claim therefor;

22
 23 SECTION 890. Arkansas Code § 26-56-216 is amended to read as follows:
 24 26-56-216. Power to stop, investigate, and impound vehicles –
 25 Assessment of tax.

26 (a) In order to enforce the provisions of this subchapter, the
 27 ~~Director~~ Secretary of the Department of Finance and Administration or his or
 28 her authorized representative is empowered to stop any motor vehicle which
 29 appears to be operating with distillate special fuel for the purpose of
 30 examining the invoices and for other investigative purposes reasonably
 31 necessary to determine whether the taxes imposed by this subchapter have been
 32 paid, or whether the motor vehicle is being operated in compliance with the
 33 provisions of this subchapter.

34 (b) If after examination or investigation it is determined by the
 35 ~~director~~ secretary or his or her authorized representative that the tax
 36 imposed by this subchapter has not been paid with respect to the fuels being

1 used in the motor vehicle, the ~~director~~ secretary or his or her
2 representative shall immediately assess the tax due, together with the
3 penalty hereinafter provided, to the owner of the motor vehicle, and give the
4 owner written notice of the assessment by handing it to the driver of the
5 motor vehicle.

6 (c) The ~~director~~ secretary or his or her representative is empowered
7 to impound any motor vehicle found to be operating in violation of this
8 chapter by a person other than one who has furnished the bond required of
9 users by § 26-56-204(c) until such time as any tax assessed as provided
10 herein has been paid.

11
12 SECTION 891. Arkansas Code § 26-56-217(b)(2)(C) and (D), concerning
13 the separate storage tanks for taxable distillate special fuel and for tax-
14 free storage, are amended to read as follows:

15 (C) Each city or county shall file a report with the
16 ~~Director~~ Secretary of the Department of Finance and Administration accounting
17 for the taxable and nontaxable distillate special fuel used and miles driven
18 by each motor vehicle which requires taxable distillate special fuel in such
19 a manner, at such time, and on such forms as shall be prescribed by the
20 ~~director~~ secretary.

21 (D) The ~~director~~ secretary may promulgate regulations to
22 establish a system to periodically reconcile the taxable distillate special
23 fuel purchased and actual taxable distillate special fuel used by the city or
24 county.

25
26 SECTION 892. Arkansas Code § 26-56-218(c), concerning bulk sales of
27 distillate special fuels, is amended to read as follows:

28 (c) When a user, dealer, or off-road consumer registration has been
29 revoked and written notice of the revocation has been received by the
30 supplier from the ~~Director~~ Secretary of the Department of Finance and
31 Administration, it shall be unlawful for the supplier to make bulk sales or
32 deliveries to the user, dealer, or off-road consumer of distillate special
33 fuel on which the tax has not been paid.

34
35 SECTION 893. Arkansas Code § 26-56-219(b)(2), concerning cargo tank-
36 to-carburetor connection being unlawful and penalties, is amended to read as

1 follows:

2 (2) This penalty shall be assessed by the ~~Director~~ Secretary of
3 the Department of Finance and Administration or his or her representative and
4 shall be collected in the same manner as is provided for the collection of
5 tax in § 26-56-216.

6

7 SECTION 894. Arkansas Code § 26-56-220(d)(2), concerning unlawful
8 activities regarding the operation of motor vehicles, is amended to read as
9 follows:

10 (2) This penalty shall be assessed by the ~~Director~~ Secretary of
11 the Department of Finance and Administration or his or her representative and
12 shall be collected in the same manner as is provided for the collection of
13 tax in § 26-56-216.

14

15 SECTION 895. Arkansas Code § 26-56-224(f), concerning fuel used for
16 off-road purposes and the imposition of tax on dyed distillate special fuel,
17 is amended to read as follows:

18 (f) The excise taxes levied by subsection (b) of this section shall be
19 reported and paid on or before the twentieth day of each month by electronic
20 funds transfer as authorized pursuant to § 26-19-101 et seq. on forms to be
21 prescribed by the ~~Director~~ Secretary of the Department of Finance and
22 Administration.

23

24 SECTION 896. The introductory language of Arkansas Code § 26-56-
25 226(a)(1), concerning the penalty for improper use of dyed distillate special
26 fuel, is amended to read as follows:

27 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
28 Administration upon finding a motor vehicle using or utilizing dyed
29 distillate special fuel for the purpose of operating that motor vehicle not
30 excepted in § 26-56-225, shall:

31

32 SECTION 897. The introductory language of Arkansas Code § 26-56-
33 226(a)(2), concerning the penalty for improper use of dyed distillate special
34 fuel, is amended to read as follows:

35 (2) Further, if any dyed distillate special fuel is found in any
36 fuel storage tank or fuel storage facility outside of the terminal utilized

1 by the operator of that motor vehicle, or any other person, for the purpose
2 of fueling that motor vehicle, the ~~director~~ secretary shall:

3
4 SECTION 898. Arkansas Code § 26-56-226(b)(2), concerning the penalty
5 for improper use of dyed distillate special fuel, is amended to read as
6 follows:

7 (2) The assessments shall be made against the operator or any
8 other person the ~~director~~ secretary deems responsible for the usage or
9 utilization of the dyed distillate special fuel in that motor vehicle.

10
11 SECTION 899. The introductory language of Arkansas Code § 26-56-
12 227(b)(1), concerning mixed dyed and undyed distillate special fuel and
13 additional penalties, is amended to read as follows:

14 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
15 Administration upon finding any fuel supply tank of a motor vehicle, fuel
16 storage tank, or fuel storage facility outside of the terminal containing
17 mixed dyed and undyed distillate special fuel, which fuel is being used or
18 utilized in a motor vehicle or is being stored for ultimate usage or
19 utilization in a motor vehicle not excepted in § 26-56-225 shall:

20
21 SECTION 900. Arkansas Code § 26-56-227(b)(3), concerning mixed dyed
22 and undyed distillate special fuel and additional penalties, is amended to
23 read as follows:

24 (3) The assessments shall be made against the operator of any
25 motor vehicle, or owner or operator of the fuel storage tank or fuel storage
26 facility outside of the terminal, or any other person the ~~director~~ secretary
27 deems responsible for the usage or utilization of the distillate special fuel
28 in any motor vehicle involved in the assessment.

29
30 SECTION 901. The introductory language of Arkansas Code § 26-56-
31 228(a)(1), concerning the authority of the Director of the Department of
32 Finance and Administration, is amended to read as follows:

33 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
34 Administration shall have the authority to:

35
36 SECTION 902. The introductory language of Arkansas Code § 26-56-

1 228(a)(2), concerning the authority of the Director of the Department of
2 Finance and Administration, is amended to read as follows:

3 (2) The ~~director~~ secretary shall have the authority to:
4

5 SECTION 903. Arkansas Code § 26-56-228(b)(1)(A), concerning the
6 authority of the Director of the Department of Finance and Administration, is
7 amended to read as follows:

8 (b)(1)(A) Any person who shall refuse to allow the ~~director~~ secretary
9 to sample, test, and measure the fuel that could be contained in any fuel
10 supply tank of a motor vehicle, or in any fuel storage tank, or in any fuel
11 storage facility outside of the terminal shall be assessed taxes at the total
12 per-gallon tax rates set out in this chapter upon all fuels as determined by
13 the ~~director~~ secretary that could be contained in the fuel supply tank, fuel
14 storage tank, or fuel storage facility, if filled to capacity.
15

16 SECTION 904. Arkansas Code § 26-56-228(b)(2)(B), concerning the
17 authority of the Director of the Department of Finance and Administration, is
18 amended to read as follows:

19 (B) The ~~director~~ secretary shall add a penalty of twenty
20 percent (20%) of the total amount of the assessed taxes excluding the ten-
21 dollar-per-gallon penalty to the total amount assessed for willful refusal to
22 allow the sampling, measuring, or testing, which penalty shall be in addition
23 to all other penalties provided in this section, this chapter, and in the
24 Arkansas Tax Procedure Act, § 26-18-101 et seq.
25

26 SECTION 905. Arkansas Code § 26-56-228(b)(3), concerning the authority
27 of the Director of the Department of Finance and Administration, is amended
28 to read as follows:

29 (3) The assessments shall be made against the operator of any
30 motor vehicle, fuel storage tank, or fuel storage facility outside of the
31 terminal involved in the assessment or against any other person the ~~director~~
32 secretary deems responsible for the use or utilization of the fuel in any
33 motor vehicle involved in the assessment.
34

35 SECTION 906. Arkansas Code § 26-56-229(a)(1), concerning multiple
36 violations of special motor fuels taxes, is amended to read as follows:

1 (a)(1) In the event that assessments are made by the ~~Director~~
 2 Secretary of the Department of Finance and Administration against the same
 3 operator or the same person for violating the provisions of § 26-56-226, §
 4 26-56-227, or § 26-56-228 within three (3) years of any assessment made by
 5 the ~~director~~ secretary for previous violations of any of those provisions,
 6 the ~~director~~ secretary shall assess a penalty of twenty dollars (\$20.00) per
 7 gallon on all the fuel assessed, and for third and subsequent violations
 8 within a three-year period by the same operator or the same person, the
 9 ~~director~~ secretary shall assess a penalty of thirty dollars (\$30.00) per
 10 gallon on all the fuel assessed.

11
 12 SECTION 907. Arkansas Code § 26-56-231 is amended to read as follows:
 13 26-56-231. Rules and regulations.

14 (a) The ~~Director~~ Secretary of the Department of Finance and
 15 Administration, in consultation with the Director of State Highways and
 16 Transportation, shall have the authority to make and promulgate rules and
 17 regulations to fully implement and enforce the provisions of §§ 26-56-223 –
 18 26-56-230.

19 (b) Provisions shall be included in the rules and regulations to allow
 20 any user enumerated in § 26-56-225, upon proper notice and certification to
 21 the ~~Director~~ Secretary of the Department of Finance and Administration that
 22 dyed distillate special fuel is unavailable to that user at that time, to
 23 utilize untaxed, undyed distillate special fuel in motor vehicles belonging
 24 to the users.

25
 26 SECTION 908. The introductory language of Arkansas Code § 26-56-
 27 232(a), concerning electronic reports and electronic funds transfer, is
 28 amended to read as follows:

29 (a) The ~~Director~~ Secretary of the Department of Finance and
 30 Administration shall make all necessary preparations in order that all
 31 reports submitted beginning July 1, 1997, and thereafter, or beginning before
 32 that date, if possible, by:

33
 34 SECTION 909. Arkansas Code § 26-56-232(a)(4), concerning electronic
 35 reports and electronic funds transfer, is amended to read as follows:

36 (4) All other persons required to submit any type of reports to

1 the ~~director~~ secretary pursuant to those tax laws,
 2 shall be submitted by electronic means and to ensure that the reports shall
 3 be processed electronically by the Department of Finance and Administration.
 4

5 SECTION 910. Arkansas Code § 26-56-232(b), concerning electronic
 6 reports and electronic funds transfer, is amended to read as follows:

7 (b) The ~~director~~ secretary shall also make and promulgate rules and
 8 regulations to ensure that the distributors, suppliers, and alternative fuel
 9 suppliers, beginning July 1, 1997, and thereafter, or beginning before that
 10 date, if possible, remit all taxes due the state pursuant to those tax laws
 11 by electronic funds transfer.
 12

13 SECTION 911. Arkansas Code § 26-56-301(b), concerning the levying and
 14 imposition of tax and alternative payment of fees, is amended to read as
 15 follows:

16 (b) However, in lieu of the gallonage tax levied in this section with
 17 respect to liquefied gas special fuels used under this subchapter, except as
 18 otherwise provided herein the ~~Director~~ Secretary of the Department of Finance
 19 and Administration shall require the payment of the fees prescribed in § 26-
 20 56-304 in the case of all vehicles required to obtain liquefied gas special
 21 fuels user's permits under this subchapter, except licensed liquefied gas
 22 special fuels suppliers.
 23

24 SECTION 912. Arkansas Code § 26-56-303(b)-(d), concerning suppliers,
 25 dealers, licenses, and bonds for liquefied gas special fuel, are amended to
 26 read as follows:

27 (b)(1) Application for licenses shall be filed on a form prescribed by
 28 ~~Director~~ the Secretary of the Department of Finance and Administration and
 29 verified by affidavit, and shall show the name, address, and kind of business
 30 of the applicant, a designation of the applicant's principal place of
 31 business, and such other pertinent information as the ~~director~~ secretary may
 32 require.

33 (2) The application must also contain as a condition to the
 34 issuance of the license an agreement under oath by the applicant to comply
 35 with the requirements of this subchapter and the rules and regulations of the
 36 ~~director~~ secretary.

1 (c)(1) Before an application may be approved by the ~~director~~
2 secretary, the applicant shall file a bond with surety satisfactory to the
3 ~~director~~ secretary, payable to the State of Arkansas, and conditioned upon
4 the applicant's compliance with the provisions of this subchapter and the
5 rules and regulations of the ~~director~~ secretary.

6 (2) The bond is to be in the sum of not less than five hundred
7 dollars (\$500) and not more than twenty thousand dollars (\$20,000), the
8 amount to be in each case fixed by the ~~director~~ secretary. However, the
9 amount of the bond may be increased or decreased within the aforementioned
10 limits by the ~~director~~ secretary at any time.

11 (3) No bond shall be cancelled by the sureties thereon until the
12 expiration of sixty (60) days after receipt of notice of the cancellation by
13 the ~~director~~ secretary, and the cancellation shall have no retroactive
14 effect.

15 (d) Upon approval of the application and bond, the ~~director~~ secretary
16 shall issue to the applicant a nontransferable liquefied gas special fuels
17 supplier's license or dealer's license, as the case may be, bearing a
18 distinctive number.

19
20 SECTION 913. Arkansas Code § 26-56-303(f)(2) and (3), concerning
21 suppliers, dealers, licenses, and bonds for liquefied gas special fuel, are
22 amended to read as follows:

23 (2) The application shall be made on a form prescribed by the
24 ~~director~~ secretary showing the name, address, and the supplier or dealer
25 license number of the applicant, the location of the station or facility for
26 which the duplicate is applied, and such other pertinent information as the
27 ~~director~~ secretary may require.

28 (3) Upon approval of the application, the ~~director~~ secretary
29 shall issue to the applicant a nontransferable duplicate of the liquefied gas
30 special fuels supplier's or dealer's license.

31
32 SECTION 914. Arkansas Code § 26-56-304(b) and (c), concerning users'
33 permits for liquefied gas special fuels, are amended to read as follows:

34 (b) The application must be made on a form prescribed by the ~~Director~~
35 Secretary of the Department of Finance and Administration, showing the name,
36 address, and user license number or supplier or dealer license number of the

1 applicant, the make, model, and motor number of the vehicle involved, the
2 type of fuel used therein, and such other pertinent information as the
3 ~~director~~ secretary may require.

4 (c) The fuel user's permit shall be obtained annually before the
5 ~~director~~ secretary shall register and issue a motor vehicle license for the
6 vehicle.

7
8 SECTION 915. The introductory language of Arkansas Code § 26-56-
9 304(d), concerning users' permits for liquefied gas special fuels, is amended
10 to read as follows:

11 (d)(1) At the time of applying for the permit and prior to the
12 registration and issuance of a motor vehicle license for the vehicle, each
13 applicant except licensed liquefied gas special fuels suppliers shall remit
14 to the ~~director~~ secretary, in addition to the regular fee prescribed by law
15 for the registration and licensing of the vehicle, an additional fee in an
16 amount which is determined by the General Assembly, based upon information
17 available from statistical studies of the motor vehicular use of liquefied
18 gas special fuels by various classes of users, as follows:

19
20 SECTION 916. Arkansas Code § 26-56-304(d)(2) and (3), concerning
21 users' permits for liquefied gas special fuels, is amended to read as
22 follows:

23 (2) If the ~~director~~ secretary determines that the flat fee
24 provided herein in lieu of the gallonage tax on liquefied gas special fuels
25 is, in the case of common or contract carriers or other vehicles for hire,
26 inadequate to compensate for the gallonage tax, the ~~director~~ secretary may
27 require the common or contract carriers or owners of other vehicles for hire
28 to pay a fee based upon the actual mileage of the common or contract carrier
29 or vehicle for hire for the previous year, the current year, or any other
30 reasonable basis.

31 (3) The ~~director~~ secretary shall establish regulations for
32 computing the fees and for the enforcement of the collection thereof.

33
34 SECTION 917. Arkansas Code § 26-56-305 is amended to read as follows:

35 26-56-305. Users' permits – Transfer.

36 When a motor vehicle permitted to use liquefied gas special fuels under

1 this subchapter is altered to operate on a fuel other than liquefied gas
2 special fuels or destroyed prior to the expiration of the permit period, the
3 ~~Director~~ Secretary of the Department of Finance and Administration upon the
4 request of the motor vehicle owner within ten (10) days of the conversion or
5 destruction and the payment of a two-dollar transfer fee shall transfer the
6 permit for the remainder of the permit period to another motor vehicle
7 operating on liquefied gas special fuels owned by the person.

8
9 SECTION 918. Arkansas Code § 26-56-306(a), concerning users' permits
10 and window decals for liquefied gas special fuel, is amended to read as
11 follows:

12 (a) The ~~Director~~ Secretary of the Department of Finance and
13 Administration shall promulgate special serially numbered window decals to be
14 issued for motor vehicles for which liquefied gas special fuels user's
15 permits are issued, except motor vehicles of licensed liquefied gas special
16 fuels suppliers, which distinctive window decals shall evidence not only the
17 registration of the motor vehicle but shall evidence the fact that the
18 special permit fee charged under § 26-56-304 has been paid.

19
20 SECTION 919. The introductory language of Arkansas Code § 26-56-
21 308(a), concerning reports and payments of tax by suppliers of liquefied gas
22 special fuels, is amended to read as follows:

23 (a) On or before the twenty-fifth day of each calendar month next
24 following the calendar month for which the report is made, each liquefied gas
25 special fuels supplier shall report to the ~~Director~~ Secretary of the
26 Department of Finance and Administration:

27
28 SECTION 920. Arkansas Code § 26-56-308(a)(6), concerning reports and
29 payments of tax by suppliers of liquefied gas special fuels, is amended to
30 read as follows:

31 (6) Such other information as the ~~director~~ secretary may require
32 by regulation.

33
34 SECTION 921. Arkansas Code § 26-56-308(c), concerning reports and
35 payments of tax by suppliers of liquefied gas special fuels, is amended to
36 read as follows:

1 (c) Each liquefied gas special fuels supplier at the time of filing
2 the monthly report required by this section shall remit to the ~~director~~
3 secretary any and all taxes due on liquefied gas special fuels covered by the
4 report.

5
6 SECTION 922. The introductory language of Arkansas Code § 26-56-309,
7 concerning reports by dealers of liquefied gas special fuels, is amended to
8 read as follows:

9 Every liquefied gas special fuels dealer on or before the twenty-fifth
10 day of the month shall monthly file a report with the ~~Director~~ Secretary of
11 the Department of Finance and Administration for the preceding calendar month
12 showing:

13
14 SECTION 923. Arkansas Code § 26-56-310(a), concerning the
15 discontinuance of a business and the surrender of a license or permit, is
16 amended to read as follows:

17 (a) Whenever any person to whom a liquefied gas special fuels
18 supplier's license, dealer's license, or liquefied gas special fuels user's
19 permit has been issued, discontinues to supply, sell, or use liquefied gas
20 special fuels within the state, the person shall notify the ~~Director~~
21 Secretary of the Department of Finance and Administration in writing of that
22 fact within thirty (30) days thereafter and surrender his or her license or
23 permit to the ~~director~~ secretary.

24
25 SECTION 924. Arkansas Code § 26-56-311 is amended to read as follows:

26 26-56-311. Revocation of supplier's or dealer's license.

27 (a) If a licensed liquefied gas special fuels supplier or dealer fails
28 to file any report required by this subchapter, or falsely or fraudulently
29 files a report, or fails to pay the full amount of the tax levied by this
30 subchapter, or if at any time the surety on the licensee's bond becomes
31 unsatisfactory or inaccessible to the ~~Director~~ Secretary of the Department of
32 Finance and Administration or the bond is discharged or cancelled, and a new
33 bond is not furnished by the licensee within five (5) days after the demand
34 of the ~~director~~ secretary, the ~~director~~ secretary may give notice to the
35 licensee of an intention to revoke his or her license.

36 (b) The licensee shall be entitled to a period of ten (10) days after

1 the mailing of the notice within which to apply for a hearing on the question
2 of having his or her license revoked, and the ~~director~~ secretary shall
3 designate a time and place for the hearing, giving the licensee five (5)
4 days' notice thereof.

5 (c) After the hearing at which the licensee shall be entitled to
6 present evidence and be represented by counsel, the ~~director~~ secretary shall
7 determine whether the licensee's license shall be revoked.

8 (d)(1) Upon the issuance of an order revoking the license, the
9 licensee shall be entitled to appeal to the circuit court in any county in
10 which the licensee may do business, where the question shall be tried de
11 novo, but the ~~director's~~ secretary's order shall be affirmed if supported by
12 substantial evidence.

13 (2) An appeal may be had from the judgment of the circuit court
14 as in other cases as provided by law.

15 (e)(1) If the licensee fails to apply for a hearing within the
16 prescribed time, the ~~director~~ secretary may immediately revoke the license of
17 the licensee and notify the licensee by registered mail, addressed to the
18 last known address of the licensee appearing in the files of the ~~director~~
19 secretary.

20 (2) The ~~director~~ secretary shall also notify the surety company
21 on the licensee's bond in like manner.

22
23 SECTION 925. Arkansas Code § 26-56-312(b), concerning the importation
24 or use of liquefied gas special fuels by an unlicensed person, is amended to
25 read as follows:

26 (b) For the purposes of determining the number of gallons of liquefied
27 gas special fuels consumed in operating on the highways of this state, the
28 liquefied gas special fuels user shall be required to pay to the ~~Director~~
29 Secretary of the Department of Finance and Administration the tax levied by
30 this subchapter on each gallon of liquefied gas special fuels contained in
31 the supply tank of the motor vehicle at the time of entry into the state and
32 upon all liquefied gas special fuels used in this state upon which the tax
33 levied in this subchapter has not been paid.

34
35 SECTION 926. Arkansas Code § 26-56-313(b)(2), concerning purchase of
36 liquefied gas special fuels by an unlicensed person and the payment of taxes,

1 is amended to read as follows:

2 (2) The supplier or dealer shall deliver the original copy to
3 the purchaser and shall retain the duplicate copy for a period of two (2)
4 years for inspection by the ~~Director~~ Secretary of the Department of Finance
5 and Administration or his or her designated agents.

6
7 SECTION 927. Arkansas Code § 26-56-314 is amended to read as follows:
8 26-56-314. Nonresident users.

9 If the ~~Director~~ Secretary of the Department of Finance and
10 Administration deems it necessary for the proper enforcement and collection
11 of the tax on liquefied gas special fuels used in this state against
12 nonresident users, other than occasional nonresident users, the ~~director~~
13 secretary may require the nonresident users to obtain a permit, post bond,
14 and report and remit the tax in the same manner as is required in this
15 subchapter for liquefied gas special fuels suppliers.

16
17 SECTION 928. Arkansas Code § 26-56-315 is amended to read as follows:
18 26-56-315. Conversion of vehicles for use of liquefied gas special
19 fuels.

20 (a)(1) Any liquefied gas special fuels dealer, garage, mechanic,
21 owner, or operator of a motor vehicle who converts or causes a vehicle to be
22 converted to enable the vehicle to be operated on liquefied gas special fuels
23 shall report the conversion to the ~~Director~~ Secretary of the Department of
24 Finance and Administration on forms prescribed by the ~~director~~ secretary
25 within ten (10) days after the conversion.

26 (2) If any owner or operator fails to report a conversion to the
27 ~~director~~ secretary within the time prescribed above, the person shall be
28 assessed a penalty of fifty dollars (\$50.00) which shall be in addition to
29 any criminal penalty provided in this chapter.

30 (b) No person shall convert or equip any motor vehicle for the use of
31 liquefied gas special fuels unless the person is licensed to do so by the
32 Liquefied Petroleum Gas Board and has also made application for and obtained
33 a license as a liquefied gas special fuels converter from the ~~director~~
34 secretary and posted a bond in an amount determined by the ~~director~~ secretary
35 conditioned that the person will report to the ~~director~~ secretary all
36 vehicles so converted by the person as required by this section.

1 (c) It shall be unlawful for any person to operate any vehicle which
2 has been converted or equipped to use liquefied gas special fuels unless the
3 vehicle has been reported to the ~~director~~ secretary and a liquefied gas
4 special fuels user's permit has been obtained therefor as required.

5
6 SECTION 929. Arkansas Code § 26-56-405(b) and (c), concerning the
7 payment of tax by the Arkansas Department of Transportation, are amended to
8 read as follows:

9 (b) For purposes of computing this tax, the department shall use its
10 fuel consumption reports and shall file with the ~~Director~~ Secretary of the
11 Department of Finance and Administration an appropriate monthly report
12 stating the gallons used in the department's motor vehicles and the tax due
13 and payable.

14 (c) The department shall remit the tax due each month to the ~~director~~
15 secretary.

16
17 SECTION 930. Arkansas Code § 26-56-504(a)(1), concerning the
18 disposition of revenues, is amended to read as follows:

19 (a)(1) All taxes, interest, penalties, and costs received by the
20 ~~Director~~ Secretary of the Department of Finance and Administration from the
21 additional taxes and fees levied by this subchapter shall be classified as
22 special revenues and shall be deposited into the State Treasury.

23
24 SECTION 931. Arkansas Code § 26-56-701(1), concerning the definition
25 of "director" under the laws regarding refunds and motor fuel used by fire
26 departments, is amended to read as follows:

27 (1) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
28 Department of Finance and Administration or any of his or her deputies,
29 employees, or agents;

30
31 SECTION 932. Arkansas Code § 26-56-703(a), concerning a refund permit,
32 is amended to read as follows:

33 (a) No fire department shall secure a refund of tax under this
34 subchapter unless the fire department is the holder of an unrevoked permit
35 which was issued by the ~~Director~~ Secretary of the Department of Finance and
36 Administration before the purchase of the motor fuel or the distillate

1 special fuel.

2

3 SECTION 933. Arkansas Code § 26-56-703(c), concerning a refund permit,
4 is amended to read as follows:

5 (c) An application for the permit shall be filed with the ~~director~~
6 secretary on forms prescribed by the ~~director~~ secretary and shall contain
7 such information as the ~~director~~ secretary may require.

8

9 SECTION 934. Arkansas Code § 26-56-703(e), concerning a refund permit,
10 is amended to read as follows:

11 (e) The refund permit of any person who violates any provision of this
12 subchapter shall be revoked by the ~~director~~ secretary and shall not be
13 reissued until two (2) years have elapsed after the date of the revocation.

14

15 SECTION 935. The introductory language of Arkansas Code § 26-56-
16 704(a), concerning applications for a refund, is amended to read as follows:

17 (a) The refund permit holder shall file with the ~~Director~~ Secretary of
18 the Department of Finance and Administration an application for refund on
19 forms furnished by the ~~director~~ secretary which shall include, but not be
20 limited to, the following information:

21

22 SECTION 936. Arkansas Code § 26-56-704(a)(6), concerning applications
23 for a refund, is amended to read as follows:

24 (6) Other information as the ~~director~~ secretary shall require.

25

26 SECTION 937. Arkansas Code § 26-56-704(b)(2), concerning applications
27 for a refund, is amended to read as follows:

28 (2) The application shall be notarized and made to the ~~director~~
29 secretary.

30

31 SECTION 938. Arkansas Code § 26-56-704(d)(1), concerning applications
32 for a refund, is amended to read as follows:

33 (d)(1) The ~~director~~ secretary shall promulgate a rule establishing the
34 annual date for claiming a refund pursuant to this subchapter.

35

36 SECTION 939. Arkansas Code § 26-56-705(b)(1), concerning a refund paid

1 from the Gasoline Tax Refund Fund, is amended to read as follows:

2 (b)(1)(A) The ~~Director~~ Secretary of the Department of Finance and
3 Administration shall annually estimate the amount necessary to pay refunds to
4 the users of distillate special fuel who are entitled to refunds with respect
5 to distillate special fuel taxes paid in this state as authorized in this
6 subchapter.

7 (B) Upon certification by the ~~director~~ secretary, the
8 Treasurer of State shall transfer from the gross amount of distillate special
9 fuel taxes collected each month the amount so certified and shall credit the
10 amount to the fund.

11
12 SECTION 940. Arkansas Code § 26-56-705(e), concerning a refund paid
13 from the Gasoline Tax Refund Fund, is amended to read as follows:

14 (e) Neither the ~~director~~ secretary nor any member or employee of the
15 Department of Finance and Administration shall be held personally liable for
16 making any refund by reason of a fraudulent claim filed as a basis for the
17 refund.

18
19 SECTION 941. Arkansas Code § 26-56-706(a), concerning the inspection
20 and records of fire department refunds, is amended to read as follows:

21 (a) The ~~Director~~ Secretary of the Department of Finance and
22 Administration shall keep a permanent record by fire department of the amount
23 of refund claimed and paid to each claimant.

24
25 SECTION 942. Arkansas Code § 26-56-708 is amended to read as follows:
26 26-56-708. ~~Director's powers~~ Authority of secretary.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 may make, amend, and enforce regulations, subpoena witnesses and documents,
29 administer oaths, and do and perform all other acts necessary to carry out
30 the purpose and intent of this subchapter.

31
32 SECTION 943. Arkansas Code § 26-57-206 is amended to read as follows:
33 26-57-206. Rules.

34 The ~~Director~~ Secretary of the Department of Finance and Administration,
35 the Director of Arkansas Tobacco Control, and the Arkansas Tobacco Control
36 Board may promulgate rules for the proper enforcement of their powers and

1 duties as specifically prescribed by this subchapter.

2
3 SECTION 944. Arkansas Code § 26-57-211(b), concerning the wholesalers
4 payment of taxes, reports, and remittance of taxes in regards to the Arkansas
5 Tobacco Products Tax Act, is amended to read as follows:

6 (b)(1) On or before the fifteenth day of each month, every wholesaler
7 shall file a report for the previous month's tax collections with the
8 ~~Director~~ Secretary of the Department of Finance and Administration.

9 (2) The report shall provide the information prescribed by the
10 ~~director~~ secretary.

11
12 SECTION 945. Arkansas Code § 26-57-211(c)(1)(A)(i), concerning the
13 wholesalers payment of taxes, reports, and remittance of taxes in regards to
14 the Arkansas Tobacco Products Tax Act, is amended to read as follows:

15 (c)(1)(A)(i) When the report under subsection (b) of this section is
16 filed, the wholesaler shall remit to the ~~director~~ secretary with the report
17 ninety-eight percent (98%) of the tax due for the previous month.

18
19 SECTION 946. Arkansas Code § 26-57-211(c)(1)(B), concerning the
20 wholesalers payment of taxes, reports, and remittance of taxes in regards to
21 the Arkansas Tobacco Products Tax Act, is amended to read as follows:

22 (B) If the stamps deputy fails to remit the tax on or
23 before the twentieth day of each applicable month, the wholesaler forfeits
24 his or her claim to the discount described in subdivision (c)(1)(A) of this
25 section, and the wholesaler shall remit to the ~~director~~ secretary one hundred
26 percent (100%) of the amount of tax due, plus any penalty or interest due.

27
28 SECTION 947. Arkansas Code § 26-57-211(d), concerning the wholesalers
29 payment of taxes, reports, and remittance of taxes in regards to the Arkansas
30 Tobacco Products Tax Act of 1977, is amended to read as follows:

31 (d)(1) The ~~director~~ secretary may add a penalty of ten percent (10%)
32 of the tax due to the tax due for the failure to file a report or for the
33 failure to remit the taxes at the time required, or for both.

34 (2) If the ~~director~~ secretary determines there has been an
35 attempt to evade the tax, a penalty of not more than fifty percent (50%) of
36 the tax due shall be added to the tax due.

1
2 SECTION 948. Arkansas Code § 26-57-212(a)(1), concerning wholesalers,
3 warehousemen, reports, payment of taxes, and records in regards to the
4 Arkansas Tobacco Products Tax Act of 1977, is amended to read as follows:

5 (a)(1) Every licensed wholesaler and warehouse that handles, receives,
6 stores, sells, and disposes of tobacco products in any manner in this state
7 shall file a report with the ~~Director~~ Secretary of the Department of Finance
8 and Administration on or before the fifteenth day of each month.

9
10 SECTION 949. Arkansas Code § 26-57-212(b)(3), concerning wholesalers,
11 warehousemen, reports, payment of taxes, and records in regards to the
12 Arkansas Tobacco Products Tax Act of 1977, is amended to read as follows:

13 (3) Any other information about the purchases and sales as may
14 be prescribed by the ~~director~~ secretary.

15
16 SECTION 950. Arkansas Code § 26-57-212(c), concerning wholesalers,
17 warehousemen, reports, payment of taxes, and records in regards to the
18 Arkansas Tobacco Products Tax Act of 1977, is amended to read as follows:

19 (c) All taxes due for the preceding month shall be remitted to the
20 ~~director~~ secretary at the time the report is filed.

21
22 SECTION 951. Arkansas Code § 26-57-213(b), concerning invoices in
23 regards to the Arkansas Cigarette or Tobacco Products Excise Tax, is amended
24 to read as follows:

25 (b) Copies of all invoices for the purchase or sale of any tobacco
26 products, vapor products, alternative nicotine products, or e-liquid products
27 shall be retained by each manufacturer, wholesaler, vendor, and retailer for
28 a period of three (3) years subject to examination by the ~~Director~~ Secretary
29 of the Department of Finance and Administration and the Director of Arkansas
30 Tobacco Control or their authorized agents upon demand at any time during
31 regular business hours.

32
33 SECTION 952. Arkansas Code § 26-57-215(b)(1), concerning the types of
34 permits and licenses in regards to the Arkansas Tobacco Products Tax Act of
35 1977, is amended to read as follows:

36 (b)(1) In addition to securing a permit or license under subsection

1 (a) of this section, a manufacturer whose products are sold in this state
2 shall register with the ~~Director~~ Secretary of the Department of Finance and
3 Administration. A manufacturer whose products are sold in this state is not
4 required to obtain a dealer's license for an employee operating as the
5 manufacturer's sales representative if the manufacturer holds a license or
6 permit under subsection (a) of this section.

7
8 SECTION 953. Arkansas Code § 26-57-219(c), concerning permits,
9 licenses, and annual privilege tax in regards to the Arkansas Tobacco
10 Products Tax Act of 1977, is amended to read as follows:

11 (c) A permit or license issued under this subchapter shall not be
12 renewed for a permit or license holder who is delinquent more than ninety
13 (90) days on a privilege fee, tax relating to the sale or dispensing of
14 cigarettes or tobacco products, or any other state and local tax due the
15 ~~Director~~ Secretary of the Department of Finance and Administration.

16
17
18 SECTION 954. Arkansas Code § 26-57-224(b), concerning a vendor's bond
19 in regards to the Arkansas Tobacco Products Tax Act of 1977, is amended to
20 read as follows:

21 (b) The bond shall be conditioned upon the faithful performance of the
22 duties and obligations imposed by this subchapter and the regulations
23 promulgated by the ~~Director~~ Secretary of the Department of Finance and
24 Administration.

25
26 SECTION 955. Arkansas Code § 26-57-224(d), concerning a vendor's bond
27 in regards to the Arkansas Tobacco Products Tax Act of 1977, is amended to
28 read as follows:

29 (d) This bond shall be executed by a solvent surety company authorized
30 to do business in this state or other responsible surety approved by the
31 ~~director~~ secretary.

32
33
34 SECTION 956. Arkansas Code § 26-57-229(c), concerning a licensee as a
35 wholesaler and retailer, is amended to read as follows:

36 (c) Records shall be kept on forms prescribed by the ~~Director~~

1 Secretary of the Department of Finance and Administration.
2

3 SECTION 957. Arkansas Code § 26-57-230(a), concerning common carriers
4 in regards to the Arkansas Tobacco Products Tax Act of 1977, is amended to
5 read as follows:

6 (a) Common carriers transporting tobacco products, vapor products,
7 alternative nicotine products, or e-liquid products may be required by the
8 ~~Director~~ Secretary of the Department of Finance and Administration or the
9 Director of Arkansas Tobacco Control to give a statement of all consignments
10 of tobacco products, vapor products, alternative nicotine products, or e-
11 liquid products showing date, point of origin, point of delivery, and to whom
12 delivered.
13

14 SECTION 958. Arkansas Code § 26-57-230(b) and (c), concerning common
15 carriers in regards to the Arkansas Tobacco Products Tax Act of 1977, are
16 amended to read as follows:

17 (b) All common carriers shall permit their records relating to
18 shipment or receipt of tobacco products, vapor products, alternative nicotine
19 products, or e-liquid products to be examined by the ~~Director~~ Secretary of
20 the Department of Finance and Administration, the Director of Arkansas
21 Tobacco Control, or their agents.

22 (c) A person who fails or refuses to give the statement, reports, or
23 invoices required by this section or who refuses to permit the ~~Director~~
24 Secretary of the Department of Finance and Administration or the Director of
25 Arkansas Tobacco Control to examine the person's records is guilty of a Class
26 C misdemeanor.
27

28 SECTION 959. Arkansas Code § 26-57-232(a)(3), concerning wholesalers,
29 restrictions, and criminal violations in regards to the Arkansas Tobacco
30 Products Tax Act of 1977, is amended to read as follows:

31 (3) The wholesaler before selling, delivering, or otherwise
32 disposing of cigarettes to retailers in this state shall affix stamps of the
33 proper denominations to show that the tax has been paid. The stamp shall be
34 affixed in the manner prescribed by the ~~Director~~ Secretary of the Department
35 of Finance and Administration; and
36

1 SECTION 960. Arkansas Code § 26-57-232(b), concerning wholesalers,
2 restrictions, and criminal violations in regards to the Arkansas Tobacco
3 Products Tax Act of 1977, is amended to read as follows:

4 (b) Any wholesaler who fails or refuses to affix or cancel the stamps
5 or who fails or refuses to keep the records or who fails or refuses to
6 furnish the statements and information or make the reports as required by
7 this subchapter or as prescribed by the ~~Director~~ Secretary of the Department
8 of Finance and Administration and the Director of Arkansas Tobacco Control,
9 or who violates any of the requirements of §§ 26-57-212, 26-57-229, and 26-
10 57-242 is guilty of a violation for the first offense and a Class C
11 misdemeanor for each additional offense.

12
13 SECTION 961. Arkansas Code § 26-57-234(a)(4)(A), concerning retailers,
14 vendors, restrictions, and violations, is amended to read as follows:

15 (4)(A) The retailer shall keep records showing the description
16 and date of the receipt of each lot of tobacco products, vapor products,
17 alternative nicotine products, or e-liquid products, from whom purchased, and
18 when received on the premises, or any other requirements prescribed by the
19 ~~Director~~ Secretary of the Department of Finance and Administration.

20
21 SECTION 962. Arkansas Code § 26-57-234(a)(5), concerning retailers,
22 vendors, restrictions, and violations, is amended to read as follows:

23 (5) The ~~Director~~ Secretary of the Department of Finance and
24 Administration may require retailer reports covering receipts and sales of
25 tobacco products monthly or for any other period; and

26
27 SECTION 963. Arkansas Code § 26-57-234(c), concerning retailers,
28 vendors, restrictions, and violations, is amended to read as follows:

29 (c) A retailer or vendor who fails or refuses to retain in his or her
30 files invoices of tobacco products, vapor products, alternative nicotine
31 products, or e-liquid products, and stamps, or who fails or refuses to
32 furnish the statements and information or make the reports concerning
33 receipts and sales of tobacco products, vapor products, alternative nicotine
34 products, or e-liquid products, as required by this subchapter or prescribed
35 by the ~~Director~~ Secretary of the Department of Finance and Administration, or
36 who violates any of the requirements of this section, is guilty of a

1 violation.

2

3 SECTION 964. Arkansas Code § 26-57-235(b), concerning cigarette
4 stamps, is amended to read as follows:

5 (b) The ~~Director~~ Secretary of the Department of Finance and
6 Administration shall prescribe the kind of stamps to be used in the
7 administration of this subchapter.

8

9 SECTION 965. Arkansas Code § 26-57-235(c)(1) and (2), concerning
10 cigarette stamps, are amended to read as follows:

11 (c)(1) The ~~director~~ secretary shall prepare and maintain an adequate
12 supply of cigarette stamps.

13 (2) The ~~director~~ secretary shall require a printer's certificate
14 with each set of stamps delivered.

15

16 SECTION 966. Arkansas Code § 26-57-235(c)(4)(A), concerning cigarette
17 stamps, is amended to read as follows:

18 (4)(A) All stamps prescribed by the ~~director~~ secretary for
19 affixation to cigarette packages shall be designed and furnished in such a
20 fashion as to permit identification of the person that affixed the stamp to
21 the particular package of cigarettes by means of a number or other mark on
22 the stamp.

23

24 SECTION 967. Arkansas Code § 26-57-236(a), concerning the appointment,
25 revocation, and reporting of stamp deputies, is amended to read as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
27 Administration shall furnish tax stamps to licensed wholesalers through stamp
28 deputies.

29

30 SECTION 968. Arkansas Code § 26-57-236(b)(1), concerning the
31 appointment, revocation, and reporting of stamp deputies, is amended to read
32 as follows:

33 (b)(1) The ~~director~~ secretary may appoint and commission stamp
34 deputies to handle the stamps and collect the tax on cigarettes before sales
35 of cigarettes are made to the retailers.

36

1 SECTION 969. The introductory language of Arkansas Code § 26-57-
2 236(b)(2), concerning the appointment, revocation, and reporting of stamp
3 deputies, is amended to read as follows:

4 (2) The ~~director~~ secretary shall not appoint and commission a
5 person as a stamp deputy unless the person:

6
7 SECTION 970. Arkansas Code § 26-57-236(b)(2)(B), concerning the
8 appointment, revocation, and reporting of stamp deputies, is amended to read
9 as follows:

10 (B) Certifies each calendar quarter on a form prescribed
11 by the ~~director~~ secretary that the person has and will comply with the
12 requirements of this subchapter;

13
14 SECTION 971. The introductory language of Arkansas Code § 26-57-
15 236(b)(2)(E), concerning the appointment, revocation, and reporting of stamp
16 deputies, is amended to read as follows:

17 (E) Waives the confidentiality laws necessary to permit
18 the ~~director~~ secretary to:

19
20 SECTION 972. Arkansas Code § 26-57-236(b)(2)(E)(ii), concerning the
21 appointment, revocation, and reporting of stamp deputies, is amended to read
22 as follows:

23 (ii) Share information reported under this
24 subchapter and other laws with the taxing authorities or law enforcement
25 authorities of other states or with any other entity permitted by the
26 ~~director~~ secretary to aggregate the data;

27
28 SECTION 973. Arkansas Code § 26-57-236(b)(2)(F), concerning the
29 appointment, revocation, and reporting of stamp deputies, is amended to read
30 as follows:

31 (F) Has furnished a bond in an amount and in the form
32 prescribed by the ~~director~~ secretary; and

33
34 SECTION 974. Arkansas Code § 26-57-236(b)(3) and (4), concerning the
35 appointment, revocation, and reporting of stamp deputies, are amended to read
36 as follows:

1 (3) An appointment and commission as a stamp deputy by the
 2 ~~director~~ secretary is effective for one (1) year.

3 (4) A stamp deputy acting within the scope of the stamp deputy's
 4 authority is an agent of the ~~director~~ secretary and is accountable as such
 5 for any wrongful acts.

6
 7 SECTION 975. Arkansas Code § 26-57-236(b)(6)(A), concerning the
 8 appointment, revocation, and reporting of stamp deputies, is amended to read
 9 as follows:

10 (6)(A) The ~~director~~ secretary shall list on the website of the
 11 Department of Finance and Administration the names of all persons appointed
 12 and commissioned as stamp deputies under this section.

13
 14 SECTION 976. The introductory language of Arkansas Code § 26-57-
 15 236(c)(4)(A), concerning the appointment, revocation, and reporting of stamp
 16 deputies, are amended to read as follows:

17 (4)(A) The ~~director~~ secretary shall:

18
 19 SECTION 977. Arkansas Code § 26-57-236(e)(1)(A), concerning the
 20 appointment, revocation, and reporting of stamp deputies, is amended to read
 21 as follows:

22 (e)(1)(A) By the fifteenth day of each month, a stamp deputy shall
 23 file a report in the form prescribed by the ~~director~~ secretary, and the stamp
 24 deputy shall certify to the state that the report is complete and accurate.

25
 26 SECTION 978. Arkansas Code § 26-57-236(e)(1)(B)(v), concerning the
 27 appointment, revocation, and reporting of stamp deputies, is amended to read
 28 as follows:

29 (v) Any additional information required by the
 30 ~~director~~ secretary to assist in the enforcement of this chapter, §§ 26-57-260
 31 and 26-57-261, and §§ 26-57-1301 – 26-57-1308.

32
 33 SECTION 979. Arkansas Code § 26-57-236(e)(2) and (3), concerning the
 34 appointment, revocation, and reporting of stamp deputies, are amended to read
 35 as follows:

36 (2) In addition to the reports submitted under this section, the

1 stamp deputy shall submit any information required by the ~~director~~ secretary,
2 including without limitation the manufacturer, brand family, and number of
3 the cigarettes on which the reports are submitted.

4 (3) The ~~director~~ secretary may share the information reported
5 under this section with the taxing authorities or law enforcement authorities
6 of Arkansas or another state or with any other entity permitted by the
7 ~~director~~ secretary to aggregate the data.

8
9 SECTION 980. Arkansas Code § 26-57-236(f)(1), concerning the
10 appointment, revocation, and reporting of stamp deputies, is amended to read
11 as follows:

12 (f)(1) The ~~director~~ secretary shall pay a commission to each stamp
13 deputy for the sale of cigarette tax stamps, the affixing of a cigarette tax
14 stamp to each package of cigarettes, and the collection of cigarette taxes.

15
16 SECTION 981. Arkansas Code § 26-57-237(a), concerning cigarette
17 stamps, sale, and delivery, is amended to read as follows:

18 (a) The ~~Director~~ Secretary of the Department of Finance and
19 Administration or the ~~director's~~ secretary's stamp deputy may sell or deliver
20 cigarette stamps only to licensed wholesalers.

21
22 SECTION 982. Arkansas Code § 26-57-237(c)(1), concerning cigarette
23 stamps, sale, and delivery, is amended to read as follows:

24 (c)(1) Any cigarette or tobacco products wholesaler or any other
25 person required by law to affix cigarette tax stamps to cigarettes sold or
26 offered for sale in this state shall have the option to receive the stamps
27 directly from the ~~director~~ secretary or to request that the stamps be shipped
28 to the person in a manner to be selected by the ~~director~~ secretary.

29
30 SECTION 983. Arkansas Code § 26-57-237(c)(4), concerning cigarette
31 stamps, sale, and delivery, is amended to read as follows:

32 (4) A wholesaler or other person who chooses a method of
33 shipment other than the method selected by the ~~director~~ secretary shall pay
34 the ~~director~~ secretary for the stamps prior to shipment.

35
36 SECTION 984. Arkansas Code § 26-57-238 is amended to read as follows:

1 26-57-238. Cigarette stamps – Refund on unsold, returned cigarettes.
2 When cigarettes to which stamps have been affixed are unsold and are
3 returned by the retailer or the wholesaler who paid tax on them to the
4 wholesaler or manufacturer from whom they were originally purchased, refund
5 of the tax paid on the cigarettes may be made in the manner prescribed by the
6 ~~Director~~ Secretary of the Department of Finance and Administration.

7
8 SECTION 985. Arkansas Code § 26-57-244(a), concerning the possession
9 of untaxed, unstamped products, notice, and prima facie evidence, is amended
10 to read as follows:

11 (a) It is unlawful for a person to receive or have in the person's
12 possession for sale, consumption, or any other purpose, any untaxed tobacco
13 products or unstamped cigarettes unless the tax prescribed by this subchapter
14 has been paid directly to the ~~Director~~ Secretary of the Department of Finance
15 and Administration by the person in possession of the untaxed tobacco
16 products or unstamped cigarettes.

17
18 SECTION 986. Arkansas Code § 26-57-244(c), concerning the possession
19 of untaxed, unstamped products, notice, and prima facie evidence, is amended
20 to read as follows:

21 (c) If tax has been paid to the ~~director~~ secretary on any untaxed
22 tobacco products or unstamped cigarettes, a consumer may establish proof of
23 the payment by providing a receipt or any other documentation that clearly
24 indicates that the tax was paid.

25
26 SECTION 987. Arkansas Code § 26-57-244(f)(2)-(4), concerning the
27 possession of untaxed, unstamped products, notice, and prima facie evidence,
28 are amended to read as follows:

29 (2) The tax due shall be reported on forms provided by the
30 ~~director~~ secretary on or before the fifteenth day of the month following the
31 month in which the untaxed purchase was made.

32 (3) The report shall provide the information prescribed by the
33 ~~director~~ secretary.

34 (4) When a report is filed, the consumer shall remit the full
35 amount of tax due on the untaxed purchase to the ~~director~~ secretary.

36

1 SECTION 988. Arkansas Code § 26-57-244(g), concerning the possession
2 of untaxed, unstamped products, notice, and prima facie evidence, are amended
3 to read as follows:

4 (g) The ~~director~~ secretary is authorized to directly assess the excise
5 tax due on any untaxed tobacco products or unstamped cigarettes against a
6 consumer who purchases the items and fails to report and remit the excise tax
7 due in a timely manner.

8
9 SECTION 989. The introductory language of Arkansas Code § 26-57-
10 244(i)(1)(B), concerning the possession of untaxed, unstamped products,
11 notice, and prima facie evidence, are amended to read as follows:

12 (B) Provides on at least a monthly basis and on the form
13 prescribed by the ~~director~~ secretary a report indicating the following for
14 each brand family:

15
16 SECTION 990. The introductory language of Arkansas Code § 26-57-
17 244(i)(2)(C), concerning the possession of untaxed, unstamped products,
18 notice, and prima facie evidence, are amended to read as follows:

19 (C) Provides on at least a monthly basis and on the form
20 prescribed by the ~~director~~ secretary a report indicating the following for
21 each brand family:

22
23 SECTION 991. Arkansas Code § 26-57-244(i)(3)(A)(iii), concerning the
24 possession of untaxed, unstamped products, notice, and prima facie evidence,
25 are amended to read as follows:

26 (iii) If the wholesaler's facility to which the
27 cigarettes are transferred is located outside of Arkansas, the wholesaler
28 shall report the quantity and brand of the cigarettes to the ~~director~~
29 secretary, the Attorney General, and the taxing authority of the other state
30 within fifteen (15) days following the end of the month in which the transfer
31 was made.

32
33 SECTION 992. Arkansas Code § 26-57-247(b)(1), concerning the seizure,
34 forfeiture, and disposition of tobacco products and other property, is
35 amended to read as follows:

36 (1) Prima facie evidence exists that the full amount of excise

1 tax due on the tobacco products has not been paid to the ~~Director~~ Secretary
2 of the Department of Finance and Administration;

3
4 SECTION 993. Arkansas Code § 26-57-250(a), concerning party defendants
5 in a civil action to recover tax and penalties, is amended to read as
6 follows:

7 (a) When the ~~Director~~ Secretary of the Department of Finance and
8 Administration finds from investigation that the state has lost tax revenue
9 because of the evasion of any provision of this subchapter, the ~~director~~
10 secretary may bring suit in the proper court to recover the tax and
11 penalties.

12
13 SECTION 994. Arkansas Code § 26-57-251(a), concerning criminal actions
14 and civil actions brought in the name of the Director of the Department of
15 Finance and Administration, is amended to read as follows:

16 (a) All civil actions arising under this subchapter shall be brought
17 by and in the name of the ~~Director~~ Secretary of the Department of Finance and
18 Administration or the Director of Arkansas Tobacco Control, whichever is
19 appropriate under the provisions of this subchapter.

20
21 SECTION 995. Arkansas Code § 26-57-256(a)(4)(C)(i), concerning the
22 powers of the Arkansas Tobacco Control Board, is amended to read as follows:

23 (C)(i) Each year the board shall provide a list of all
24 applicants for the issuance or renewal of all tobacco, vapor product,
25 alternative nicotine product, or e-liquid product permits and licenses to the
26 ~~Director~~ Secretary of the Department of Finance and Administration.

27
28 SECTION 996. Arkansas Code § 26-57-257(c), concerning the Director of
29 Arkansas Tobacco Control, is amended to read as follows:

30 (c) The Director of Arkansas Tobacco Control, in consultation with the
31 Secretary of the Department of Finance and Administration, may employ other
32 personnel as he or she deems necessary and as authorized by the General
33 Assembly.

34
35 SECTION 997. Arkansas Code § 26-57-257(p), concerning the Director of
36 Arkansas Tobacco Control, is amended to clarify the duties of the director to

1 read as follows:

2 (p) The Director of Arkansas Tobacco Control shall have other powers,
3 functions, and duties pertaining to the issuance, suspension, and revocation
4 of the permits and licenses enumerated in § 26-57-219 ~~that previously were~~
5 ~~granted to the Director of the Department of Finance and Administration,~~
6 except those that are specifically delegated to the Department of Finance and
7 Administration by this subchapter.

8

9 SECTION 998. Arkansas Code § 26-57-257(q)(1)(C), concerning the
10 Director of Arkansas Tobacco Control, is amended to read as follows:

11 (C) Failure to timely and fully pay any other state and
12 local taxes as reported by the ~~Director~~ Secretary of the Department of
13 Finance and Administration shall also constitute grounds for the nonissuance,
14 suspension, revocation, or nonrenewal of any permits or licenses issued by
15 the board.

16

17 SECTION 999. Arkansas Code § 26-57-257(q)(2)(A), concerning the
18 Director of Arkansas Tobacco Control, is amended to read as follows:

19 (2)(A) Each year the ~~Director~~ Secretary of the Department of
20 Finance and Administration shall report to the Director of Arkansas Tobacco
21 Control all permit and license holders who are more than ninety (90) days
22 delinquent on any state and local taxes.

23

24 SECTION 1000. Arkansas Code § 26-57-257(q)(3)(B), concerning the
25 Director of Arkansas Tobacco Control, is amended to read as follows:

26 (B) This notice shall inform the permit or license holder
27 that he or she is delinquent on payment of state and local taxes due the
28 ~~Director~~ Secretary of the Department of Finance and Administration and that
29 the permit or license holder will be unable to obtain or renew the permit or
30 license that he or she holds until such time as the person becomes current in
31 the payment of the tax due the ~~Director~~ Secretary of the Department of
32 Finance and Administration, or until such time as the person enters into a
33 valid repayment agreement with the department for the payment of the
34 delinquent tax.

35

36 SECTION 1001. Arkansas Code § 26-57-262(c)(6), concerning the sale of

1 export cigarettes, is amended to read as follows:

2 (6) On or before the fifteenth business day of each month, each
3 person licensed to affix the state tax stamp to cigarettes shall file with
4 the ~~Director~~ Secretary of the Department of Finance and Administration for
5 all cigarettes imported into the United States to which the person has
6 affixed the tax stamp in the preceding month copies of the customs
7 certificates with respect to the cigarettes required to be submitted by 19
8 U.S.C. § 1681a(c).

9
10 SECTION 1002. Arkansas Code § 26-57-263(b)(2)(B)(i), concerning
11 cigarette inputs and cigarette rolling machines, is amended to read as
12 follows:

13 (B)(i) A civil penalty of up to fifty thousand dollars
14 (\$50,000) in any action brought by the ~~Director~~ Secretary of the Department
15 of Finance and Administration, the Director of Arkansas Tobacco Control, or
16 the Attorney General.

17
18 SECTION 1003. Arkansas Code § 26-57-264(a), concerning information to
19 be provided to the Attorney General, is amended to read as follows:

20 (a) Upon request of the Attorney General, any information provided to
21 the ~~Director~~ Secretary of the Department of Finance and Administration or the
22 Director of Arkansas Tobacco Control shall be provided to the Attorney
23 General.

24
25 SECTION 1004. Arkansas Code § 26-57-404(b), concerning privilege taxes
26 on amusement devices, is amended to read as follows:

27 (b) The ~~Director~~ Secretary of the Department of Finance and
28 Administration shall collect for each amusement device the full annual
29 license fee when paid during the first six (6) months of the fiscal year, but
30 any license fee paid during the last six (6) months of the fiscal year shall
31 be upon the basis of one-half ($\frac{1}{2}$) of the annual tax.

32
33 SECTION 1005. Arkansas Code § 26-57-405(a), concerning the license tag
34 for machines, is amended to read as follows:

35 (a) Upon payment of the tax provided for in § 26-57-404, the ~~Director~~
36 Secretary of the Department of Finance and Administration will issue a

1 license tag.

2

3 SECTION 1006. Arkansas Code § 26-57-406 is amended to read as follows:

4 26-57-406. Unlicensed games a public nuisance – Seizure and sale –

5 Redemption.

6 Every amusement device as defined in § 26-57-402 upon which the
7 individual privilege tax of five dollars (\$5.00) has not been paid is
8 declared to be a public nuisance and may be seized by any authorized agent of
9 the Department of Finance and Administration and sold by the ~~Director~~
10 Secretary of the Department of Finance and Administration on an order of the
11 Pulaski County Circuit Court. However, the owner of the amusement device
12 shall have the privilege of redeeming the amusement device within ten (10)
13 days by paying the tax due and costs.

14

15 SECTION 1007. Arkansas Code § 26-57-411(a), concerning the requirement
16 for a surety bond for a license, is amended to read as follows:

17 (a) Prior to the issuance or renewal of any license under this
18 subchapter, the ~~Director~~ Secretary of the Department of Finance and
19 Administration shall require the applicant to procure a suitable surety bond
20 in the principal sum of six thousand dollars (\$6,000) to insure the faithful
21 and prompt payment of all sales taxes, use taxes, or privilege taxes which
22 may become due in connection with the operation of the licensed business and
23 to secure the faithful performance of all duties and obligations imposed by
24 this subchapter.

25

26 SECTION 1008. Arkansas Code § 26-57-412(a) and (b), concerning the
27 issuance of a license for a coin-operated amusement device, are amended to
28 read as follows:

29 (a) Licenses for the privilege of owning, operating, or leasing coin-
30 operated amusement devices shall be issued by the ~~Director~~ Secretary of the
31 Department of Finance and Administration.

32 (b) Applications for the licenses shall be on a form prescribed by the
33 ~~director~~ secretary.

34

35 SECTION 1009. Arkansas Code § 26-57-413(a), concerning licenses,
36 revocation, or suspension in regards to coin-operated amusement devices, is

1 amended to read as follows:

2 (a) The ~~Director~~ Secretary of the Department of Finance and
3 Administration may revoke or suspend the license authorized under this
4 subchapter for cause.

5

6 SECTION 1010. Arkansas Code § 26-57-413(c), concerning licenses,
7 revocation, or suspension in regards to coin-operated amusement devices, is
8 amended to read as follows:

9 (c) The licensee shall have fifteen (15) days in which to notify the
10 ~~director~~ secretary that a hearing is desired, after which time a hearing
11 shall be had not less than fifteen (15) days subsequent to the expiration of
12 the fifteen-day period of notice.

13

14 SECTION 1011. Arkansas Code § 26-57-413(d)(1), concerning licenses,
15 revocation, or suspension in regards to coin-operated amusement devices, is
16 amended to read as follows:

17 (d)(1) Any licensee whose license has been revoked or suspended may
18 appeal to the Pulaski County Circuit Court within twenty (20) days after
19 revocation or suspension by filing a copy of the notice of the revocation or
20 suspension with the clerk of the circuit court and causing a summons to be
21 served on the ~~director~~ secretary.

22

23 SECTION 1012. Arkansas Code § 26-57-414(b)(1), concerning a coin-
24 operated amusement device, is amended to read as follows:

25 (b)(1) A coin-operated amusement device owned, operated, or leased
26 without first obtaining the license prescribed in § 26-57-412 shall be seized
27 by an authorized agent of the Revenue Division of the Department of Finance
28 and Administration and sold by the ~~Director~~ Secretary of the Department of
29 Finance and Administration at public auction on an order of the Pulaski
30 County Circuit Court.

31

32 SECTION 1013. Arkansas Code § 26-57-415(a), concerning the
33 notification of purchase or lease of an amusement device, is amended to read
34 as follows:

35 (a) All licensees under this subchapter within ten (10) days of the
36 date of purchase or lease of any amusement device upon which an annual

1 privilege tax is levied by the state shall furnish the ~~Director~~ Secretary of
2 the Department of Finance and Administration with a copy of the invoice or
3 lease agreement, showing the description and serial number of the amusement
4 device and evidence that the Arkansas sales tax has been paid.

5
6 SECTION 1014. Arkansas Code § 26-57-416(c), concerning a lessor's
7 records and sales taxes, is amended to read as follows:

8 (c) All records required to be kept by the licensee under the
9 provision of this subchapter shall be made available to the ~~Director~~
10 Secretary of the Department of Finance and Administration within a reasonable
11 time after request or the license of the offending licensee may be revoked as
12 provided in this subchapter.

13
14 SECTION 1015. Arkansas Code § 26-57-419(a) and (b), concerning a
15 licenses to sell coin-operated amusement devices, are amended to read as
16 follows:

17 (a) Licenses to sell coin-operated amusement devices shall be issued
18 by the ~~Director~~ Secretary of the Department of Finance and Administration.

19 (b) Applications for the licenses shall be on a form prescribed by the
20 ~~director~~ secretary.

21
22 SECTION 1016. Arkansas Code § 26-57-419(f)(1), concerning a licenses
23 to sell coin-operated amusement devices, are amended to read as follows:

24 (f)(1) The ~~director~~ secretary may revoke or suspend the licenses for
25 cause.

26
27 SECTION 1017. Arkansas Code § 26-57-419(f)(3), concerning a licenses
28 to sell coin-operated amusement devices, is amended to read as follows:

29 (3) The licensee shall have fifteen (15) days in which to notify
30 the ~~director~~ secretary that a hearing is desired, after which time a hearing
31 shall be held not less than fifteen (15) days subsequent to the expiration of
32 the fifteen-day period of notice.

33
34 SECTION 1018. Arkansas Code § 26-57-419(f)(4)(A), concerning a
35 licenses to sell coin-operated amusement devices, is amended to read as
36 follows:

1 (4)(A) Any licensee whose license has been revoked or suspended
2 may appeal to the Pulaski County Circuit Court by filing a copy of the notice
3 of revocation or suspension with the clerk of the court within twenty (20)
4 days of receipt thereof and causing the issuance of a summons to be served on
5 the ~~director~~ secretary. The hearing shall be de novo in the Pulaski County
6 Circuit Court.

7
8 SECTION 1019. Arkansas Code § 26-57-502 is amended to read as follows:
9 26-57-502. Regulation and licensing.

10 The regulation and licensing of the business conducted in this state by
11 what is known as travel bureaus or travel services operating for the purpose
12 of securing transportation in private automobiles from one (1) destination to
13 another on the share-expense basis both within and without the State of
14 Arkansas is placed in the Revenue Division of the Department of Finance and
15 Administration, and the ~~Director~~ Secretary of the Department of Finance and
16 Administration is authorized to license and collect the fees therefor and
17 enforce this subchapter in its entirety by due process of law.

18
19 SECTION 1020. Arkansas Code § 26-57-503 is amended to read as follows:
20 26-57-503. Notice of engaging in business.

21 (a) Any person, firm, partnership, limited liability company, or
22 corporation in this state who shall enter into or conduct such a business as
23 is described in § 26-57-502 immediately upon engaging in or commencing the
24 business shall notify the ~~Director~~ Secretary of the Department of Finance and
25 Administration by letter of that fact, setting forth the date of commencement
26 and stating his or her intention to abide by all the provisions of this
27 subchapter.

28 (b) The notice shall be filed by the ~~director~~ secretary in such manner
29 as will enable the ~~director~~ secretary to properly inspect and record the
30 latter compliance of the person with the provisions of this subchapter.

31
32 SECTION 1021. Arkansas Code § 26-57-506 is amended to read as follows:
33 26-57-506. Disposition of tax.

34 The ~~Director~~ Secretary of the Department of Finance and Administration
35 shall remit the funds so collected to the State Treasury, and the Treasurer
36 of State is directed to credit all the moneys to the Old Age Pension Fund.

1
2 SECTION 1022. Arkansas Code § 26-57-801(c) and (d), concerning excise
3 taxes, are amended to read as follows:

4 (c) The tax shall be remitted to the ~~Director~~ Secretary of the
5 Department of Finance and Administration at the same time and in the same
6 manner as prescribed by the Arkansas Tobacco Products Tax Act of 1977, § 26-
7 57-201 et seq.

8 (d) The ~~director~~ secretary shall promulgate such regulations as the
9 ~~director~~ secretary deems necessary for the implementation of this section.

10
11 SECTION 1023. Arkansas Code § 26-57-802(e), concerning additional
12 taxes, applicability, reporting, and remitting, is amended to read as
13 follows:

14 (e) As provided in § 26-57-244, the ~~Director~~ Secretary of the
15 Department of Finance and Administration may make a direct assessment of
16 excise tax against any person in possession of an untaxed tobacco product or
17 unstamped cigarettes.

18
19 SECTION 1024. Arkansas Code § 26-57-804(e), concerning an additional
20 tax of twelve dollars and fifty cents on cigarettes, is amended to read as
21 follows:

22 (e) The ~~Director~~ Secretary of the Department of Finance and
23 Administration shall pay the commission authorized by § 26-57-236 with
24 respect to the tax levied by this section.

25
26 SECTION 1025. Arkansas Code § 26-57-804(g), concerning an additional
27 tax of twelve dollars and fifty cents on cigarettes, is amended to read as
28 follows:

29 (g) As provided in § 26-57-244, the ~~director~~ secretary may make a
30 direct assessment of excise tax against any person in possession of unstamped
31 cigarettes.

32
33 SECTION 1026. Arkansas Code § 26-57-805(e), concerning an additional
34 tax of seven percent on tobacco products other than cigarettes, is amended to
35 read as follows:

36 (e) As provided in § 26-57-244, the ~~Director~~ Secretary of the

1 Department of Finance and Administration may make a direct assessment of
2 excise tax against any person in possession of an untaxed tobacco product.

3
4 SECTION 1027. Arkansas Code § 26-57-806(f), concerning an additional
5 tax of twenty-eight dollars on cigarettes, is amended to read as follows:

6 (f) As provided in § 26-57-244, the ~~Director~~ Secretary of the
7 Department of Finance and Administration may make a direct assessment of
8 excise tax against any person in possession of unstamped cigarettes.

9
10 SECTION 1028. Arkansas Code § 26-57-807(f), concerning an additional
11 tax of thirty-six percent on tobacco products other than cigarettes, is
12 amended to read as follows:

13 (f) As provided in § 26-57-244, the ~~Director~~ Secretary of the
14 Department of Finance and Administration may make a direct assessment of
15 excise tax against any person in possession of an untaxed tobacco product.

16
17 SECTION 1029. Arkansas Code § 26-57-902(3), concerning the definition
18 of "director" under the Arkansas Soft Drink Tax Act, is repealed.

19 ~~(3) "Director" means the Director of the Department of Finance~~
20 ~~and Administration or his or her authorized agent;~~

21
22 SECTION 1030. Arkansas Code § 26-57-905(6), concerning exemptions from
23 certain taxes, is amended to read as follows:

24 (6) Syrups, simple syrups, powders or base products, or soft
25 drinks sold by one distributor, wholesaler, or manufacturer to another
26 distributor, wholesaler, or manufacturer who holds a license issued by the
27 ~~Director~~ Secretary of the Department of Finance and Administration under the
28 provisions of § 26-57-909 as a distributor, wholesaler, or manufacturer,
29 provided that the license number of the distributor, wholesaler, or
30 manufacturer to whom the soft drink is sold is clearly shown on the invoice
31 for the sale which is claimed to be exempt. This exemption shall not apply to
32 any sale to a retailer;

33
34 SECTION 1031. Arkansas Code § 26-57-906(b) and (c), concerning the
35 reporting of taxes, are amended to read as follows:

36 (b) The distributor, wholesaler, or manufacturer and any retailer

1 subject to this tax shall file a monthly return and remit the tax for the
 2 month to the ~~Director~~ Secretary of the Department of Finance and
 3 Administration on or before the fifteenth day of the month next following the
 4 month in which the sale or purchase was made.

5 (c)(1) The returns shall be made upon forms prescribed and furnished
 6 by the ~~director~~ secretary and signed by the person required to collect and
 7 remit the tax or the person's agent.

8 (2) The return shall contain such information as the ~~director~~
 9 secretary shall require for the proper administration of this subchapter.

10
 11 SECTION 1032. Arkansas Code § 26-57-909(a) and (b), concerning
 12 licenses for soft drinks, are amended to read as follows:

13 (a) All distributors, wholesalers, or manufacturers of soft drinks,
 14 whether located within or without the State of Arkansas, who sell or offer
 15 syrups, simple syrups, powders, or base products, or soft drinks for sale to
 16 retail dealers within the State of Arkansas shall obtain a license for the
 17 privilege of conducting such business within Arkansas from the ~~Director~~
 18 Secretary of the Department of Finance and Administration.

19 (b) Any retailer who purchases syrups, simple syrups, powders, or base
 20 products, or soft drinks from an unlicensed manufacturer, wholesaler, or
 21 distributor shall obtain a license for the privilege of conducting such
 22 business from the ~~director~~ secretary.

23
 24 SECTION 1033. Arkansas Code § 26-57-1001(1), concerning sales taxes
 25 for vending devices, is amended to read as follows:

26 (1) "~~Director~~ Secretary" means the ~~Director~~ Secretary of
 27 the Department of Finance and Administration or his or her authorized agents;

28
 29 SECTION 1034. Arkansas Code § 26-57-1002(a) and (b), concerning
 30 registration, records, and amount of taxes, are amended to read as follows:

31 (a) Any person who sells tangible personal property through vending
 32 devices may elect to register with the ~~Director~~ Secretary of the Department
 33 of Finance and Administration as a vending device operator and pay the state
 34 and local sales and use taxes as provided in this section.

35 (b) Any person who elects to register as a vending device operator
 36 shall obtain a gross receipts tax permit from the ~~director~~ secretary as

1 provided in § 26-52-201 et seq.

2

3 SECTION 1035. Arkansas Code § 26-57-1003(a)(1), concerning an election
4 not to register, is amended to read as follows:

5 (1) Surrender any gross receipts tax permits issued by the
6 ~~Director~~ Secretary of the Department of Finance and Administration, unless
7 the permit is needed to report taxable sales other than sales through a
8 vending device; and

9

10 SECTION 1036. Arkansas Code § 26-57-1003(a)(2)(B)(i), concerning an
11 election not to register, is amended to read as follows:

12 (B)(i) The sale for resale exemption provided in § 26-52-
13 401(12) shall not apply to purchases of tangible personal property for resale
14 through vending devices unless the purchaser is registered with the ~~director~~
15 secretary as a vending device operator.

16

17 SECTION 1037. Arkansas Code § 26-57-1004(b)(1)(B), concerning the
18 identification of a taxpayer and presumption of nonpayment, is amended to
19 read as follows:

20 (B) The ~~Director~~ Secretary of the Department of Finance
21 and Administration shall seal any vending device subject to this presumption
22 in such a manner as to prevent any further sales through the vending device
23 and shall assess and collect a penalty of fifty dollars (\$50.00) per vending
24 device against the person selling tangible personal property through the
25 vending device.

26

27 SECTION 1038. Arkansas Code § 26-57-1101(b), concerning an additional
28 tax on cigarettes, is amended to read as follows:

29 (b) As provided in § 26-57-244, the ~~Director~~ Secretary of the
30 Department of Finance and Administration may make a direct assessment of
31 excise tax against any person in possession of unstamped cigarettes.

32

33 SECTION 1039. Arkansas Code § 26-57-1102(c), concerning an additional
34 tax on tobacco products other than cigarettes, is amended to read as follows:

35 (c) As provided in § 26-57-244, the ~~Director~~ Secretary of the
36 Department of Finance and Administration may make a direct assessment of

1 excise tax against any person in possession of untaxed tobacco products.

2
3 SECTION 1040. Arkansas Code § 26-57-1202 is amended to read as
4 follows:

5 26-57-1202. Administration of law.

6 The provisions of this subchapter will be subject to the provisions of
7 the Arkansas Tax Procedure Act, § 26-18-101 et seq., as those provisions
8 shall apply to the administration of this subchapter by the ~~Director~~
9 Secretary of the Department of Finance and Administration.

10
11 SECTION 1041. Arkansas Code § 26-57-1204(b) and (c), concerning the
12 application, issuance, and display of a vending device decal, are amended to
13 read as follows:

14 (b) The operator of a vending device who makes the election to pay the
15 decal fees provided by this subchapter shall be responsible for applying to
16 the ~~Director~~ Secretary of the Department of Finance and Administration for
17 the issuance of an annual or special vending device decal for the vending
18 device and at the same time shall pay to the ~~director~~ secretary the annual or
19 special vending device decal fee provided for by this subchapter, before the
20 vending device is made available for use and operation by the general public.

21 (c) The ~~director~~ secretary, upon receipt of full payment of the
22 applicable decal fee, and upon approval of the application, shall issue to
23 the person making the application an annual or special vending device decal
24 for the type of vending device or devices covered by the application and
25 payment.

26
27 SECTION 1042. Arkansas Code § 26-57-1204(d)(1), concerning the
28 application, issuance, and display of a vending device decal, is amended to
29 read as follows:

30 (d)(1) The annual or special vending device decals and the application
31 provided for herein shall be in such form as prescribed by the ~~director~~
32 secretary. These decals and applications shall contain on their faces such
33 information and descriptions as shall be required by regulations adopted by
34 the ~~director~~ secretary to properly and reasonably implement the provisions of
35 this subchapter.

1 SECTION 1043. Arkansas Code § 26-57-1205(2), concerning the
2 requirements to obtain a vending device decal, is amended to read as follows:

3 (2) Must have obtained from the ~~Director~~ Secretary of the
4 Department of Finance and Administration an Arkansas gross receipts tax
5 permit.
6

7 SECTION 1044. The introductory language of Arkansas Code § 26-57-
8 1206(a)(1), concerning the annual decal fee, special decals, and in lieu of
9 sales tax, is amended to read as follows:

10 (a)(1) Every person who is the operator of a vending device, who
11 elects to have the operation of the vending device covered by the provisions
12 of this subchapter, and who makes available to the general public for use and
13 operation vending devices described in this subchapter shall pay to the
14 ~~Director~~ Secretary of the Department of Finance and Administration for the
15 benefit of the state and its municipalities and counties the following annual
16 vending device decal fee for each vending device before the vending device
17 may be placed in service within the state for use by members of the public:
18

19 SECTION 1045. Arkansas Code § 26-57-1206(a)(3), concerning the annual
20 decal fee, special decals, and in lieu of sales tax, is amended to read as
21 follows:

22 (3) The annual vending device decal shall not be transferred
23 from one (1) vending device to another, unless the person who is the operator
24 of the vending device shall establish to the satisfaction of the ~~director~~
25 secretary that the vending device to which the annual vending device decal is
26 to be transferred is a vending device that is replacing the vending device to
27 which the annual vending device decal was originally affixed.
28

29 SECTION 1046. The introductory language of Arkansas Code § 26-57-
30 1206(b), concerning the annual decal fee, special decals, and in lieu of
31 sales tax, is amended to read as follows:

32 (b) In those instances in which it is shown to the satisfaction of the
33 ~~director~~ secretary that a vending device upon which an annual vending device
34 decal fee is otherwise due will be placed in service for use by members of
35 the general public for a definite period of time that is less than one (1)
36 year, such as when the vending device shall be placed for public use in

1 connection with fairs, carnivals, and places of amusement that operate only
2 during certain seasons of the year, the ~~director~~ secretary shall issue for
3 those vending devices a special vending device decal and collect a special
4 vending device decal fee computed as follows:

5
6 SECTION 1047. Arkansas Code § 26-57-1206(e), concerning the annual
7 decal fee, special decals, and in lieu of sales tax, is amended to read as
8 follows:

9 (e)(1) For all vending devices that the operator does not elect to
10 have covered by the decal fee provided by this section, the operator of that
11 vending device shall acquire from the ~~director~~ secretary an identifying decal
12 that the operator shall affix to the vending device in a prominent place so
13 as to establish to the consuming public that the vending device is not
14 covered by the provisions of this subchapter.

15 (2) By reasonable regulations the ~~director~~ secretary shall
16 establish the amount to be charged for an identifying decal, and the amount
17 shall not exceed the cost of producing the identifying decals.

18
19 SECTION 1048. Arkansas Code § 26-57-1207(a)(2), concerning the taxable
20 year, a decal for a remainder of years, and first year payment options, is
21 amended to read as follows:

22 (2) The ~~Director~~ Secretary of the Department of Finance and
23 Administration shall in each instance issue annual vending device decals for
24 the remainder of the decal year upon payment of the annual vending device
25 decal fee on the basis of the full amount of the annual decal applied for
26 between July 1 and December 31 of the decal fee year, and in return for the
27 payment of an amount of one-half ($\frac{1}{2}$) of the annual vending device decal fee,
28 for any annual decal applied for between January 1 and June 30 of the decal
29 fee year.

30
31 SECTION 1049. Arkansas Code § 26-57-1207(b), concerning the taxable
32 year, a decal for a remainder of years, and first year payment options, is
33 amended to read as follows:

34 (b) For the first taxable year that the annual or special vending
35 device decal fee is applicable, the person who is the operator of the vending
36 devices that are subject to registration and payment of the decal fees shall

1 register all vending devices with the ~~director~~ secretary, but for the first
2 one-half year, after March 31, 1997, the operator shall pay one-half ($\frac{1}{2}$) of
3 the decal fee for each vending device on or before January 1, 1998.
4 Thereafter, the entire annual or special vending device decal fee shall be
5 due from the person who is the owner, lessor, renter, or operator of the
6 vending devices on or before July 1 of the applicable taxable year.

7
8 SECTION 1050. Arkansas Code § 26-57-1208(a)(2), concerning the
9 distribution of revenue, is amended to read as follows:

10 (2) For that purpose and to that end, it is expressly provided
11 that the revenue derived by the ~~Director~~ Secretary of the Department of
12 Finance and Administration from the sale of annual or special vending device
13 decal fees, including penalties, shall be deposited by the ~~director~~ secretary
14 into the State Treasury and credited as provided in subsection (b) of this
15 section.

16
17 SECTION 1051. Arkansas Code § 26-57-1209(a)(1), concerning penalties
18 in regards to vending devices, is amended to read as follows:

19 (a)(1) Any person who is the operator of a vending device who places a
20 vending device in use and operation, or in a place available to members of
21 the general public for use and operation, without a valid and current annual
22 or special vending device decal having been affixed thereto as required by §§
23 26-57-1204 and 26-57-1206, shall be liable for the decal fee on the vending
24 device in the full amount of the applicable annual vending device decal fee,
25 as levied by this subchapter, and the annual vending device decal fee shall
26 be collected by the ~~Director~~ Secretary of the Department of Finance and
27 Administration in accordance with the provisions of § 26-57-1204.

28
29 SECTION 1052. Arkansas Code § 26-57-1209(a)(2)(A), concerning
30 penalties in regards to vending devices, is amended to read as follows:

31 (2)(A) In addition to the annual vending device decal fee that
32 is due on the vending device, the operator of the vending device which was
33 responsible for failing to apply for and pay for the applicable annual
34 vending device decal fee shall also be liable to pay the ~~director~~ secretary a
35 penalty which the person shall pay to the ~~director~~ secretary and which the
36 ~~director~~ secretary shall assess against the person.

1
2 SECTION 1053. Arkansas Code § 26-57-1210(b), concerning prohibited
3 devices not legalized and fees not refunded, is amended to read as follows:

4 (b) The ~~Director~~ Secretary of the Department of Finance and
5 Administration may assume that any vending device described in any
6 application made under this subchapter and for which an annual or special
7 vending device decal fee is paid is lawful, and no claim for refund of any
8 annual or special vending device decal fee shall be allowed based upon the
9 inability of the operator of the coin-operated device to operate the vending
10 device because of any other applicable law of this state.

11
12 SECTION 1054. Arkansas Code § 26-57-1211(b) and (c), concerning
13 vending devices without a decal affixed, seizure and forfeiture, are amended
14 to read as follows:

15 (b) The vending device may be seized and sealed on site at its
16 location by the ~~Director~~ Secretary of the Department of Finance and
17 Administration or his or her authorized agent, and the vending device shall
18 not be removed from the location by any person until the vending device is
19 released from seizure by the ~~director~~ secretary or his or her authorized
20 agent.

21 (c) The vending device may be seized by any authorized agent of the
22 ~~director~~ secretary, or by any sheriff or other law enforcement officer of
23 this state acting upon the request and at the direction of the ~~director~~
24 secretary.

25
26 SECTION 1055. Arkansas Code § 26-57-1212(a) and (b), concerning the
27 procedure upon forfeiture of a vending device, are amended to read as
28 follows:

29 (a) Upon the seizure of the vending device, the vending device shall
30 forthwith be delivered, together with the cash, if any, contained in the
31 receptacle of the vending device, to the ~~Director~~ Secretary of the Department
32 of Finance and Administration.

33 (b) The ~~director~~ secretary or his or her authorized agent shall then
34 proceed to make an administrative determination of whether or not the vending
35 device and cash, if any, that have been seized should in fact be forfeited to
36 the State of Arkansas.

1
2 SECTION 1056. Arkansas Code § 26-57-1213(a), concerning the sale of
3 devices upon forfeiture, is amended to read as follows:

4 (a) In the event the ~~Director~~ Secretary of the Department of Finance
5 and Administration or his or her authorized agent finds that the vending
6 device, including the cash contents, if any, should be forfeited to the State
7 of Arkansas, the ~~director~~ secretary or his or her authorized agent shall make
8 a written determination of forfeiture of the vending device to the State of
9 Arkansas, and the ~~director~~ secretary shall direct the sale of the vending
10 device.

11
12 SECTION 1057. The introductory language of Arkansas Code § 26-57-
13 1213(b), concerning the sale of devices upon forfeiture, is amended to read
14 as follows:

15 (b) The vending device shall be sold by the ~~director~~ secretary, his or
16 her authorized agent, the sheriff in the county where it was seized, or the
17 sheriff of Pulaski County after thirty-days' written notice of sale, which
18 notice of sale shall be given:

19
20 SECTION 1058. Arkansas Code § 26-57-1213(c), concerning the sale of
21 devices upon forfeiture, is amended to read as follows:

22 (c) At the discretion of the ~~director~~ secretary, notice of sale of the
23 vending device may be given, alternatively to posting, by publishing the
24 notice of sale in a newspaper of general circulation in the county at least
25 thirty (30) days prior to the sale.

26
27 SECTION 1059. Arkansas Code § 26-57-1216 is amended to read as
28 follows:

29 26-57-1216. Forfeiture determination – Appeal.

30 (a) The written determination of the ~~Director~~ Secretary of the
31 Department of Finance and Administration or his or her authorized agent
32 declaring a forfeiture of the vending device, including the cash contents
33 thereof, if any, and directing the sale of the vending device shall be a
34 final determination of the ~~director~~ secretary and shall be treated for
35 purposes of the owner's or operator's appeal of the ~~director's~~ secretary's
36 determination as a final assessment, subject to the provisions of the

1 Arkansas Tax Procedure Act, § 26-18-101 et seq.

2 (b) Judicial review of the final determination by the ~~director~~
3 secretary shall be available pursuant to the provisions of § 26-18-406.

4
5 SECTION 1060. Arkansas Code § 26-57-1303(b)(4)(A), concerning
6 certifications, directory, and tax stamps, is amended to read as follows:

7 (A) The tobacco product manufacturer knowingly sold
8 cigarettes to a stamp deputy whose appointment and commission has been
9 revoked by the ~~Director~~ Secretary of the Department of Finance and
10 Administration under § 26-57-236;

11
12 SECTION 1061. Arkansas Code § 26-57-1502 is amended to read as
13 follows:

14 26-57-1502. Administration of law.

15 The provisions of this subchapter are subject to the provisions of the
16 Arkansas Tax Procedure Act, § 26-18-101 et seq., as those provisions apply to
17 the administration of this subchapter by the ~~Director~~ Secretary of the
18 Department of Finance and Administration, including without limitation the
19 provisions regarding interest and penalty on delinquent taxes.

20
21 SECTION 1062. Arkansas Code § 26-57-1504 is amended to read as
22 follows:

23 26-57-1504. Levy of tax.

24 A cultivation facility, dispensary, or other marijuana business shall
25 collect and remit a special privilege tax of four percent (4%) from the gross
26 receipts or gross proceeds derived from each sale of usable marijuana on
27 forms and in a manner specified by the ~~Director~~ Secretary of the Department
28 of Finance and Administration.

29
30 SECTION 1063. Arkansas Code § 26-57-1505(b), concerning the remittance
31 of tax, is amended to read as follows:

32 (b) The cultivation facility, dispensary, or other marijuana business
33 subject to this tax shall file a monthly return and remit the tax for the
34 month to the ~~Director~~ Secretary of the Department of Finance and
35 Administration on or before the twentieth day of the month next following the
36 month in which the sale or purchase was made.

1
2 SECTION 1064. Arkansas Code § 26-57-1505(c)(2), concerning the
3 remittance of tax, is amended to read as follows:

4 (2) The return shall contain such information as the ~~director~~
5 secretary requires for the proper administration of this subchapter.

6
7 SECTION 1065. Arkansas Code § 26-58-101(5), concerning the definition
8 of "director" under severance tax law, is amended to read as follows:

9 (5) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
10 Department of Finance and Administration or any of his or her duly appointed
11 deputies or agents;

12
13 SECTION 1066. Arkansas Code § 26-58-105 is amended to read as follows:

14 26-58-105. Regulations and forms regarding severance taxes on timber.

15 The ~~Director~~ Secretary of the Department of Finance and Administration
16 with the advice and approval of the Arkansas Forestry Commission shall
17 develop and adopt appropriate regulations and forms to carry out the intent
18 and purposes of this subchapter with respect to severance taxes on timber.

19
20 SECTION 1067. Arkansas Code § 26-58-106(a), concerning permits to
21 engage in business, is amended to read as follows:

22 (a)(1) Any individual or firm desiring to engage in the business of
23 severing natural resources or timber before entering the business shall make
24 application to the ~~Director~~ Secretary of the Department of Finance and
25 Administration for a license or permit.

26 (2) In a form of application to be prescribed by the ~~director~~
27 secretary, the applicant shall state under oath his or her name and address,
28 the business in which he or she desires to engage, and the counties in which
29 he or she will carry on the proposed severing.

30
31 SECTION 1068. Arkansas Code § 26-58-106(b)(3), concerning permits to
32 engage in business, is amended to read as follows:

33 (3) That the severance tax imposed by this subchapter shall
34 constitute and remain a lien on each unit of production until the severance
35 tax is paid to the ~~director~~ secretary.

36

1 SECTION 1069. Arkansas Code § 26-58-106(c), concerning permits to
2 engage in business, is amended to read as follows:

3 (c) Upon the filing of the application, the ~~director~~ secretary shall
4 issue a permit for which no charge shall be made.

5
6 SECTION 1070. Arkansas Code § 26-58-107(b), concerning the levying of
7 taxes, is amended to read as follows:

8 (b) The severance tax is to be paid to the ~~Director~~ Secretary of the
9 Department of Finance and Administration.

10
11 SECTION 1071. Arkansas Code § 26-58-111(6)(C), concerning the rate of
12 tax, is amended to read as follows:

13 (C) The ~~Director~~ Secretary of the Department of Finance
14 and Administration shall have the power to promulgate such reasonable rules
15 and regulations as shall be necessary to effectively enforce the foregoing
16 provisions;

17
18 SECTION 1072. Arkansas Code § 26-58-111(7)(C)(ii), concerning the rate
19 of tax, is amended to read as follows:

20 (ii) If the above conversion factors are not
21 appropriate for conversion of any particular measurement of timber to weight,
22 the ~~director~~ secretary, with the advice and approval of the Arkansas Forestry
23 Commission, shall develop an appropriate conversion procedure to produce
24 equivalent rates;

25
26 SECTION 1073. Arkansas Code § 26-58-113(b), concerning an additional
27 tax on stone and crushed stone, as well as deposit and allocation of funds,
28 is amended to read as follows:

29 (b) The additional severance tax is to be paid to the ~~Director~~
30 Secretary of the Department of Finance and Administration.

31
32 SECTION 1074. Arkansas Code § 26-58-113(e)(1), concerning an
33 additional tax on stone and crushed stone, as well as deposit and allocation
34 of funds, is amended to read as follows:

35 (e)(1) All taxes, penalties, and costs collected by the ~~director~~
36 secretary under the provisions of this section shall be deposited into the

1 State Treasury to the credit of the State Apportionment Fund.

2
3 SECTION 1075. Arkansas Code § 26-58-113(e)(2)(B)(i)(b), concerning an
4 additional tax on stone and crushed stone, as well as deposit and allocation
5 of funds, is amended to read as follows:

6 (b) On or before the tenth of the month
7 following the end of each calendar quarter, the Treasurer of State shall
8 remit by state warrants to the various county treasurers all such funds
9 received by the Treasurer of State during such quarterly period and
10 transferred to the County Aid Fund in the proportions thereof as between the
11 respective counties that, as certified by the ~~director~~ secretary to the
12 Treasurer of State, the total severance tax produced from each such county
13 bears to the total of such taxes produced from all counties.

14
15 SECTION 1076. The introductory language of Arkansas Code § 26-58-
16 114(a)(1), concerning reports, payment of taxes by producers, primary
17 processors, cancellation of permit upon cessation of business, and the
18 penalty for noncompliance, is amended to read as follows:

19 (a)(1) Each producer of natural resources, excluding natural gas, and
20 each primary processor of timber, whether or not he or she shall have
21 actually severed natural resources, excluding natural gas, or processed
22 timber during the preceding month, shall file a report within twenty-five
23 (25) days after the end of each month with the ~~Director~~ Secretary of the
24 Department of Finance and Administration in a form prescribed by the ~~director~~
25 secretary that states:

26
27 SECTION 1077. Arkansas Code § 26-58-114(a)(1)(E), concerning reports,
28 payment of taxes by producers, primary processors, cancellation of permit
29 upon cessation of business, and the penalty for noncompliance, is amended to
30 read as follows:

31 (E) Any other information as the ~~director~~ secretary may
32 reasonably require for the enforcement of this subchapter.

33
34 SECTION 1078. Arkansas Code § 26-58-114(a)(2)(A), concerning reports,
35 payment of taxes by producers, primary processors, cancellation of permit
36 upon cessation of business, and the penalty for noncompliance, is amended to

1 read as follows:

2 (2)(A) When the average amount of severance tax for which the
3 taxpayer is liable for the previous fiscal year beginning on July 1 and
4 ending on June 30 does not exceed one hundred dollars (\$100) per month, the
5 ~~director~~ secretary may notify the taxpayer that a quarterly report and
6 remittance in lieu of a monthly report may be made.

7
8 SECTION 1079. Arkansas Code § 26-58-114(a)(3), concerning reports,
9 payment of taxes by producers, primary processors, cancellation of permit
10 upon cessation of business, and the penalty for noncompliance, is amended to
11 read as follows:

12 (3) When the average amount of severance tax for which the
13 taxpayer is liable for the previous fiscal year beginning on July 1 and
14 ending on June 30 does not exceed twenty-five dollars (\$25.00) per month, the
15 ~~director~~ secretary may notify the taxpayer that an annual report and
16 remittance in lieu of a monthly report may be made on or before January 25 of
17 each year for the preceding calendar year.

18
19 SECTION 1080. The introductory language of Arkansas Code § 26-58-
20 114(b)(1)(A), concerning reports, payment of taxes by producers, primary
21 processors, cancellation of permit upon cessation of business, and the
22 penalty for noncompliance, is amended to read as follows:

23 (b)(1)(A) A producer of natural gas shall file with the ~~director~~
24 secretary a report, in a form or forms prescribed by the ~~director~~ secretary,
25 that states:

26
27 SECTION 1081. Arkansas Code § 26-58-114(b)(1)(A)(v), concerning
28 reports, payment of taxes by producers, primary processors, cancellation of
29 permit upon cessation of business, and the penalty for noncompliance, is
30 amended to read as follows:

31 (v) Any other information as the ~~director~~ secretary
32 may reasonably require for the enforcement of this subchapter.

33
34 SECTION 1082. Arkansas Code § 26-58-114(b)(1)(C), concerning reports,
35 payment of taxes by producers, primary processors, cancellation of permit
36 upon cessation of business, and the penalty for noncompliance, is amended to

1 read as follows:

2 (C) The producer is required to file a report with the
3 ~~director~~ secretary for each month whether or not the producer has actually
4 severed natural gas during the month.

5

6 SECTION 1083. Arkansas Code § 26-58-114(b)(2)(A), concerning reports,
7 payment of taxes by producers, primary processors, cancellation of permit
8 upon cessation of business, and the penalty for noncompliance, is amended to
9 read as follows:

10 (2)(A) When the average amount of severance tax for which the
11 taxpayer is liable for the previous fiscal year beginning on July 1 and
12 ending on June 30 does not exceed one hundred dollars (\$100) per month, the
13 ~~director~~ secretary may notify the taxpayer that a quarterly report and
14 remittance in lieu of a monthly report may be made.

15

16 SECTION 1084. Arkansas Code § 26-58-114(b)(3), concerning reports,
17 payment of taxes by producers, primary processors, cancellation of permit
18 upon cessation of business, and the penalty for noncompliance, is amended to
19 read as follows:

20 (3) When the average amount of severance tax for which the
21 taxpayer is liable for the previous fiscal year beginning on July 1 and
22 ending on June 30 does not exceed twenty-five dollars (\$25.00) per month, the
23 ~~director~~ secretary may notify the taxpayer that an annual report and
24 remittance in lieu of a monthly report may be made on or before February 25
25 of each year for the preceding calendar year.

26

27 SECTION 1085. Arkansas Code § 26-58-114(e), concerning reports,
28 payment of taxes by producers, primary processors, cancellation of permit
29 upon cessation of business, and the penalty for noncompliance, is amended to
30 read as follows:

31 (e)(1) Within ten (10) days after any producer or primary processor
32 ceases operation with the intention of no longer engaging in the business of
33 severing or processing natural resources or timber, the permit issued shall
34 be returned by him or her to the ~~director~~ secretary for cancellation.

35 (2) A producer or processor whose permit is cancelled under
36 subdivision (e)(1) of this section may reengage in the business of severing

1 or processing natural resources or timber after filing a new application with
2 the ~~director~~ secretary and receiving a new permit by the ~~director~~ secretary.

3
4 SECTION 1086. Arkansas Code § 26-58-116(a)-(d), concerning reporting
5 and payment of tax, are amended to read as follows:

6 (a) Unless a purchaser of natural resources, excluding natural gas, is
7 excused in writing by the ~~Director~~ Secretary of the Department of Finance and
8 Administration in advance of the report filing deadline from filing a report,
9 a purchaser of natural resources, excluding natural gas, shall file with the
10 ~~director~~ secretary a verified report within twenty (20) days after the end of
11 each reporting period in a form or forms prescribed by the ~~director~~ secretary
12 that states:

13 (1) The names and addresses of all producers from whom the
14 purchaser has acquired natural resources during the respective reporting
15 period;

16 (2) The types and total quantity of each type of the natural
17 resources acquired and the purchase price; and

18 (3) Any other information as the ~~director~~ secretary reasonably
19 may require for the proper enforcement of this subchapter.

20 (b)(1) Unless a purchaser of natural gas is excused in writing by the
21 ~~director~~ secretary in advance of the report filing deadline from filing a
22 report, a purchaser of natural gas shall file with the ~~director~~ secretary a
23 report in a form or forms prescribed by the ~~director~~ secretary that states:

24 (A) The names, addresses, and severance tax permit numbers
25 of all producers from whom the purchaser has purchased natural gas during
26 each reporting period;

27 (B) The total quantity of natural gas acquired and the
28 purchase price; and

29 (C) Any other information as the ~~director~~ secretary may
30 reasonably require for the proper enforcement of this subchapter.

31 (2) The purchaser of natural gas shall file each report required
32 under this subsection on or before the twenty-fifth day of the second month
33 following the reporting period that is covered by the report.

34 (c)(1) It is the duty of each purchaser of natural resources,
35 excluding natural gas, to ascertain in advance of permitting the natural
36 resources so purchased to be processed or otherwise changed from the natural

1 state thereof at the time of severance or to be transported for the purpose
2 of such processing or other change that the severance tax upon the natural
3 resources has been paid.

4 (2) Each purchaser of natural gas shall determine in advance of
5 filing the report under subsection (b) of this section that each producer
6 from whom the purchaser has purchased natural gas has been issued a severance
7 tax permit number and furnish the ~~director~~ secretary the severance tax permit
8 number of each producer under subsection (b) of this section.

9 (3)(A) The purchaser of natural resources, excluding natural
10 gas, is primarily liable for any unpaid severance tax in the event of failure
11 to make such advance ascertainment.

12 (B) Each purchaser of natural gas is primarily liable for
13 any unpaid severance tax that is attributable to a producer from whom the
14 purchaser purchased natural gas if the purchaser fails to furnish the
15 ~~director~~ secretary with all of the information required in subsection (b) of
16 this section.

17 (4) However, the purchaser as a condition to permitting the
18 processing or other change of such natural resources, excluding natural gas,
19 as to which the severance tax shall not have been paid by the producer may
20 himself or herself pay such tax either in advance or, with the advance
21 written approval of the ~~director~~ secretary for cause shown to the ~~director~~
22 secretary, within twenty (20) days after commencing the processing or other
23 change of the natural resources or the transportation thereof for such
24 purpose.

25 (d)(1) Unless the ~~director~~ secretary has given advance written
26 approval for the removal under subsection (a) of this section, the removal by
27 the purchaser of natural resources, excluding natural gas, to any point of
28 concentration or assembly, either inside or outside the state, without the
29 severance tax having been previously paid by the producer or the purchaser is
30 a fraudulent concealment of the location of the natural resources with the
31 intent to avoid the payment of the severance tax.

32 (2) Unless the ~~director~~ secretary has given advance written
33 approval for the removal, the removal by the producer, purchaser, or primary
34 processor of any timber to any point outside the state without the severance
35 tax having been paid on the timber is unlawful.

36

1 SECTION 1087. The introductory language of Arkansas Code § 26-58-
2 118(a), concerning reports and transporters, is amended to read as follows:

3 (a) All transporters of natural resources, save and except only
4 pipeline transporters, whenever and as often as requested by the ~~Director~~
5 Secretary of the Department of Finance and Administration shall furnish a
6 report under oath and upon forms prescribed by ~~director~~ secretary setting
7 forth:

8
9 SECTION 1088. Arkansas Code § 26-58-118(a)(5), concerning reports and
10 transporters, is amended to read as follows:

11 (5) All such further information relating to the transportation
12 of the natural resources as the ~~director~~ secretary may reasonably require for
13 the proper enforcement of the provisions of this subchapter.

14
15 SECTION 1089. Arkansas Code § 26-58-119 is amended to read as follows:
16 26-58-119. Procedure upon failure to file reports or pay tax, filing
17 inaccurate reports – Penalties – Subpoenas.

18 (a)(1) In the event any producer or purchaser of natural resources or
19 any primary processor of timber fails within the time provided for in this
20 subchapter to file the verified reports required of them respectively, or in
21 the event that the ~~Director~~ Secretary of the Department of Finance and
22 Administration is not satisfied of the correctness of the reports as filed
23 with the ~~director~~ secretary, or in the event any such producer or purchaser
24 of natural resources or any primary processor of timber fails to pay all
25 taxes due as provided in §§ 26-58-114 and 26-58-116, it shall be the duty of
26 the ~~director~~ secretary to ascertain the true amount and value of the natural
27 resources or timber severed and to assess the severance tax based thereon.

28 (2) For the purposes thereof the ~~director~~ secretary is
29 authorized to require either the producer or purchaser or both of them, or
30 the primary processor, to furnish the ~~director~~ secretary with such
31 information, or further information, as the ~~director~~ secretary may deem
32 necessary and to require the production, at such place as the ~~director~~
33 secretary may designate, of the books, records, and files of the producer and
34 the purchaser or primary processor and to examine them and to take testimony
35 of witnesses.

36 (3)(A) The ~~director~~ secretary shall assess a penalty equal to

1 fifty percent (50%) of the amount of the severance tax, including the cost
2 and expense of assessing the penalty, and shall make demand for payment of
3 the penalty upon both the producer of natural resources and the purchaser of
4 natural resources to the extent liability for the tax may be imposed on the
5 purchaser under § 26-58-116 or the primary processor of timber, as the case
6 may be.

7 (B) The penalty assessment under subdivision (a)(3)(A) of
8 this section shall not apply to any estimated severance tax payment that is
9 made in good faith by a producer of natural gas or a purchaser of natural
10 gas.

11 (b)(1) If the producer, purchaser, or primary processor or any other
12 such witness willfully fails to appear or to produce such books, records, and
13 files before the ~~director~~ secretary, in obedience to the ~~director's~~
14 secretary's request, the ~~director~~ secretary shall certify the name of the
15 reluctant producer, purchaser, primary processor, or other witness, with a
16 statement of the circumstances to the circuit court of the county having
17 jurisdiction over the person.

18 (2) The court shall thereupon issue a subpoena commanding the
19 producer, purchaser, primary processor, or other witness to appear before the
20 ~~director~~ secretary, at a place designated, on a day fixed, to be continued as
21 occasion may require, and to give such evidence, and to produce for
22 inspection such books and papers as may be required by the ~~director~~ secretary
23 for a proper determination of the amount of taxes due.

24 (3) The court may hear and punish any contempt of such subpoena
25 brought to the court's attention by the ~~director~~ secretary.

26
27 SECTION 1090. Arkansas Code § 26-58-120(a)(1) and (2), concerning the
28 Arkansas Forestry Commission and their access to information and
29 investigations, are amended to read as follows:

30 (a)(1) The Arkansas Forestry Commission and the authorized
31 representatives of the commission shall have access to all tax returns and
32 other information and records of the ~~Director~~ Secretary of the Department of
33 Finance and Administration related to the reporting and payment of taxes
34 levied upon timber by this subchapter.

35 (2) The commission shall furnish the ~~director~~ secretary in
36 writing the names of the forestry personnel who are authorized to have access

1 to the timber tax records.

2
3 SECTION 1091. Arkansas Code § 26-58-120(d), concerning the Arkansas
4 Forestry Commission and their access to information and investigations, are
5 amended to read as follows:

6 (d) If after completion of the inspection or investigation of a timber
7 processor the commission finds that a timber processor is not collecting or
8 remitting all taxes due under the provisions of this subchapter, the
9 commission shall so advise the ~~director~~ secretary and shall furnish the
10 ~~director~~ secretary the information upon which such finding is based.

11
12 SECTION 1092. Arkansas Code § 26-58-121 is amended to read as follows:

13 26-58-121. Information provided to Arkansas Forestry Commission.

14 The ~~Director~~ Secretary of the Department of Finance and Administration
15 is directed to release any and all information requested by the Arkansas
16 Forestry Commission which is related to the collection of timber severance
17 taxes. This information shall include, but not be limited to, names,
18 addresses, and amounts paid.

19
20 SECTION 1093. Arkansas Code § 26-58-122 is amended to read as follows:

21 26-58-122. Procedures followed upon failure to pay severance taxes due
22 the Arkansas Forestry Commission.

23 (a)(1) In the event that the Arkansas Forestry Commission determines
24 that any individual or corporation has failed to pay all severance taxes due
25 to the commission, the commission shall certify the commission's findings to
26 the Revenue Division of the Department of Finance and Administration.

27 (2) Upon receipt thereof, the ~~Director~~ Secretary of the
28 Department of Finance and Administration shall immediately conduct an
29 investigation of such matter.

30 (3) Within thirty (30) days of receipt of the certification, the
31 ~~director~~ secretary shall report all findings to the commission.

32 (b) If the ~~director~~ secretary determines that all severance taxes due
33 the commission are not being or have not been paid, the ~~director~~ secretary
34 shall immediately proceed to institute any legal action necessary to collect
35 such tax.

36 (c)(1) In the event the ~~director~~ secretary fails to report to the

1 commission within the time specified or the commission disagrees with the
2 findings of the ~~director~~ secretary, the State Forester shall file with the
3 Governor, the Legislative Council, and the House Interim Committee on Revenue
4 and Taxation and the Senate Interim Committee on Revenue and Taxation a
5 report of the matter.

6 (2) The Governor shall then conduct an investigation into such
7 failure to report by the ~~director~~ secretary or disagreement as to tax
8 liability with the commission, take whatever measures the Governor deems
9 necessary to rectify the situation, and shall notify the Legislative Council
10 and the House Interim Committee on Revenue and Taxation and the Senate
11 Interim Committee on Revenue and Taxation of the Governor's decision.

12
13 SECTION 1094. Arkansas Code § 26-58-124(a), concerning the
14 distribution of severance taxes, is amended to read as follows:

15 (a) All taxes, penalties, and costs collected by the ~~Director~~
16 Secretary of the Department of Finance and Administration under the
17 provisions of this subchapter, except for the taxes, penalties, and costs
18 collected on natural gas, shall be deposited into the State Treasury to the
19 credit of the State Apportionment Fund.

20
21 SECTION 1095. Arkansas Code § 26-58-124(b)(2)(D)(ii), concerning the
22 distribution of severance taxes, is amended to read as follows:

23 (ii) On or before the tenth of the month following
24 the end of each calendar quarter, the Treasurer of State shall remit by state
25 warrants to the various county treasurers all funds under subdivision
26 (b)(2)(D)(i) of this section then received by him or her during the quarterly
27 period and transferred to the County Aid Fund in the proportions of the funds
28 as between the respective counties that, as certified by the ~~director~~
29 secretary to the Treasurer of State, the total severance tax produced from
30 each respective county bears to the total of the taxes produced from all
31 counties.

32
33 SECTION 1096. The introductory language of Arkansas Code § 26-58-
34 124(c), concerning the distribution of severance taxes, is amended to read as
35 follows:

36 (c) All taxes, penalties, and costs collected by the ~~director~~

1 secretary on natural gas shall be deposited into the State Treasury as
 2 follows:

3

4 SECTION 1097. Arkansas Code § 26-58-201(2), concerning tax credits for
 5 certain oil and gas producers, is amended to read as follows:

6 (2) “~~Director~~ Secretary” means the ~~Director~~ Secretary of the
 7 Department of Finance and Administration or any of his or her duly appointed
 8 deputies or agents;

9

10 SECTION 1098. Arkansas Code § 26-58-206(a), concerning a permit for
 11 tax credit, is amended to read as follows:

12 (a) A producer in this state wishing to obtain the benefits of the
 13 provisions for this subchapter shall make application to the ~~Director~~
 14 Secretary of the Department of Finance and Administration for a permit to
 15 obtain credit on severance taxes due on all oil or natural gas produced in
 16 salt-water-producing wells of the producer as provided in this subchapter.

17

18 SECTION 1099. Arkansas Code § 26-58-206(c), concerning a permit for
 19 tax credit, is amended to read as follows:

20 (c) If the ~~director~~ secretary determines that the producer has
 21 complied with the provisions of this subchapter and the rules established by
 22 the ~~director~~ secretary, the ~~director~~ secretary shall issue a permit to the
 23 producer.

24

25 SECTION 1100. Arkansas Code § 26-58-208(b)(2), concerning tax credits
 26 and the maximum annual credits allowed, is amended to read as follows:

27 (2) If for any calendar year the total severance tax credits of
 28 all oil producers operating, utilizing, or maintaining approved underground
 29 saltwater disposal systems exceed the total maximum allowable severance tax
 30 credits provided in subdivision (b)(1) of this section, the ~~Director~~
 31 Secretary of the Department of Finance and Administration shall prorate the
 32 allowable severance tax credits among the respective oil producers in the
 33 proportion that the severance tax credits due each oil producer bear to the
 34 total of all severance tax credits due all qualifying oil producers.

35

36 SECTION 1101. Arkansas Code § 26-58-208(c)(2), concerning tax credits

1 and the maximum annual credits allowed, is amended to read as follows:

2 (2) If for any calendar year the total severance tax credits of
3 all natural gas producers operating, utilizing, or maintaining approved
4 underground saltwater disposal systems exceed the total maximum allowable
5 severance tax credits provided in subdivision (c)(1) of this section, the
6 ~~director~~ secretary shall prorate the allowable severance tax credits among
7 the respective natural gas producers in the proportion that the severance tax
8 credits due each natural gas producer bear to the total of all severance tax
9 credits due all qualifying natural gas producers.

10
11 SECTION 1102. Arkansas Code § 26-58-208(d)(1), concerning tax credits
12 and the maximum annual credits allowed, is amended to read as follows:

13 (d)(1) A claim for a severance tax credit shall be filed with the
14 ~~director~~ secretary on forms prescribed by the ~~director~~ secretary on or before
15 April 1 of the calendar year following the calendar year in which the costs
16 of maintaining the underground saltwater disposal system were incurred.

17
18 SECTION 1103. Arkansas Code § 26-58-208(g), concerning tax credits and
19 the maximum annual credits allowed, is amended to read as follows:

20 (g) The ~~director~~ secretary may promulgate rules to administer this
21 section.

22
23 SECTION 1104. Arkansas Code § 26-58-209(1), concerning the cost of
24 maintaining a saltwater disposal system, is amended to read as follows:

25 (1) An allowance, to be spread equally over each severance tax
26 reporting period, for depreciation of the actual cash investment of the
27 producer in the constructing, equipping, and improving of an approved
28 underground saltwater disposal system, which depreciation period shall not be
29 less than five (5) years nor more than ten (10) years as may be approved by
30 the ~~Director~~ Secretary of the Department of Finance and Administration;

31
32 SECTION 1105. Arkansas Code § 26-58-210 is amended to read as follows:
33 26-58-210. Records.

34 A producer obtaining the benefits of the provisions of this subchapter
35 shall maintain for a period of not less than three (3) years such records as
36 may be required by the ~~Director~~ Secretary of the Department of Finance and

1 Administration that may be necessary to justify the cost credits allowed by
2 this subchapter.

3
4 SECTION 1106. Arkansas Code § 26-58-301(b)(2) and (3), concerning a
5 levy for the benefit of the Arkansas Museum of Natural Resources Fund, are
6 amended to read as follows:

7 (2) The taxes levied in this subsection shall be reported and
8 remitted monthly to the ~~Director~~ Secretary of the Department of Finance and
9 Administration on such forms and in such manner as the ~~director~~ secretary
10 shall prescribe by regulations.

11 (3) All revenues collected by the ~~director~~ secretary under the
12 tax levied in this subsection shall be deposited into the State Treasury as
13 special revenues, and the Treasurer of State after deducting from these
14 special revenues the three percent (3%) provided by law for credit to the
15 Constitutional Officers Fund and the State Central Services Fund shall credit
16 the net amount to the Arkansas Museum of Natural Resources Fund to be used
17 for the construction, maintenance, operation, and improvement of the Arkansas
18 Museum of Natural Resources.

19
20 SECTION 1107. Arkansas Code § 26-58-302(a)(2), concerning an
21 additional levy for the benefit of the Arkansas Museum of Natural Resources
22 Fund, is amended to read as follows:

23 (2) The taxes shall be reported and paid monthly to the ~~Director~~
24 Secretary of the Department of Finance and Administration by each producer of
25 oil in such manner and upon such forms as the ~~director~~ secretary shall
26 prescribe.

27
28 SECTION 1108. Arkansas Code § 26-58-302(b)(2), concerning an
29 additional levy for the benefit of the Arkansas Museum of Natural Resources
30 Fund, is amended to read as follows:

31 (2) The tax shall be reported and paid monthly to the ~~director~~
32 secretary by each producer of brine and oil in such manner and upon such
33 forms as the ~~director~~ secretary may prescribe.

34
35 SECTION 1109. Arkansas Code § 26-58-302(c)(1), concerning an
36 additional levy for the benefit of the Arkansas Museum of Natural Resources

1 Fund, is amended to read as follows:

2 (c)(1) Funds collected by the ~~director~~ secretary under this section
 3 are classified as cash fund receipts, and the full amount of the funds shall
 4 be deposited into one (1) or more accounts in one (1) or more banks in this
 5 state, which account or accounts shall be designated "Arkansas Museum of
 6 Natural Resources Fund".

7
 8 SECTION 1110. Arkansas Code § 26-58-303(a)(2), concerning the levy for
 9 benefit of the Arkansas Museum of Natural Resources Bond Redemption Fund, is
 10 amended to read as follows:

11 (2) The fee shall be reported and paid monthly to the ~~Director~~
 12 Secretary of the Department of Finance and Administration by each producer of
 13 oil in such manner and upon such forms as the ~~director~~ secretary shall
 14 prescribe.

15
 16 SECTION 1111. Arkansas Code § 26-58-303(b)(2), concerning the levy for
 17 benefit of the Arkansas Museum of Natural Resources Bond Redemption Fund, is
 18 amended to read as follows:

19 (2) The fee shall be reported and paid monthly to the ~~director~~
 20 secretary by each producer of brine and oil in such manner and upon such
 21 forms as the ~~director~~ secretary shall prescribe.

22
 23 SECTION 1112. Arkansas Code § 26-59-102(2), concerning definition of
 24 "director" under estate tax law, is repealed.

25 ~~(2) "Director" means the Director of the Department of Finance~~
 26 ~~and Administration;~~

27
 28 SECTION 1113. Arkansas Code § 26-59-105 is amended to read as follows:
 29 26-59-105. Administration and enforcement of chapter.

30 Except as otherwise provided in this chapter, the ~~Director~~ Secretary of
 31 the Department of Finance and Administration shall have jurisdiction and be
 32 charged with the administration and enforcement of the provisions of this
 33 chapter.

34
 35 SECTION 1114. Arkansas Code § 26-59-109(b), concerning estate tax
 36 returns, is amended to read as follows:

1 (b) Returns by Beneficiaries. If the executor is unable to make a
2 complete return as to any part of the gross estate of the decedent, he or she
3 shall include in his or her return a description of such part and the name of
4 every person holding a legal or beneficial interest therein. Upon notice from
5 the ~~Director~~ Secretary of the Department of Finance and Administration, such
6 person shall in like manner make a return as to such part of the gross
7 estate.

8
9 SECTION 1115. Arkansas Code § 26-59-109(d), concerning estate tax
10 returns, is amended to read as follows:

11 (d) Place of Filing. Estate tax returns shall be filed with the
12 ~~director~~ secretary at his or her office in Little Rock, Arkansas.

13
14 SECTION 1116. The introductory language of Arkansas Code § 26-59-110,
15 concerning the contents of estate tax returns, is amended to read as follows:

16 The executor at such times and in such manner as may be required by
17 regulations made pursuant to law shall also file with the ~~Director~~ Secretary
18 of the Department of Finance and Administration a return under oath, setting
19 forth:

20
21 SECTION 1117. Arkansas Code § 26-59-111(b) and (c), concerning an
22 estate tax return and an extension of filing time, are amended to read as
23 follows:

24 (b) This request for extension of time in which to file shall be
25 granted by the timely filing of a copy of the federal application form with
26 the ~~Director~~ Secretary of the Department of Finance and Administration and
27 then attaching to the Arkansas estate tax return, when actually filed with
28 the ~~director~~ secretary, a copy of the document granting such federal
29 extension.

30 (c) The ~~director~~ secretary shall assess interest at the rate of ten
31 percent (10%) per annum on the amount of estate tax finally determined to be
32 due from the date the estate tax return was originally due to be filed.

33
34 SECTION 1118. Arkansas Code § 26-59-112 is amended to read as follows:

35 26-59-112. ~~Director~~ Secretary to make return when no return filed.

36 If any executor, administrator, fiduciary, trustee, person,

1 corporation, company, or association fails to make and file a return or list
 2 at the time prescribed by law or by regulation made under authority of law,
 3 or makes, willfully or otherwise, a false or fraudulent return or list, the
 4 ~~Director~~ Secretary of the Department of Finance and Administration shall make
 5 the return or list from the ~~director's~~ secretary's own knowledge and from
 6 such information as the ~~director~~ secretary can obtain through testimony or
 7 otherwise. Any return or list so made by the ~~director~~ secretary shall be
 8 prima facie good and sufficient for all legal purposes.

9
 10 SECTION 1118. Arkansas Code § 26-59-113(a), concerning payment, time
 11 limitations, and federal elections, is amended to read as follows:

12 26-59-113. Payment – Time limitations – Federal election.

13 (a) The tax imposed by this chapter shall be due and payable nine (9)
 14 months after a decedent's death and shall be paid by the executor to the
 15 ~~Director~~ Secretary of the Department of Finance and Administration.

16
 17 SECTION 1120. Arkansas Code § 26-59-113(b)(1)(A), concerning payment,
 18 time limitations, and federal elections, is amended to read as follows:

19 (b)(1)(A) When the ~~director~~ secretary finds that the payment on the
 20 due date of the tax or any part of the tax would impose undue hardship upon
 21 the estate, the ~~director~~ secretary may extend the time for any payment of any
 22 such part.

23
 24 SECTION 1121. Arkansas Code § 26-59-114(a) and (b), concerning the
 25 payment of tax and discharge of executors, are amended to read as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
 27 Administration shall issue to the executor upon payment of the tax imposed by
 28 this chapter receipts in triplicate any of which shall be sufficient evidence
 29 of the payment, and shall entitle the executor to be credited and allowed the
 30 amount thereof by any court having jurisdiction to audit or settle the
 31 executor's accounts.

32 (b) If the executor files a complete return and makes written
 33 application to the ~~director~~ secretary for determination of the amount of the
 34 tax and discharge from personal liability, the ~~director~~ secretary as soon as
 35 possible, and in any event within one (1) year after receipt of such
 36 application, shall notify the executor of the amount of the tax and, upon

1 payment thereof, the executor shall be discharged from personal liability for
2 any additional tax thereafter found to be due and shall be entitled to
3 receive from the ~~director~~ secretary a receipt in writing showing such
4 discharge.

5
6 SECTION 1122. Arkansas Code § 26-59-116(b), concerning the payment of
7 taxes and reimbursement to a person paying taxes, is amended to read as
8 follows:

9 (b) It is the purpose and intent of this section that insofar as is
10 practical and unless otherwise directed by the will of the decedent, the tax
11 shall be paid out of the estate before its distribution. However, the
12 ~~Director~~ Secretary of the Department of Finance and Administration shall not
13 be charged with enforcing contribution from any person.

14
15 SECTION 1123. Arkansas Code § 26-59-119 is amended to read as follows:
16 26-59-119. Executor – Notice of appointment.

17 The executor within two (2) months after the decedent's death or within
18 a like period after qualifying as executor, shall give written notice of his
19 or her qualification as executor to the ~~Director~~ Secretary of the Department
20 of Finance and Administration.

21
22 SECTION 1124. Arkansas Code § 26-59-122(a), concerning the disposition
23 and allocation of funds, is amended to read as follows:

24 (a) All taxes, fees, penalties, and costs received by the ~~Director~~
25 Secretary of the Department of Finance and Administration under the
26 provisions of this chapter shall be general revenues and shall be deposited
27 into the State Treasury to the credit of the State Apportionment Fund, except
28 that the amount of estate taxes collected in a calendar year that exceeds ten
29 percent (10%) of the average annual estate taxes collected for a five-year
30 period immediately preceding the calendar year or fifteen million dollars
31 (\$15,000,000), whichever is greater, shall be deposited into the State
32 Treasury as special revenues and credited to the General Improvement Fund.

33
34 SECTION 1125. Arkansas Code § 26-60-103 is amended to read as follows:
35 26-60-103. Enforcement and regulations by ~~Director~~ Secretary of the
36 Department of Finance and Administration.

1 The enforcement of the provisions of this chapter shall be the
2 responsibility of the ~~Director~~ Secretary of the Department of Finance and
3 Administration under regulations to be promulgated by the ~~director~~ secretary.
4

5 SECTION 1126. Arkansas Code § 26-60-107(a)(1), concerning a Real
6 Property Transfer Tax Affidavit of Compliance Form, is amended to read as
7 follows:

8 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
9 Administration shall design a “Real Property Transfer Tax Affidavit of
10 Compliance” form.
11

12 SECTION 1127. Arkansas Code § 26-60-107(b)(2), concerning a Real
13 Property Transfer Tax Affidavit of Compliance Form, is amended to read as
14 follows:

15 (2) The ~~director~~ secretary shall furnish the “Real Property
16 Transfer Tax Affidavit of Compliance” forms to each revenue office in each
17 county of this state and may make these forms available to the county
18 recorder or any other interested persons in each county upon request to the
19 ~~director~~ secretary.
20

21 SECTION 1128. Arkansas Code § 26-60-107(d)(1), concerning a Real
22 Property Transfer Tax Affidavit of Compliance Form, is amended to read as
23 follows:

24 (d)(1) The affidavits in the files of the ~~director~~ secretary are
25 public records governed by the same rules as are applied to the disclosure of
26 motor vehicle titling and registration information.
27

28 SECTION 1129. The introductory language of Arkansas Code § 26-60-
29 107(f), concerning a Real Property Transfer Tax Affidavit of Compliance Form,
30 is amended to read as follows:

31 (f) The ~~director~~ secretary may:
32

33 SECTION 1130. Arkansas Code § 26-60-107(f)(1)(B) and (C), concerning a
34 Real Property Transfer Tax Affidavit of Compliance Form, are amended to read
35 as follows:

36 (B) The ~~director~~ secretary shall collaborate with

1 attorneys at law, representatives of title companies, county recorders, and
2 other interested parties to recommend an alternative method of providing
3 proof of compliance with the real property transfer tax.

4 (C) If an investigation is undertaken, the ~~director~~
5 secretary shall complete the investigation by July 1, 2012; and

6
7 SECTION 1131. Arkansas Code § 26-60-107(f)(2)(B), concerning a Real
8 Property Transfer Tax Affidavit of Compliance Form, is amended to read as
9 follows:

10 (B) Before promulgating any rules, the ~~director~~ secretary
11 shall report the finding of the investigation authorized under subdivision
12 (f)(1) of this section to the Speaker of the House of Representatives and the
13 President Pro Tempore of the Senate if the General Assembly is in session or
14 to the Legislative Council during an interim.

15
16 SECTION 1132. Arkansas Code § 26-60-108, concerning Real Property
17 Transfer Tax Affidavit of Compliance, receipt, completion, storage, and
18 audit, is amended to read as follows:

19 26-60-108. Real Property Transfer Tax Affidavit of Compliance and
20 Receipt – Completion, storage, audit, etc.

21 (a) The ~~Director~~ Secretary of the Department of Finance and
22 Administration or his or her agent before accepting payment of the real
23 property transfer tax shall require that the affidavit portion of the Real
24 Property Transfer Tax Affidavit of Compliance form and receipt be completed,
25 including the statement of the full amount of the consideration for the
26 transaction and the amount of tax to be reflected on the receipt portion
27 thereof in evidence that such information was furnished by the person signing
28 the affidavit before the ~~director~~ secretary shall receive payment of the tax,
29 and sign the receipt. The ~~director~~ secretary shall attach the stamps to the
30 face of the instrument.

31 (b)(1) The original copy of the affidavit and receipt shall be
32 retained by the ~~director~~ secretary or his or her agent and shall be treated
33 as a confidential tax record in the same manner as required by law for
34 confidentiality of state income tax returns.

35 (2) The information shall be released to duly elected county
36 assessors and become a public document.

1 (c) If authorized by the ~~director~~ secretary, an electronic copy of an
2 affidavit described in this section may be used and retained in the same
3 manner as other electronic documents.
4

5 SECTION 1133. The introductory language of Arkansas Code § 26-60-
6 109(a), concerning documentary stamps or symbols, is amended to read as
7 follows:

8 (a) The ~~Director~~ Secretary of the Department of Finance and
9 Administration shall:
10

11 SECTION 1134. The introductory language of Arkansas Code § 26-60-
12 109(b), concerning documentary stamps or symbols, is amended to read as
13 follows:

14 (b) The ~~director~~ secretary may:
15

16 SECTION 1135. Arkansas Code § 26-60-109(b)(1)(B) and (C), concerning
17 documentary stamps or symbols, are amended to read as follows:

18 (B) The ~~director~~ secretary shall collaborate with
19 attorneys at law, representatives of title companies, county recorders, and
20 other interested parties to recommend possible alternative methods of
21 providing proof of payment of the real property transfer tax.

22 (C) If an investigation is undertaken, the ~~director~~
23 secretary shall complete the investigation by July 1, 2012; and
24

25 SECTION 1136. Arkansas Code § 26-60-109(b)(2)(B), concerning
26 documentary stamps or symbols, is amended to read as follows:

27 (B) Before promulgating any rules, the ~~director~~ secretary
28 shall report the finding of the investigation authorized under § 26-60-
29 107(f)(1) to the Speaker of the House of Representatives and the President
30 Pro Tempore of the Senate if the General Assembly is in session or to the
31 Legislative Council during the interim.
32

33 SECTION 1137. The introductory language of Arkansas Code § 26-60-
34 112(b), concerning the disposition of funds collected from taxes, is amended
35 to read as follows:

36 (b) The revenues derived from the tax levied by § 26-60-105(a) shall

1 be deposited by the ~~Director~~ Secretary of the Department of Finance and
2 Administration into the State Treasury, and the Treasurer of State after
3 deducting three percent (3%) of the revenues for distribution to the
4 Constitutional Officers Fund and the State Central Services Fund to be used
5 for the purposes as provided by law shall distribute the net amount of the
6 revenues as follows:

7
8 SECTION 1138. Arkansas Code § 26-62-102, concerning the definitions
9 under the alternative fuels tax laws, are amended to read as follows:

10 (4) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
11 Department of Finance and Administration or his or her duly authorized
12 agents;

13 (5) "Gallon equivalent" or "equivalent gallon" means a quantity
14 of alternative fuels which is the equivalent of one United States gallon (1
15 U.S. gal.) of gasoline as determined by the ~~director~~ secretary based on
16 United States standards or industry standards, provided that one United
17 States gallon (1 U.S. gal.) of gasoline shall be the equivalent of one
18 hundred cubic feet (100 c.f.) of natural gas fuels;

19
20 SECTION 1139. Arkansas Code § 26-62-104 is amended to read as follows:

21 26-62-104. Rules and regulations.

22 The ~~Director~~ Secretary of the Department of Finance and Administration
23 is authorized and empowered in consultation with the Director of State
24 Highways and Transportation of the Arkansas Department of Transportation to
25 make and promulgate such rules and regulations not inconsistent with this
26 chapter as they shall deem necessary and desirable to facilitate the
27 collection of the taxes levied in this chapter and to otherwise effectuate
28 the purposes of this chapter, and these rules and regulations shall have the
29 same effect as if specifically set forth in this chapter.

30
31 SECTION 1140. Arkansas Code § 26-62-105(a), concerning the failure or
32 refusal to report or pay taxes, is amended to read as follows:

33 (a) Once an alternative fuels supplier, user, interstate user, or IFTA
34 carrier user of alternative fuels has become liable to file a report with the
35 ~~Director~~ Secretary of the Department of Finance and Administration, he or she
36 must continue to file a report, even though no tax is due, until such time as

1 he or she notifies the ~~director~~ secretary in writing that he or she is no
2 longer liable for those reports.

3
4 SECTION 1141. Arkansas Code § 26-62-111 is amended to read as follows:
5 26-62-111. Audits.

6 In all audits conducted by the Arkansas Department of Transportation
7 under this chapter, the Arkansas Department of Transportation may call upon
8 the ~~Director~~ Secretary of the Department of Finance and Administration for
9 assistance.

10
11 SECTION 1142. Arkansas Code § 26-62-201(a)(2), concerning the
12 imposition of taxes and exemptions, is amended to read as follows:

13 (2) The ~~Director~~ Secretary of the Department of Finance and
14 Administration shall determine the various types of alternative fuels being
15 utilized in this state and the applicable rates to be imposed for each type
16 fuel in accordance with the following provisions of this section, provided
17 that the ~~Director~~ Secretary of the Department of Finance and Administration
18 in his or her initial determination at a minimum shall find at least one (1)
19 type of alternative fuels, specifically, natural gas fuels.

20
21 SECTION 1143. Arkansas Code § 26-62-201(c)(1), concerning the
22 imposition of taxes and exemptions, is amended to read as follows:

23 (c)(1)(A)~~(i)~~ ~~The tax rate set forth in subsection (b) of this section~~
24 ~~for each type of alternative fuels from July 1, 1993, through March 31, 1994,~~
25 ~~shall be determined and published by the Director of the Department of~~
26 ~~Finance and Administration prior to June 1, 1993, and such rates shall be~~
27 ~~effective for each type of alternative fuels through March 31, 1994.~~

28 ~~(ii)~~ The tax rate set forth in subsection (b) of
29 this section for each type of alternative fuels shall be adjusted if
30 necessary by the ~~Director~~ Secretary of the Department of Finance and
31 Administration to be effective ~~on April 1, 1994, and~~ on April 1 of each year
32 ~~thereafter~~ based upon the number of vehicles utilizing alternative fuels, by
33 each type of alternative fuels, licensed in this state, as determined by the
34 ~~Director~~ Secretary of the Department of Finance and Administration, as of
35 December 31 of the preceding calendar year.

36 (B) If a change in the tax rate in accordance with

1 subsection (b) of this section for any type of alternative fuels is required,
2 the ~~Director~~ Secretary of the Department of Finance and Administration shall
3 include this in the report required by this section, and the ~~Director~~
4 Secretary of the Department of Finance and Administration shall also notify
5 each alternative fuels supplier of the new tax rate not later than thirty
6 (30) days prior to the effective date of such change.

7
8 SECTION 1144. Arkansas Code § 26-62-201(e) and (f), concerning the
9 imposition of taxes and exemptions, are amended to read as follows:

10 (e)(1) The ~~Director~~ Secretary of the Department of Finance and
11 Administration may develop a procedure in which the type of alternative fuels
12 or other type of fuel is noted on the certificate of title or certificate of
13 registration of an alternative fuels vehicle.

14 (2) It is the intention of this subsection to develop a system
15 for the ~~Director~~ Secretary of the Department of Finance and Administration
16 and other officials of the State of Arkansas to know the precise number of
17 vehicles using alternative fuels and other fuels licensed in this state, both
18 in the aggregate and by the type of fuel propelling the vehicles.

19 (f) Not later than February 15 each year, the ~~Director~~ Secretary of
20 the Department of Finance and Administration shall file a written report with
21 the Director of State Highways and Transportation setting forth the number of
22 vehicles using alternative fuels and other types of fuels licensed in this
23 state as of the end of the preceding calendar year, both in the aggregate and
24 by each type of fuel, and the amount of tax revenue received by the State of
25 Arkansas on the tax levied by this chapter. The ~~Director~~ Secretary of the
26 Department of Finance and Administration shall also state the tax rate for
27 the next twelve (12) months, beginning as of the first day of April of each
28 year for each type of alternative fuel.

29
30 SECTION 1145. Arkansas Code § 26-62-202(a)(3), concerning the
31 collection and payment of tax, is amended to read as follows:

32 (3) Used in any motor vehicle owned or operated by that
33 alternative fuels supplier. The ~~Director~~ Secretary of the Department of
34 Finance and Administration shall make and promulgate rules and regulations
35 for a system for recordkeeping requirements to be kept by such suppliers in
36 fulfilling this subdivision (a)(3).

1
2 SECTION 1146. Arkansas Code § 26-62-203(c)(1), concerning separate
3 meters for taxable natural gas fuels and residential or other tax-free
4 natural gas, is amended to read as follows:

5 (c)(1) Such users shall be licensed and bonded only if required by §
6 26-62-204 but shall remit all taxes to the alternative fuels supplier upon
7 billing by that supplier, which supplier shall further remit such taxes to
8 the ~~Director~~ Secretary of the Department of Finance and Administration as
9 provided in § 26-62-206.

10
11 SECTION 1147. The introductory language of Arkansas Code § 26-62-
12 203(c)(2), concerning separate meters for taxable natural gas fuels and
13 residential or other tax-free natural gas, is amended to read as follows:

14 (2) Such user, however, at the time of the installation of the
15 separate meter shall report to the ~~director~~ secretary the:

16
17 SECTION 1148. Arkansas Code § 26-62-203(c)(2)(E), concerning separate
18 meters for taxable natural gas fuels and residential or other tax-free
19 natural gas, is amended to read as follows:

20 (E) Any other information required by the ~~director~~
21 secretary pursuant to rules and regulations of the ~~director~~ secretary.

22
23 SECTION 1149. Arkansas Code § 26-62-204(a), concerning licenses and
24 bonds for alternative fuels suppliers, interstate users, and IFTA carrier
25 users, is amended to read as follows:

26 (a) No person shall commence operations as an alternative fuels
27 supplier, interstate user, or IFTA carrier user of alternative fuels without
28 first procuring a license for that purpose from the ~~Director~~ Secretary of the
29 Department of Finance and Administration. This license shall be issued and
30 remain in effect until revoked as provided in this section.

31
32 SECTION 1150. Arkansas Code § 26-62-204(c), concerning licenses and
33 bonds for alternative fuels suppliers, interstate users, and IFTA carrier
34 users, is amended to read as follows:

35 (c)(1)(A) Every alternative fuels supplier shall file with the
36 ~~director~~ secretary a surety bond of not less than one and one-half (1½) times

1 or one hundred fifty percent (150%) of the prior six-months' average
2 alternative fuels tax due which is based upon the gallon equivalent of
3 alternative fuels to be sold or distributed:

4 (i) As shown by the application for a license if the
5 applicant has not previously been engaged in the business of an alternative
6 fuels supplier; or

7 (ii) As shown by sales for the previous year if the
8 applicant previously has been engaged in such business in this state.

9 (B) However, no bond shall be filed for less than one
10 thousand dollars (\$1,000).

11 (2) If the ~~director~~ secretary deems it necessary to protect the
12 state in the collection of alternative fuels taxes, the ~~director~~ secretary
13 may require any alternative fuels supplier to post a bond in an amount up to
14 three (3) times or three hundred percent (300%) of the prior six (6) months'
15 average alternative fuels tax due.

16 (3)(A) However, the ~~director~~ secretary is authorized to waive
17 the posting of bond by any licensed alternative fuels supplier organized and
18 operating under the laws of Arkansas and wholly owned by residents of this
19 state who has been licensed for a period of at least three (3) years and who
20 has not been delinquent in remitting alternative fuels taxes during the
21 three-year period immediately preceding application by the alternative fuels
22 supplier for waiver of bond.

23 (B) If any alternative fuels supplier whose bond has been
24 waived by the ~~director~~ secretary as authorized in subdivision (c)(3)(A) of
25 this section subsequently becomes delinquent in remitting alternative fuels
26 taxes to the ~~director~~ secretary, the ~~director~~ secretary may require that the
27 alternative fuels supplier post a bond in the amount required in this
28 section, and the alternative fuels supplier shall not be eligible to petition
29 for a waiver of bond for a period of three (3) years thereafter.

30
31 SECTION 1151. Arkansas Code § 26-62-204(d)(1), concerning licenses and
32 bonds for alternative fuels suppliers, interstate users, and IFTA carrier
33 users, is amended to read as follows:

34 (d)(1) Each application of an interstate user or IFTA carrier user for
35 a license shall be accompanied by a surety bond of a surety company
36 authorized to do business in this state, in favor of the ~~director~~ secretary,

1 satisfactory to the ~~director~~ secretary, and in an amount to be fixed by the
2 ~~director~~ secretary of not less than one thousand dollars (\$1,000) nor more
3 than fifty thousand dollars (\$50,000), guaranteeing the payment of any and
4 all taxes, penalties, interest, attorney's fees, and costs levied by,
5 accrued, or accruing under this chapter.

6
7 SECTION 1152. Arkansas Code § 26-62-204(e)(2), concerning licenses and
8 bonds for alternative fuels suppliers, interstate users, and IFTA carrier
9 users, is amended to read as follows:

10 (2) The bond shall be conditioned upon the prompt filing of true
11 reports and the payment by the alternative fuels supplier, interstate user,
12 or IFTA carrier user to the ~~director~~ secretary of any and all alternative
13 fuels taxes which are levied or imposed by the State of Arkansas, together
14 with any and all penalties and interest thereon, and generally, upon faithful
15 compliance with the provisions of this chapter.

16
17 SECTION 1153. Arkansas Code § 26-62-204(f)-(i), concerning licenses
18 and bonds for alternative fuels suppliers, interstate users, and IFTA carrier
19 users, are amended to read as follows:

20 (f)(1) In the event that liability upon the bond filed pursuant to
21 this section by the alternative fuels supplier, interstate user, or IFTA
22 carrier user with the ~~director~~ secretary shall be discharged or reduced,
23 whether by judgment rendered, payment made, or otherwise, or if, in the
24 opinion of the ~~director~~ secretary, any surety on the bond shall have become
25 unsatisfactory or unacceptable, then the ~~director~~ secretary may require the
26 filing of a new bond with a satisfactory surety in the same form and amount;
27 failing which, the ~~director~~ secretary shall immediately cancel the license of
28 the alternative fuels supplier, interstate user, or IFTA carrier user.

29 (2) If a new bond shall be furnished, the ~~director~~ secretary
30 shall cancel the bonds for which the new bond shall be substituted.

31 (g) In the event that upon hearing of which the alternative fuels
32 supplier, interstate user, or IFTA carrier user shall be given five (5) days'
33 notice in writing, the ~~director~~ secretary shall decide that the amount of the
34 existing bond is insufficient to ensure payment to the State of Arkansas of
35 the amount of the tax and any penalties and interest for which said
36 alternative fuels supplier, interstate user, or IFTA carrier user is or may

1 at any time become liable, then the alternative fuels supplier, interstate
2 user, or IFTA carrier user upon written demand of the ~~director~~ secretary
3 shall immediately file an additional bond in the same manner and form and
4 with a surety company thereon approved by the ~~director~~ secretary in any
5 amount determined by the ~~director~~ secretary to be necessary to secure at all
6 times the payment to the State of Arkansas of all taxes, penalties, and
7 interest due under the provisions of this chapter; failing which, the
8 ~~director~~ secretary shall immediately cancel the license of the alternative
9 fuels supplier, interstate user, or IFTA carrier user.

10 (h)(1)(A) Any surety on any bond furnished as provided in this section
11 shall be released and discharged from any and all liability to the State of
12 Arkansas accruing on the bond after the expiration of sixty (60) days from
13 the date upon which a surety shall have lodged with the ~~director~~ secretary a
14 written request to be released and discharged.

15 (B) However, the request shall not operate to relieve,
16 release, or discharge the surety from any liability already accrued, or which
17 shall accrue, before the expiration of the sixty-day period.

18 (2) Upon receipt of notice of such request, the ~~director~~
19 secretary shall promptly notify the alternative fuels supplier, interstate
20 user, or IFTA carrier user who furnished the bond, and unless the alternative
21 fuels supplier, interstate user, or IFTA carrier user, on or before the
22 expiration of the sixty-day period, files with the ~~director~~ secretary a new
23 bond with a surety company satisfactory to the ~~director~~ secretary in the
24 amount and form as provided in this section, the ~~director~~ secretary shall
25 immediately cancel the license of that alternative fuels supplier, interstate
26 user, or IFTA carrier user.

27 (3) If a new bond shall be furnished as provided in this
28 section, the ~~director~~ secretary shall cancel the bond for which the new bond
29 shall be substituted.

30 (i) In lieu of furnishing a bond or bonds executed by a surety company
31 as provided in this section, any alternative fuels supplier, interstate user,
32 or IFTA carrier user may furnish a bond or other instrument, in form
33 prescribed by the ~~director~~ secretary, equal to the amount of the bond or
34 bonds required by this section which will provide security or payment of all
35 amounts as described in this section and in compliance with all provisions of
36 this chapter.

1
2 SECTION 1154. Arkansas Code § 26-62-204(j)(2), concerning licenses and
3 bonds for alternative fuels suppliers, interstate users, and IFTA carrier
4 users, are amended to read as follows:

5 (2)(A) Should his or her license be revoked, any alternative
6 fuels supplier, interstate user, or IFTA carrier user may bring an action
7 against the ~~director~~ secretary in the Pulaski County Circuit Court within
8 fifteen (15) days of the date of revocation to determine whether or not the
9 alternative fuels supplier, interstate user, or IFTA carrier user has in fact
10 violated any of the provisions of this chapter.

11 (B) If the court determines that the provisions of the law
12 have been violated by the alternative fuels supplier, interstate user, or
13 IFTA carrier user, it shall affirm the ~~director's~~ secretary's action in
14 revoking the license.

15
16 SECTION 1155. Arkansas Code § 26-62-205(a)(2)(F), concerning sales
17 tickets in regards to alternative fuels, is amended to read as follows:

18 (F) Such other information as the ~~Director~~ Secretary of
19 the Department of Finance and Administration may require.

20
21 SECTION 1156. Arkansas Code § 26-62-205(b)(2), concerning sales
22 tickets in regards to alternative fuels, is amended to read as follows:

23 (2) The remaining copy shall be retained by the alternative
24 fuels supplier as a record for a period of at least three (3) years, during
25 which period it shall be subject to inspection by the ~~Director~~ Secretary of
26 the Department of Finance and Administration or his or her representative at
27 all reasonable times.

28
29 SECTION 1157. Arkansas Code § 26-62-205(c), concerning sales tickets
30 in regards to alternative fuels, is amended to read as follows:

31 (c) The sales tickets as described in subsections (a) and (b) of this
32 section shall be the only evidence accepted for tax credit by the ~~Director~~
33 Secretary of the Department of Finance and Administration under the
34 provisions of § 26-62-209.

35
36 SECTION 1158. Arkansas Code § 26-62-205(e)(1), concerning sales

1 tickets in regards to alternative fuels, is amended to read as follows:

2 (e)(1) The ~~Director~~ Secretary of the Department of Finance and
3 Administration, in consultation with the Director of State Highways and
4 Transportation shall promulgate rules and regulations regarding an
5 alternative to the required usage of sales tickets for all sales of natural
6 gas fuels made by alternative fuels suppliers by separate meter as provided
7 in § 26-62-203.

8
9 SECTION 1159. Arkansas Code § 26-62-206(a)(1), concerning alternative
10 fuels suppliers' and users' reports and computation and remittance of tax, is
11 amended to read as follows:

12 (a)(1) Every alternative fuels supplier on or before the twenty-fifth
13 day of each calendar month shall file with the ~~Director~~ Secretary of the
14 Department of Finance and Administration on forms prescribed by the ~~director~~
15 secretary a report accounting for the alternative fuels taxable under this
16 chapter during the preceding month and shall remit all taxes as reflected by
17 the report to the ~~director~~ secretary at the time of filing such report.

18
19 SECTION 1160. Arkansas Code § 26-62-206(a)(2)(D), concerning
20 alternative fuels suppliers' and users' reports and computation and
21 remittance of tax, is amended to read as follows:

22 (D) Such other documents as the ~~director~~ secretary
23 requires.

24
25 SECTION 1161. Arkansas Code § 26-62-206(b), concerning alternative
26 fuels suppliers' and users' reports and computation and remittance of tax, is
27 amended to read as follows:

28 (b) Every interstate user and IFTA carrier user, on or before the
29 twenty-fifth day of the month following the end of each calendar quarter,
30 shall file with the ~~director~~ secretary on forms prescribed by the ~~director~~
31 secretary an itemized report showing the quantities of alternative fuels
32 purchased and used in this state during the preceding calendar quarter,
33 together with payments of the tax due thereon.

34
35 SECTION 1162. Arkansas Code § 26-62-207(b)(3)(B), concerning the
36 requirement of records, invoices, and the falsification of records in regards

1 to the Arkansas Tax Procedure Act, is amended to read as follows:

2 (B) Another counterpart shall be delivered to the operator
3 of the motor vehicle and carried in the cab compartment of the motor vehicle
4 for inspection by the ~~Director~~ Secretary of the Department of Finance and
5 Administration or his or her representatives until the fuel it covers has
6 been consumed.

7
8 SECTION 1163. Arkansas Code § 26-62-207(c)(1), concerning the
9 requirement of records, invoices, and the falsification of records in regards
10 to the Arkansas Tax Procedure Act, is amended to read as follows:

11 (c)(1) Every person who operates a motor vehicle that is equipped to
12 use motor fuels taxable under the Motor Fuel Tax Law, § 26-55-201 et seq., or
13 equipped to use distillate special fuels taxable under the Special Motor
14 Fuels Tax Law, § 26-56-101 et seq., and alternative fuels interchangeably in
15 the propulsion of the motor vehicle shall carry in the cab compartment of the
16 motor vehicle for inspection by the ~~director~~ secretary or his or her
17 representative not only the counterpart of the serially-numbered invoice
18 required under subsection (b) of this section for the delivery of alternative
19 fuels into the fuel supply tanks of the motor vehicle but also an invoice or
20 receipt from the seller for each delivery into the fuel supply tanks of the
21 motor vehicle of motor fuels taxable under the Motor Fuel Tax Law, § 26-55-
22 201 et seq., or of distillate special fuels taxable under the Special Motor
23 Fuels Tax Law, § 26-56-101 et seq., which latter invoices or receipts shall
24 show the same information as to date of delivery, quantity, odometer or hub
25 meter mileage, and motor vehicle registration number as is required for the
26 invoice covering alternative fuels.

27
28 SECTION 1164. Arkansas Code § 26-62-207(e), concerning the requirement
29 of records, invoices, and the falsification of records in regards to the
30 Arkansas Tax Procedure Act, is amended to read as follows:

31 (e) All sales to users made pursuant to § 26-62-203 shall not require
32 the carriage of an invoice by the user, provided that the ~~director~~ secretary
33 shall provide by regulation another means of providing an indication that the
34 tax on the fuel being utilized to propel the motor vehicle will ultimately be
35 paid by the user to the alternative fuels supplier, who is required to remit
36 such tax to the ~~director~~ secretary.

1
2 SECTION 1165. Arkansas Code § 26-62-208(a), concerning prima facie
3 presumptions, failure to keep records, issuing of invoices or file reports,
4 taxes, penalties, and interest in regards to alternate fuel suppliers, is
5 amended to read as follows:

6 (a) Any alternative fuels supplier, user, interstate user, or IFTA
7 carrier user who fails to keep the records, issue the invoices, or file the
8 reports required by this chapter shall be prima facie presumed to have sold,
9 delivered, or used for taxable purposes all alternative fuels shown by a
10 verified audit by the Arkansas Department of Transportation, the ~~Director~~
11 Secretary of the Department of Finance and Administration, or any authorized
12 representative.
13

14 SECTION 1166. Arkansas Code § 26-62-208(b)(1), concerning prima facie
15 presumptions, failure to keep records, issuing of invoices or file reports,
16 taxes, penalties, and interest in regards to alternate fuel suppliers, is
17 amended to read as follows:

18 (b)(1) The ~~director~~ secretary is authorized to fix or establish the
19 amount of taxes, penalties, and interest due the State of Arkansas from any
20 record or information available to the ~~director~~ secretary, or to the Arkansas
21 Department of Transportation, and if the tax claim as developed from that
22 procedure is not paid, the claim and any audit made by the Arkansas
23 Department of Transportation, the ~~director~~ secretary, or an authorized
24 representative, or any report filed by such alternative fuels supplier, user,
25 interstate user, or IFTA carrier user shall be admissible in evidence in any
26 suit or judicial proceedings filed by the ~~director~~ secretary and shall be
27 prima facie evidence of the correctness of said claim or audit.
28

29 SECTION 1167. Arkansas Code § 26-62-209(a) and (b), concerning
30 interstate users and IFTA carrier users, reports, and computation of tax and
31 refunds, are amended to read as follows:

32 (a) For the purpose of determining whether an interstate user or IFTA
33 carrier user owes alternative fuels tax or is entitled to a credit or refund,
34 the licensed interstate user or licensed IFTA carrier user shall file a
35 quarterly report on or before the twenty-fifth day of the month following the
36 end of each calendar quarter, which shall be made on forms prescribed by the

1 ~~Director~~ Secretary of the Department of Finance and Administration, which
2 forms shall include such information as the ~~director~~ secretary may require.

3 (b) If it shall be determined by the quarterly report that the
4 licensed interstate user or licensed IFTA carrier user has used alternative
5 fuels in this state in excess of the number of equivalent gallons of the fuel
6 upon which the Arkansas tax had been paid, the interstate user or IFTA
7 carrier user shall remit to the ~~director~~ secretary at the time of filing the
8 report an excise tax at the rate as previously determined in accordance with
9 § 26-62-201 per equivalent gallon for the taxable quarter multiplied by the
10 number of equivalent gallons used on which the tax has not been paid.

11
12 SECTION 1168. Arkansas Code § 26-62-209(h)(2), concerning interstate
13 users and IFTA carrier users, reports, and computation of tax and refunds,
14 are amended to read as follows:

15 (2) A licensed interstate user or licensed IFTA carrier user who
16 has a total tax liability for alternative fuels tax during the previous
17 calendar year of less than one hundred dollars (\$100) upon application to the
18 ~~director~~ secretary may obtain permission to report his or her alternative
19 fuels tax liability on an annual basis. The annual report shall be due on or
20 before the twenty-fifth day of the month following the end of each fiscal
21 year.

22
23 SECTION 1169. Arkansas Code § 26-62-209(i), concerning interstate
24 users and IFTA carrier users, reports, and computation of tax and refunds,
25 are amended to read as follows:

26 (i) The ~~director~~ secretary shall prescribe the appropriate forms
27 necessary for the administration of this chapter. The ~~director~~ secretary may
28 make appropriate rules and regulations necessary to ensure the accurate
29 reporting of the alternative fuels tax.

30
31 SECTION 1170. Arkansas Code § 26-62-210(a)(1), concerning interstate
32 users and IFTA carrier users as well as tax refund procedure, is amended to
33 read as follows:

34 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
35 Administration shall quarterly estimate the amount necessary to pay refunds
36 to licensed interstate users and licensed IFTA carrier users of alternative

1 fuels who are entitled to refunds with respect to alternative fuels taxes
2 paid in this state as authorized in § 26-62-209, and upon certification by
3 the ~~Director~~ Secretary of the Department of Finance and Administration, the
4 Treasurer of State shall transfer from the gross amount of alternative fuels
5 taxes collected each month the amount to the Interstate Alternative Fuels
6 Refund Fund, which is established on the books of the State Treasury, from
7 which the Department of Finance and Administration shall make refunds as
8 provided by law.

9
10 SECTION 1171. Arkansas Code § 26-62-210(c), concerning interstate
11 users and IFTA carrier users as well as tax refund procedure, is amended to
12 read as follows:

13 (c) Neither the ~~Director~~ Secretary of the Department of Finance and
14 Administration nor any member or employee of the Department of Finance and
15 Administration shall be held personally liable for making any refund by
16 reason of a fraudulent claim's being filed as a basis for such refund.

17
18 SECTION 1172. The introductory language of Arkansas Code § 26-62-
19 210(d), concerning interstate users and IFTA carrier users as well as tax
20 refund procedure, is amended to read as follows:

21 (d) The ~~Director~~ Secretary of the Department of Finance and
22 Administration in consultation with the Director of State Highways and
23 Transportation is authorized to promulgate rules and regulations and to
24 prescribe the necessary forms required for the administration of claims for
25 tax refunds from licensed interstate users or licensed IFTA carrier users of
26 alternative fuels in this state as authorized by law, which rules and
27 regulations shall be in conformance with the following requirements:

28
29 SECTION 1173. Arkansas Code § 26-62-210(d)(1) and (2), concerning
30 interstate users and IFTA carrier users as well as tax refund procedure, are
31 amended to read as follows:

32 (1) The ~~Director~~ Secretary of the Department of Finance and
33 Administration shall first determine with respect to each refund claim filed
34 that the bond of the interstate user or IFTA carrier user is adequate to
35 compensate the State of Arkansas for any losses with respect to the recovery
36 of any refunds illegally claimed by such user, and the ~~Director~~ Secretary of

1 the Department of Finance and Administration may require the increase of the
2 bond if the ~~Director~~ Secretary of the Department of Finance and
3 Administration determines it to be inadequate before approving any such claim
4 for refund;

5 (2) Each licensed interstate user or licensed IFTA carrier user
6 of alternative fuels claiming refunds shall maintain adequate records to
7 substantiate each claim for refund, and the ~~Director~~ Secretary of the
8 Department of Finance and Administration may reject any claim for refund if
9 the ~~Director~~ Secretary of the Department of Finance and Administration
10 determines the applicant has not maintained adequate records or has not
11 conformed to the rules and regulations of the Department of Finance and
12 Administration in filing the claim therefor;

13
14 SECTION 1174. Arkansas Code § 26-62-210(d)(5), concerning interstate
15 users and IFTA carrier users as well as tax refund procedure, is amended to
16 read as follows:

17 (5) The ~~Director~~ Secretary of the Department of Finance and
18 Administration is authorized to promulgate any such rules or regulations the
19 ~~Director~~ Secretary of the Department of Finance and Administration deems
20 desirable in consultation with the Director of State Highways and
21 Transportation regarding refunds to licensed interstate users and IFTA
22 carrier users.

23
24 SECTION 1175. Arkansas Code § 26-62-211(a) and (b), concerning entry
25 slips, tax on out-of-state motor vehicle use, and penalties, are amended to
26 read as follows:

27 (a) Any unlicensed alternative fuels user, unless exempt from the tax
28 levied herein, operating an out-of-state motor vehicle, upon entering the
29 State of Arkansas, at the point of entry shall secure a copy of an entry slip
30 from the ~~Director~~ Secretary of the Department of Finance and Administration
31 or his or her authorized agent or employee.

32 (b) The entry slip shall be signed by the ~~director~~ secretary or his or
33 her authorized agent or employee, and the entry slip shall also be signed by
34 the driver of the vehicle.

35
36 SECTION 1176. Arkansas Code § 26-62-211(d), concerning entry slips,

1 tax on out-of-state motor vehicle use, and penalties, are amended to read as
2 follows:

3 (d) The entry slip shall remain in the vehicle for the remainder of
4 the trip over the highways of this state and shall be produced for the
5 inspection of the ~~director~~ secretary or his or her authorized employee or
6 representative, at any point within the state and shall also be produced at
7 the port of exit to the ~~director~~ secretary or his or her authorized agent or
8 employee, for determination of any alternative fuels taxes due the state.

9
10 SECTION 1177. The introductory language of Arkansas Code § 26-62-
11 211(g)(1)(B), concerning entry slips, tax on out-of-state motor vehicle use,
12 and penalties, are amended to read as follows:

13 (B) At the time of the purchase of the fuels, the owner or
14 operator of such vehicle shall obtain from the alternative fuels supplier
15 from whom purchased an invoice or sales ticket, on forms approved by the
16 ~~director~~ secretary, which shall contain the:

17
18 SECTION 1178. Arkansas Code § 26-62-211(g)(1)(C), concerning the
19 content of invoices, is amended to read as follows:

20 (C) The invoice or sales ticket shall remain in the
21 vehicle for the remainder of the trip over the highways of this state. The
22 invoice or sales ticket shall be preserved and retained by the owner or
23 operator for a period of not less than three (3) years and shall be produced
24 for the inspection and examination of the ~~director~~ secretary or his or her
25 authorized agent or employee, at any reasonable time and place, either within
26 or without this state, upon proper demand therefor;

27
28 SECTION 1179. Arkansas Code § 26-62-211(g)(2)(A), concerning entry
29 slips, tax on out-of-state motor vehicle use, and penalties, are amended to
30 read as follows:

31 (2)(A) By the payment to the ~~director~~ secretary or to his or her
32 agent, representative, or employee of the amount of tax which would be due
33 upon a sufficient quantity, as determined above, of alternative fuels to
34 propel the vehicle over the highways of this state.

35
36 SECTION 1180. The introductory language of Arkansas Code § 26-62-

1 211(g)(2)(B), concerning entry slips, tax on out-of-state motor vehicle use,
2 and penalties, are amended to read as follows:

3 (B) At the time of payment of the tax, the ~~director~~
4 secretary or his or her employee or representative shall issue to the person
5 paying the tax a receipt showing:
6

7 SECTION 1181. Arkansas Code § 26-62-211(g)(2)(B)(vi), concerning entry
8 slips, tax on out-of-state motor vehicle use, and penalties, are amended to
9 read as follows:

10 (vi) Any other information which the ~~director~~
11 secretary may require,
12 which receipt shall be signed by the ~~director~~ secretary or his or her agent
13 or representative.
14

15 SECTION 1182. Arkansas Code § 26-62-211(g)(2)(C), concerning entry
16 slips, tax on out-of-state motor vehicle use, and penalties, are amended to
17 read as follows:

18 (C) The receipt shall remain in the vehicle for the
19 remainder of the trip over the highways of this state and thereafter shall be
20 preserved and retained by the owner or operator for a period of not less than
21 three (3) years and shall be produced for the inspection of the ~~director~~
22 secretary or his or her authorized agent or representative, at any reasonable
23 time and place, either within or without this state, upon proper demand.
24

25 SECTION 1183. Arkansas Code § 26-62-212 is amended to read as follows:

26 26-62-212. Power to stop, investigate, and impound vehicles -
27 Assessment of tax.

28 (a) In order to enforce the provisions of this chapter, the ~~Director~~
29 Secretary of the Department of Finance and Administration or his or her
30 authorized representative is empowered to stop any motor vehicle which
31 appears to be operating with alternative fuels for the purpose of examining
32 the invoices or other documents required by this chapter, or by regulation,
33 and for such other investigative purposes reasonably necessary to determine
34 whether the taxes imposed by this chapter have been paid or whether the
35 vehicle is being operated in compliance with the provisions of this chapter.

36 (b) If after examination or investigation it is determined by the

1 ~~director~~ secretary or his or her authorized representative that the tax
2 imposed by this chapter has not been paid with respect to the alternative
3 fuels being used in the vehicle, the ~~director~~ secretary or his or her
4 representative shall immediately assess the tax due, together with the
5 penalty hereinafter provided, to the owner of the vehicle and give the owner
6 written notice of the assessment by handing it to the driver of the vehicle.

7 (c) The ~~director~~ secretary or his or her representative is empowered
8 to impound any vehicle found to be operating in violation of this chapter by
9 a person other than a person who has furnished the bond required of users by
10 § 26-62-204 until such time as any tax assessed as provided herein has been
11 paid.

12
13 SECTION 1184. Arkansas Code § 26-62-213(c)(2), concerning the unlawful
14 activities regarding the operation of motor vehicles, is amended to read as
15 follows:

16 (2) This penalty shall be assessed by the ~~Director~~ Secretary of
17 the Department of Finance and Administration or his or her representative and
18 shall be collected in the same manner as is provided for the collection of
19 tax in § 26-62-212.

20
21 SECTION 1185. Arkansas Code § 26-62-214 is amended to read as follows:

22 26-62-214. Conversion of vehicles for use of alternative fuels.

23 (a) Any alternative fuels supplier, garage, mechanic, owner, or
24 operator of a motor vehicle who converts or causes a vehicle to be converted
25 to enable the vehicle to be operated on any type of alternative fuels shall
26 report the conversion to the ~~Director~~ Secretary of the Department of Finance
27 and Administration on forms prescribed by the ~~director~~ secretary, which shall
28 include, but not be limited to, the model, make, license number, and vehicle
29 identification number of the converted vehicle within ten (10) days after the
30 conversion.

31 (b) The converting or equipping of a vehicle for natural gas
32 propulsion shall be in compliance with rules and regulations to be made and
33 promulgated by the ~~director~~ secretary.

34 (c)(1) It shall be unlawful for any person to operate any motor
35 vehicle which has been converted or equipped to use alternative fuels unless
36 the vehicle has been reported to the ~~director~~ secretary and any permit, if

1 required by this chapter of that person, has been obtained.

2 (2) If any owner or operator fails to report a conversion of a
3 vehicle to the ~~director~~ secretary within the time prescribed above, such
4 person shall be assessed a penalty of two hundred fifty dollars (\$250) which
5 shall be in addition to any criminal penalty in this chapter.

6
7 SECTION 1186. Arkansas Code § 26-63-102(2), concerning Arkansas
8 special excise taxes, is amended to read as follows:

9 (2) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
10 Department of Finance and Administration or any of his or her authorized
11 agents;

12
13 SECTION 1187. Arkansas Code § 26-63-104(a) and (b), concerning
14 administration, rules, and regulations to be promulgated by the Director of
15 the Department of Finance and Administration, are amended to read as follows:

16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration shall administer this chapter.

18 (b) The ~~director~~ secretary shall prescribe forms and promulgate rules
19 for the proper enforcement of this chapter, including without limitation the
20 manner and time the taxes levied by this chapter shall be collected,
21 reported, and paid and how a sale will be sourced.

22
23 SECTION 1188. Arkansas Code § 26-63-105(b), concerning the cost of
24 administration and the distribution of surplus annually, is amended to read
25 as follows:

26 (b) If any funds appropriated for the administration of this chapter
27 remain in the possession of the ~~Director~~ Secretary of the Department of
28 Finance and Administration at the end of each fiscal year that have not been
29 actually used in the administration of this chapter, then the funds shall be
30 remitted by the ~~director~~ secretary to the Treasurer of State for distribution
31 in the same manner and for the same purposes provided for in § 26-63-106.

32
33 SECTION 1189. Arkansas Code § 26-63-106(a), concerning the disposition
34 of taxes, interest, and penalties, is amended to read as follows:

35 (a) Except as otherwise provided in this chapter, all taxes, interest,
36 penalties, and costs received by the ~~Director~~ Secretary of the Department of

1 Finance and Administration under this chapter are general revenues and shall
2 be deposited into the State Treasury to the credit of the State Apportionment
3 Fund.

4
5 SECTION 1190. Arkansas Code § 26-63-107 is amended to read as follows:
6 26-63-107. Changes in law – Notice.

7 The ~~Director~~ Secretary of the Department of Finance and Administration
8 shall give each special excise tax registrant under § 26-63-201 written
9 notice of any change in the state law pertaining to the taxes levied by this
10 chapter within thirty (30) days after the adjournment of the General
11 Assembly.

12
13 SECTION 1191. Arkansas Code § 26-63-201 is amended to read as follows:
14 26-63-201. Registration required.

15 (a) It is unlawful for any taxpayer to transact business within this
16 state prior to registering with the ~~Director~~ Secretary of the Department of
17 Finance and Administration.

18 (b) The ~~director~~ secretary may promulgate rules to implement this
19 section.

20
21 SECTION 1192. Arkansas Code § 26-63-204 is amended to read as follows:
22 26-63-204. Discontinuance of business – Unpaid taxes.

23 (a)(1) Upon discontinuance of a business by sale or otherwise, any
24 taxpayer registered to operate under this chapter shall notify the ~~Director~~
25 Secretary of the Department of Finance and Administration in writing and
26 remit any unpaid or accrued taxes due under this chapter.

27 (2) Failure to pay any unpaid or accrued taxes due under this
28 chapter is sufficient cause for the ~~director~~ secretary to refuse to allow the
29 taxpayer to engage in or transact any other business in this state.

30 (3) In the case of a sale of any business, the tax levied by
31 this chapter is due at the time of the sale of the fixtures and equipment
32 incident to the business, and any tax due under this chapter constitutes a
33 lien against the stock and the fixtures and equipment in the possession of
34 the purchaser of the fixtures and equipment or any other third party until
35 the tax due under this chapter is paid.

36 (b) The ~~director~~ secretary shall not register a taxpayer to continue

1 to conduct a business until all tax due under this chapter has been settled
 2 and paid.

3
 4 SECTION 1193. Arkansas Code § 26-63-302(b)(3)(A), concerning rental
 5 vehicle tax, is amended to read as follows:

6 (3)(A) The rental vehicle tax shall be remitted to the ~~Director~~
 7 Secretary of the Department of Finance and Administration and, except for the
 8 amount equal to any municipal or county taxes, shall be deposited into the
 9 State Treasury as general revenues.

10
 11 SECTION 1194. Arkansas Code § 26-63-302(c)(2)(A)(i), concerning rental
 12 vehicle tax, is amended to read as follows:

13 (2)(A)(i) The additional rental vehicle tax shall be remitted to
 14 the ~~director~~ secretary, who shall deposit seventy-five percent (75%) of the
 15 net revenues derived from the additional rental vehicle tax into the Arkansas
 16 Public Transit Trust Fund.

17
 18 SECTION 1195. Arkansas Code § 26-63-304(c), concerning long-term
 19 rental vehicle tax, is amended to read as follows:

20 (c) The long-term rental vehicle tax shall be remitted to the ~~Director~~
 21 Secretary of the Department of Finance and Administration and shall be
 22 deposited into the State Treasury as general revenues.

23
 24 SECTION 1196. Arkansas Code § 26-73-102(3), concerning the definition
 25 of "director" under the laws governing local taxes, is amended to read as
 26 follows:

27 (3) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
 28 Department of Finance and Administration in the exercise of those powers,
 29 functions, and duties formerly vested in the Commissioner of Revenues of the
 30 State of Arkansas which were merged into the Department of Finance and
 31 Administration under the provisions of § 25-8-101 et seq., or any of his or
 32 her authorized agents;

33
 34 SECTION 1197. Arkansas Code § 26-73-105 is amended to read as follows:
 35 26-73-105. Collection of taxes.

36 (a) The ~~Director~~ Secretary of the Department of Finance and

1 Administration shall collect the tax levied under this subchapter and shall
2 perform all functions incident to the administration, collection,
3 enforcement, and operation of the taxes in the manner and following the
4 procedures that are prescribed for the corresponding state taxes.

5 (b) The ~~director~~ secretary shall deduct from all revenues collected
6 pursuant to this subchapter up to three percent (3%) as a cost of collection.

7
8 SECTION 1198. Arkansas Code § 26-73-106 is amended to read as follows:

9 26-73-106. Revenue Local Tax Revolving Fund – Revenue Local Tax
10 Operating Fund.

11 (a) There are created on the books of the Treasurer of State, the
12 Auditor of State, and the ~~Director~~ Secretary of the Department of Finance and
13 Administration a Revenue Local Tax Revolving Fund and a Revenue Local Tax
14 Operating Fund.

15 (b) All taxes collected by the ~~director~~ secretary under this
16 subchapter shall be deposited into the State Treasury and credited to the
17 Revenue Local Tax Revolving Fund and transmitted at least quarterly in each
18 state fiscal year to the local government levying the tax.

19
20 SECTION 1199. Arkansas Code § 26-73-107 is amended to read as follows:

21 26-73-107. Rules and regulations.

22 The ~~Director~~ Secretary of the Department of Finance and Administration
23 shall promulgate reasonable rules and regulations not inconsistent with the
24 provisions of this subchapter to implement the enforcement, administration,
25 and collection of the taxes authorized in this subchapter.

26
27 SECTION 1200. Arkansas Code § 26-73-109(a)(1)(A)(ii), concerning tax
28 information exchange agreements, is amended to read as follows:

29 (ii) ~~Director~~ Secretary of the Department of Finance
30 and Administration; or

31
32 SECTION 1201. Arkansas Code § 26-73-109(a)(2), concerning tax
33 information exchange agreements, is amended to read as follows:

34 (2) In all other matters concerning the release of tax
35 information, including its release to law enforcement agencies, the local
36 government shall be governed by state law in the same manner as is the

1 ~~director~~ secretary.

2
3 SECTION 1202. Arkansas Code § 26-74-203(), concerning the definition
4 of "director" under the laws governing sales and use taxes for capital
5 improvements, is amended to read as follows:

6 (5) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
7 Department of Finance and Administration, or any successor of the ~~director~~
8 secretary, or any authorized agent of the ~~director~~ secretary;

9
10 SECTION 1203. Arkansas Code § 26-74-204(c), concerning the issuance of
11 bonds, is amended to read as follows:

12 (c) There may be successive bond issues for the purpose of financing
13 the same project, and there may be successive bond issues for financing the
14 cost of reconstructing, replacing, constructing additions to, extending,
15 improving, and equipping projects already in existence, whether or not
16 originally financed by bonds issued under this subchapter, and with each
17 successive issue to be authorized as provided by this subchapter. Priority
18 between and among issues and successive issues as to security of the pledge
19 of revenues and lien on the project facilities involved may be controlled by
20 the ordinance authorizing the issuance of bonds under this subchapter.
21 Subject to the provisions of this subchapter pertaining to registration, the
22 bonds shall have all the qualities of negotiable instruments under the laws
23 of the State of Arkansas. A copy of the ordinance authorizing bonds under
24 this subchapter, certified by the county clerk of the county, shall be filed
25 with the ~~Director~~ Secretary of the Department of Finance and Administration
26 and with the Treasurer of State.

27
28 SECTION 1204. Arkansas Code § 26-74-208(b)(3)(D)(i), concerning the
29 form of a ballot for a sales and use tax, is amended to read as follows:

30 (D)(i) To extend the sales and use tax levied under this
31 subchapter to a new expiration date, the county shall notify the ~~Director~~
32 Secretary of the Department of Finance and Administration of the new
33 expiration date that was approved by the voters after publication of the
34 proclamation has occurred and at least ninety (90) days before the current
35 expiration date of the sales and use tax.

36

1 SECTION 1205. Arkansas Code § 26-74-209(d)(1), concerning the conduct
2 of elections, results, and challenges, is amended to read as follows:

3 (d)(1) The county court shall notify the ~~Director~~ Secretary of the
4 Department of Finance and Administration of the countywide tax after
5 publication of the proclamation has occurred and ninety (90) days before the
6 effective date of the tax.

7
8 SECTION 1206. Arkansas Code § 26-74-209(d)(2)(A)(i), concerning the
9 conduct of elections, results, and challenges, is amended to read as follows:

10 (2)(A)(i) Except as provided in subdivision (d)(2)(A)(ii) of
11 this section, if an election challenge is not timely filed, the countywide
12 tax shall be levied, effective on the first day of the first month of the
13 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
14 secretary to sellers and after the expiration of the thirty-day challenge
15 period, on the gross receipts from the sale at retail within the county of
16 all items and services that are subject to the Arkansas Gross Receipts Act of
17 1941, § 26-52-101 et seq.

18
19 SECTION 1207. Arkansas Code § 26-74-211 is amended to read as follows:
20 26-74-211. Notification of results.

21 (a) Within ten (10) days after the certification of the votes of any
22 election resulting in the adoption or abolition of a tax levied pursuant to
23 this subchapter and ninety (90) days before its effective date, the county
24 court shall notify the ~~Director~~ Secretary of the Department of Finance and
25 Administration of the results.

26 (b) A rate change will be effective only on the first day of a
27 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
28 secretary to sellers.

29 (c) A rate change on a purchase from a printed catalog in which the
30 purchaser computed the tax based upon local tax rates published in the
31 catalog will be applicable on the first day of a calendar quarter after a
32 minimum of one hundred twenty (120) days' notice by the ~~director~~ secretary to
33 the sellers.

34 (d) For sales and use tax purposes only, a local boundary change will
35 become effective on the first day of a calendar quarter after a minimum of
36 sixty (60) days' notice by the ~~director~~ secretary to sellers.

1
2 SECTION 1208. Arkansas Code § 26-74-213(b)(1), concerning county tax
3 rebates, is amended to read as follows:

4 (b)(1) If a rebate would be due pursuant to the provisions of this
5 subchapter as a result of the purchase of a new or used motor vehicle and if
6 the tax on the new or used motor vehicle is collected directly from the
7 purchaser pursuant to the provisions of § 26-52-510, then the ~~Director~~
8 Secretary of the Department of Finance and Administration shall collect only
9 the amount of tax due less the amount to which the purchaser would be
10 entitled under the rebate provisions of this subchapter.

11
12 SECTION 1209. Arkansas Code § 26-74-214(a)(1), concerning the
13 disposition of county sales and use taxes, is amended to read as follows:

14 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
15 Administration shall maintain a record of the total amount of tax collected
16 pursuant to this subchapter and other subchapters authorizing county sales
17 and use taxes in each county and shall deposit all such revenues with the
18 Treasurer of State.

19
20 SECTION 1210. The introductory language of Arkansas Code § 26-74-
21 214(e)(1), concerning the disposition of county sales and use taxes, is
22 amended to read as follows:

23 (e)(1) When any tax adopted by a county pursuant to this subchapter is
24 abolished, the ~~director~~ secretary shall retain in the account of that county
25 in the Local Sales and Use Tax Trust Fund for a period of one (1) year an
26 amount equal to five percent (5%) of the final remittance to the county and
27 municipalities in the county at the time of termination of the collection of
28 the tax to:

29
30 SECTION 1211. Arkansas Code § 26-74-214(e)(2), concerning the
31 disposition of county sales and use taxes, is amended to read as follows:

32 (2) After one (1) year has elapsed after the effective date of
33 the abolition of the tax in any county, the ~~director~~ secretary shall transfer
34 the balance in that county's account to the county and municipalities in the
35 county and shall close the account.

36

1 SECTION 1212. Arkansas Code § 26-74-214(f), concerning the disposition
2 of county sales and use taxes, is amended to read as follows:

3 (f)(1) As indicated by a certified copy of an ordinance of the quorum
4 court of the county previously filed with the ~~director~~ secretary and the
5 Treasurer of State, any moneys collected that are pledged to secure lease
6 rentals or the payment of bonds authorized by this subchapter shall not be
7 deposited into the State Treasury but shall be deposited by the Treasurer of
8 State into a bank or banks designated by the county, as cash funds, and
9 transmitted to the county subject to the charges payable and retainage
10 authorized in this section.

11 (2) Charges deducted shall be transmitted to the Treasurer of
12 State, and amounts retained shall be retained by the ~~director~~ secretary as
13 cash funds.
14

15 SECTION 1213. Arkansas Code § 26-74-215 is amended to read as follows:
16 26-74-215. Rules and regulations.

17 The ~~Director~~ Secretary of the Department of Finance and Administration
18 may promulgate reasonable rules and regulations not inconsistent with the
19 provisions of this subchapter to implement the administration, collection,
20 enforcement, and operation of the taxes authorized in this subchapter.
21

22 SECTION 1214. Arkansas Code § 26-74-216 is amended to read as follows:
23 26-74-216. Procedures and penalties for enforcement.

24 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
25 Department of Finance and Administration in enforcing any local tax imposed
26 pursuant to this subchapter shall be the same as for the state gross receipts
27 tax and compensating tax, as set out in the Arkansas Tax Procedure Act, § 26-
28 18-101 et seq., except as specifically set out in this subchapter.

29 (b)(1) When property is seized by the ~~director~~ secretary under the
30 provisions of any law authorizing seizure of property of a taxpayer who is
31 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
32 of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, §
33 26-53-101 et seq., and when the taxpayer is also delinquent in payment of any
34 tax imposed by this subchapter, the ~~director~~ secretary shall sell sufficient
35 property to pay the delinquent taxes and penalty due to any city or county
36 under this subchapter in addition to that required to pay any amount due to

1 the state under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
2 or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

3 (2) The proceeds from such sale shall first be applied to all
4 sums due to the state, and the remainder, if any, shall be applied to all
5 sums due to the city or county.

6
7 SECTION 1215. Arkansas Code § 26-74-220(v), concerning the maximum tax
8 limitation for county general sales or use taxes. is amended to read as
9 follows:

10 (c) This section applies only to a tax collected by the ~~Director~~
11 Secretary of the Department of Finance and Administration.

12
13 SECTION 1216. Arkansas Code § 26-74-303(5), concerning the definition
14 of "director" under the laws governing sales taxes for capital improvements,
15 is amended to read as follows:

16 (5) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
17 Department of Finance and Administration, any successor of the ~~director~~
18 secretary, or any authorized agent of the ~~director~~ secretary;

19
20 SECTION 1217. Arkansas Code § 26-74-304(c), concerning the issuance of
21 bonds by counties, is amended to read as follows:

22 (c) There may be successive bond issues for the purpose of financing
23 the same project, and there may be successive bond issues for financing the
24 cost of reconstructing, replacing, constructing additions to, extending,
25 improving, and equipping projects already in existence, whether or not
26 originally financed by bonds issued under this subchapter, and with each
27 successive issue to be authorized as provided by this subchapter. Priority
28 between and among issues and successive issues as to security of the pledge
29 of revenues and lien on the project facilities involved may be controlled by
30 the ordinance authorizing the issuance of bonds under this subchapter.
31 Subject to the provisions of this subchapter pertaining to registration, the
32 bonds shall have all the qualities of negotiable instruments under the laws
33 of the State of Arkansas. A copy of the ordinance authorizing bonds under
34 this subchapter, certified by the county clerk of the county, shall be filed
35 with the ~~Director~~ Secretary of the Department of Finance and Administration
36 and with the Treasurer of State.

1
2 SECTION 1218. Arkansas Code § 26-74-308(b)(3)(D)(i), concerning the
3 form of a ballot for a county sales and use tax, is amended to read as
4 follows:

5 (D)(i) To extend the sales and use tax levied under this
6 subchapter to a new expiration date, the county shall notify the ~~Director~~
7 Secretary of the Department of Finance and Administration of the new
8 expiration date that was approved by the voters after publication of the
9 proclamation has occurred and at least ninety (90) days before the current
10 expiration date of the sales and use tax.

11
12 SECTION 1219. Arkansas Code § 26-74-309(d), concerning challenges,
13 results, and conduct of elections, is amended to read as follows:

14 (d)(1) The county court shall notify the ~~Director~~ Secretary of the
15 Department of Finance and Administration of the countywide tax after
16 publication of the proclamation has occurred and ninety (90) days before the
17 effective date of the tax.

18 (2)(A) Except as provided in subdivision (d)(2)(B) of this
19 section, if an election challenge is not timely filed, the countywide tax
20 shall be levied, effective on the first day of the first month of the
21 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
22 secretary to sellers and after the expiration of the thirty-day challenge
23 period, on the gross receipts from the sale at retail within the county of
24 all items and services that are subject to the Arkansas Gross Receipts Act of
25 1941, § 26-52-101 et seq., and the Arkansas Compensating Tax Act of 1949, §
26 26-53-101 et seq.

27 (B) The effective date of the levy of the countywide tax
28 may be delayed under § 26-74-308(d).

29
30 SECTION 1220. Arkansas Code § 26-74-311 is amended to read as follows:
31 26-74-311. Notification of results.

32 (a) Within ten (10) days after the certification of the votes of any
33 election resulting in the adoption or abolition of a tax levied pursuant to
34 this subchapter and ninety (90) days before the effective date, the county
35 court shall notify the ~~Director~~ Secretary of the Department of Finance and
36 Administration of the results.

1 (b) A rate change will become effective only on the first day of a
2 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
3 secretary to sellers.

4 (c) A rate change on a purchase from a printed catalog in which the
5 purchaser computed the tax based upon local tax rates published in the
6 catalog will be applicable beginning on the first day of a calendar quarter
7 after a minimum of one hundred twenty (120) days' notice by the ~~director~~
8 secretary to the sellers.

9 (d) For sales and use tax purposes only, a local boundary change will
10 become effective only on the first day of a calendar quarter after a minimum
11 of sixty (60) days' notice by the ~~director~~ secretary to sellers.

12
13 SECTION 1221. Arkansas Code § 26-74-312 is amended to read as follows:

14 26-74-312. Administration, collection, etc., of tax.

15 (a) On and after the effective date of any tax imposed under the
16 provisions of this subchapter, the ~~Director~~ Secretary of the Department of
17 Finance and Administration shall perform all functions incidental to the
18 administration, collection, enforcement, and operation of the tax.

19 (b) In addition to the state gross receipts tax, the ~~director~~
20 secretary shall collect an additional tax under the authority of this
21 subchapter on the gross receipts from the sale of all items and services that
22 are subject to the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
23 and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

24 (c)(1) The tax imposed under this subchapter and the tax imposed under
25 the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., shall be
26 collected together and reported upon such forms and under such administrative
27 rules and regulations as may be prescribed by the ~~director~~ secretary not
28 inconsistent with the provisions of this subchapter.

29 (2)(A) Each vendor who is liable for one (1) or more city sales
30 or use taxes shall report a combined city sales tax and a combined city use
31 tax on his or her sales and use tax report.

32 (B) The combined city sales tax is equal to the sum of all
33 sales taxes levied by a city under this subchapter or any other provision of
34 the Arkansas Code.

35 (C) The combined city use tax is equal to the sum of all
36 use taxes levied by a city under this subchapter or any other provision of

1 the Arkansas Code.

2 (3) This subsection only applies to a tax collected by the
3 ~~director~~ secretary.

4 (d) On and after the effective date of any proposition to abolish a
5 tax levied pursuant to this subchapter, the ~~director~~ secretary shall comply
6 with the proposition as provided in this subchapter.

7
8 SECTION 1222. Arkansas Code § 26-74-313(a)-(c), concerning the
9 disposition of funds, are amended to read as follows:

10 (a) The ~~Director~~ Secretary of the Department of Finance and
11 Administration shall maintain a record of the total amount of tax collected
12 pursuant to this subchapter and other subchapters authorizing county sales
13 and use taxes in each county. The ~~director~~ secretary shall determine the
14 population of the unincorporated area of each of the counties and shall
15 furnish the information to the Treasurer of State.

16 (b) Except as set forth in subsections (c), (e), and (f) of this
17 section, any tax collected by the ~~director~~ secretary under this subchapter on
18 behalf of any county shall be deposited with the Treasurer of State in trust
19 and shall be kept in a separate suspense account.

20 (c) Any moneys collected by the ~~director~~ secretary, as indicated by a
21 certified copy of an ordinance of the quorum court of the county, previously
22 filed with the ~~director~~ secretary and the Treasurer of State, which are
23 pledged to secure the payment of lease rentals or bonds authorized by this
24 subchapter shall not be deposited into the State Treasury but shall be
25 deposited by the Treasurer of State into banks designated by the county, as
26 cash funds, and transmitted to the county subject to the charges payable to
27 the State of Arkansas set forth in subsection (d) of this section. Charges
28 deducted shall be transmitted to the Treasurer of State.

29
30 SECTION 1223. Arkansas Code § 26-74-313(d)(1), concerning the
31 disposition of funds, is amended to read as follows:

32 (d)(1) The Treasurer of State shall transmit to the treasurer or
33 financial officer of each city and county its per capita share, after
34 deducting the amount required for claims, overpayments, and bad checks, as
35 certified by the ~~director~~ secretary.

36

1 SECTION 1224. Arkansas Code § 26-74-313(d)(4)-(6), concerning the
 2 disposition of funds, are amended to read as follows:

3 (4) The ~~director~~ secretary is authorized to retain in the
 4 suspense account a balance not to exceed five percent (5%) of the amount
 5 remitted to the local governments. The ~~director~~ secretary is authorized to
 6 make refunds from the suspense account of any overpayments made and to redeem
 7 dishonored checks and drafts deposited to the credit of the suspense account.

8 (5) When any tax adopted pursuant to this subchapter is
 9 thereafter abolished, the ~~director~~ secretary shall retain in the suspense
 10 account for a period of one (1) year five percent (5%) of the final
 11 remittance to the local governments at the time of termination of collection
 12 of the tax to:

13 (A) Cover possible refunds for overpayment of the tax; and

14 (B) Redeem dishonored checks and drafts deposited to the
 15 credit of the suspense account.

16 (6) After one (1) year has elapsed after the effective date of
 17 the abolishment of the tax, the ~~director~~ secretary shall remit the balance of
 18 the account to the governing bodies of the cities and counties and close the
 19 account.

20
 21 SECTION 1225. Arkansas Code § 26-74-314 is amended to read as follows:
 22 26-74-314. Rules and regulations.

23 The ~~Director~~ Secretary of the Department of Finance and Administration
 24 may promulgate reasonable rules and regulations not inconsistent with the
 25 provisions of this subchapter to implement the enforcement, administration,
 26 and collection of the taxes authorized in this subchapter.

27
 28 SECTION 1226. Arkansas Code § 26-74-320(c), concerning maximum tax
 29 limitation for county general sales or use taxes, is amended to read as
 30 follows:

31 (c) This section applies only to taxes collected by the ~~Director~~
 32 Secretary of the Department of Finance and Administration.

33
 34 SECTION 1227. Arkansas Code § 26-74-321(a), concerning the procedures
 35 and penalties for enforcement of a local tax, is amended to read as follows:

36 (a) The procedures and penalties used by the ~~Director~~ Secretary of the

1 Department of Finance and Administration in enforcing any local tax imposed
2 pursuant to this subchapter shall be the same as for the Arkansas Gross
3 Receipts Act of 1941, § 26-52-101 et seq., and the Arkansas Compensating Tax
4 Act of 1949, § 26-53-101 et seq., as set out in the Arkansas Tax Procedure
5 Act, § 26-18-101 et seq., except as specifically set out in this subchapter.
6

7 SECTION 1228. Arkansas Code § 26-74-321(b)(1), concerning the
8 procedures and penalties for enforcement of a local tax, is amended to read
9 as follows:

10 (b)(1) When property is seized by the ~~director~~ secretary under the
11 provisions of any law authorizing seizure of property of a taxpayer who is
12 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
13 of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, §
14 26-53-101 et seq., and when the taxpayer is also delinquent in payment of any
15 tax imposed by this subchapter, the ~~director~~ secretary shall sell sufficient
16 property to pay the delinquent taxes and penalty due to any city or county
17 under this subchapter in addition to that required to pay any amount due to
18 the state under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
19 or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.
20

21 SECTION 1229. Arkansas Code § 26-74-401(2), concerning the definition
22 of "director" under the laws governing sales and use tax for counties without
23 existing tax, is amended to read as follows:

24 (2) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
25 Department of Finance and Administration, or any successor thereof, or any
26 authorized agent thereof.
27

28 SECTION 1230. Arkansas Code § 26-74-404(d)(1), concerning election
29 challenges and results, is amended to read as follows:

30 (d)(1) The county court shall notify the ~~Director~~ Secretary of the
31 Department of Finance and Administration of the tax after publication of the
32 proclamation has occurred and ninety (90) days before the effective date of
33 the tax.
34

35 SECTION 1231. Arkansas Code § 26-74-404(d)(2)(A), concerning election
36 challenges and results, is amended to read as follows:

1 (2)(A) If no election challenge is timely filed, there shall be
2 levied, effective on the first day of the first month of the calendar quarter
3 after a minimum of sixty (60) days' notice by the ~~director~~ secretary to
4 sellers and after the expiration of the thirty-day challenge period, a one-
5 half percent (0.5%) tax on the gross receipts from the sale of all items that
6 are subject to the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
7 and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

8
9 SECTION 1232. Arkansas Code § 26-74-406 is amended to read as follows:
10 26-74-406. Notification of results.

11 (a) Within ten (10) days after the certification of the votes of any
12 election resulting in the adoption of a tax levied pursuant to this
13 subchapter and ninety (90) days before the effective date of the rate change,
14 the county court shall notify the ~~Director~~ Secretary of the Department of
15 Finance and Administration of the results.

16 (b) A rate change will become effective only on the first day of a
17 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
18 secretary to sellers.

19 (c) A rate change on a purchase from a printed catalog in which the
20 purchaser computed the tax based upon local tax rates published in the
21 catalog will be applicable beginning on the first day of a calendar quarter
22 after a minimum of one hundred twenty (120) days' notice by the ~~director~~
23 secretary to the sellers.

24 (d) For sales and use tax purposes only, a local boundary change will
25 become effective only on the first day of a calendar quarter after a minimum
26 of sixty (60) days' notice by the ~~director~~ secretary to sellers.

27
28 SECTION 1233. Arkansas Code § 26-74-408(b)(1), concerning county tax
29 rebates, is amended to read as follows:

30 (b)(1) When a rebate would be due pursuant to the provisions of this
31 subchapter as a result of the purchase of a new or used motor vehicle and
32 when the tax on the new or used motor vehicle is collected directly from the
33 purchaser pursuant to the provisions of § 26-52-510, then the ~~Director~~
34 Secretary of the Department of Finance and Administration shall collect only
35 the amount of tax due less the amount to which the purchaser would be
36 entitled under the rebate provisions of this subchapter.

1
2 SECTION 1234. Arkansas Code § 26-74-409(a)(1), concerning the
3 disposition of funds, is amended to read as follows:

4 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
5 Administration shall maintain a record of the total amount of tax collected
6 pursuant to this subchapter and all other subchapters authorizing a county
7 sales and use tax in each county and shall deposit all such revenues with the
8 Treasurer of State.

9
10 SECTION 1235. The introductory language of Arkansas Code § 26-74-
11 409(e), concerning the disposition of funds, is amended to read as follows:

12 (e) When any tax adopted by a county pursuant to this subchapter
13 ceases, the ~~director~~ secretary shall retain in the account of that county in
14 the Local Sales and Use Tax Trust Fund for a period of one (1) year an amount
15 equal to five percent (5%) of the final remittance to the county and
16 municipalities therein at the time of termination of the collection of the
17 tax to:

18
19 SECTION 1236. Arkansas Code § 26-74-409(f), concerning the disposition
20 of funds, is amended to read as follows:

21 (f) After one (1) year has elapsed after the tax ceases in any county,
22 the ~~director~~ secretary shall transfer the balance in that county's account to
23 the county and shall close the account.

24
25 SECTION 1237. Arkansas Code § 26-74-410 is amended to read as follows:
26 26-74-410. Rules and regulations.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 may promulgate reasonable rules and regulations not inconsistent with the
29 provisions of this subchapter to implement the administration, collection,
30 enforcement, and operation of the taxes authorized in this subchapter.

31
32 SECTION 1238. Arkansas Code § 26-74-411(a), concerning the procedures
33 and penalties for enforcement of local taxes, is amended to read as follows:

34 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
35 Department of Finance and Administration in enforcing any local tax imposed
36 pursuant to this subchapter shall be the same as for the state gross receipts

1 tax and compensating tax, as set out in the Arkansas Tax Procedure Act, § 26-
2 18-101 et seq., except as specifically set out in this subchapter.

3
4 SECTION 1239. Arkansas Code § 26-74-411(b)(1), concerning the
5 procedures and penalties for enforcement of local taxes, is amended to read
6 as follows:

7 (b)(1) When property is seized by the ~~director~~ secretary under the
8 provisions of any law authorizing seizure of property of a taxpayer who is
9 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
10 of 1941, § 26-52-101 et seq., or Arkansas Compensating Tax Act of 1949, § 26-
11 53-101 et seq., and when the taxpayer is also delinquent in payment of any
12 tax imposed by this subchapter, the ~~director~~ secretary shall sell sufficient
13 property to pay the delinquent taxes and penalty due to any county under this
14 subchapter in addition to that required to pay any amount due to the state
15 under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the
16 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

17
18 SECTION 1240. Arkansas Code § 26-74-412(a)(2), concerning the maximum
19 tax limitation, is amended to read as follows:

20 (2) A vendor collecting, reporting, and remitting the county
21 sales or use taxes shall show county sales taxes as a separate entry on the
22 tax report form filed with the ~~Director~~ Secretary of the Department of
23 Finance and Administration.

24
25 SECTION 1241. Arkansas Code § 26-74-601(2), concerning the definition
26 of "director" under the laws governing sales and use taxes for the capital
27 improvements of a community college, is amended to read as follows:

28 (2) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
29 Department of Finance and Administration, any successor of the ~~director~~
30 secretary, or any authorized agent of the ~~director~~ secretary;

31
32 SECTION 1242. Arkansas Code § 26-74-605(e)(1)(A), concerning the
33 conduct of election and results, and challenges, is amended to read as
34 follows:

35 (e)(1)(A) If a challenge to an election called under § 26-74-603(b) is
36 not timely filed, there shall be levied effective on the first day of the

1 first month of the calendar quarter after a minimum of sixty (60) days'
2 notice by the ~~Director~~ Secretary of the Department of Finance and
3 Administration to sellers and subsequent to the expiration of the thirty-day
4 challenge period a countywide tax on the gross receipts from the sale at
5 retail within the eligible county of all items that are subject to the
6 Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.

7
8 SECTION 1243. Arkansas Code § 26-74-605(h)(1), concerning the conduct
9 of election and results, and challenges, is amended to read as follows:

10 (h)(1) To extend the period for the levy of a tax under § 26-74-
11 603(c), after the publication of the proclamation has occurred and at least
12 ninety (90) days before the current period for the levy of the tax is set to
13 expire, the county shall notify the ~~director~~ secretary of the new period for
14 the levy of the tax that was approved by the voters.

15
16 SECTION 1244. Arkansas Code § 26-74-607 is amended to read as follows:
17 26-74-607. Notification of results.

18 Within ten (10) days after the certification of the votes of any
19 election resulting in the adoption or abolition of a tax levied pursuant to
20 this subchapter and ninety (90) days before the effective date of the tax,
21 the county judge shall notify the ~~Director~~ Secretary of the Department of
22 Finance and Administration of the results.

23
24 SECTION 1245. Arkansas Code § 26-74-609(a)(1), concerning the
25 disposition of funds, is amended to read as follows:

26 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
27 Administration shall maintain a record of the total amount of tax collected
28 pursuant to this subchapter and all other subchapters authorizing a county
29 sales and use tax in each eligible county and shall deposit all such revenues
30 with the Treasurer of State.

31
32 SECTION 1246. The introductory language of Arkansas Code § 26-74-
33 609(e), concerning the disposition of funds, is amended to read as follows:

34 (e) When any tax adopted by an eligible county pursuant to this
35 subchapter ceases, the ~~director~~ secretary shall retain in the account of that
36 eligible county in the Local Sales and Use Tax Trust Fund for a period of one

1 (1) year an amount equal to five percent (5%) of the final remittance to the
2 eligible county at the time of termination of the collection of the tax to:

3
4 SECTION 1247. The introductory language of Arkansas Code § 26-74-
5 609(f), concerning the disposition of funds, is amended to read as follows:

6 (f) After one (1) year has elapsed after the tax ceases in any
7 eligible county, the ~~director~~ secretary shall transfer the balance in that
8 eligible county's account to the eligible county and shall close the account.

9
10 SECTION 1248. Arkansas Code § 26-74-610 is amended to read as follows:
11 26-74-610. Rules and regulations.

12 The ~~Director~~ Secretary of the Department of Finance and Administration
13 may promulgate reasonable rules and regulations not inconsistent with the
14 provisions of this subchapter to implement the administration, collection,
15 enforcement, and operation of the taxes authorized in this subchapter.

16
17 SECTION 1249. Arkansas Code § 26-74-611 is amended to read as follows:
18 26-74-611. Procedures and penalties for enforcement.

19 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
20 Department of Finance and Administration in enforcing any tax imposed
21 pursuant to this subchapter shall be the same as for the state gross receipts
22 tax and the state compensating tax, as set out in the Arkansas Tax Procedure
23 Act, § 26-18-101 et seq., except as specifically set out in this subchapter.

24 (b)(1) When property is seized by the ~~director~~ secretary under the
25 provisions of any law authorizing seizure of property of a taxpayer who is
26 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
27 of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, §
28 26-53-101 et seq., and when the taxpayer is also delinquent in payment of any
29 tax imposed by this subchapter, the ~~director~~ secretary shall sell sufficient
30 property to pay the delinquent taxes and penalty due to any eligible county
31 under this subchapter in addition to that required to pay any amount due to
32 the state under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
33 or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

34 (2) The proceeds from the sale shall first be applied to all
35 sums due to the state, and the remainder, if any, shall be applied to all
36 sums due to the eligible county.

1
2 SECTION 1250. Arkansas Code § 26-74-612(b), concerning maximum tax
3 limitations, is amended to read as follows:

4 (b) A vendor collecting, reporting, and remitting the tax shall show
5 the tax as a separate entry on the tax report form filed with the ~~Director~~
6 Secretary of the Department of Finance and Administration.

7
8 SECTION 1251. Arkansas Code § 26-75-203(6), concerning the definition
9 of "director" under the sales and use tax for capital improvements, is
10 amended to read as follows:

11 (6) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
12 Department of Finance and Administration, any successor of the ~~director~~
13 secretary, or any authorized agent of the ~~director~~ secretary;

14
15 SECTION 1252. Arkansas Code § 26-75-204(c), concerning the issuance of
16 bonds, is amended to read as follows:

17 (c) There may be successive bond issues for the purpose of financing
18 the same project, and there may be successive bond issues for financing the
19 cost of reconstructing, replacing, constructing additions to, extending,
20 improving, and equipping projects already in existence, whether or not
21 originally financed by bonds issued under this subchapter, and with each
22 successive issue to be authorized as provided by this subchapter. Priority
23 between and among issues and successive issues as to security of the pledge
24 of revenues and lien on the project facilities involved may be controlled by
25 the ordinance authorizing the issuance of bonds under this subchapter.
26 Subject to the provisions of this subchapter pertaining to registration, the
27 bonds shall have all the qualities of negotiable instruments under the laws
28 of the State of Arkansas. A copy of the ordinance authorizing bonds under
29 this subchapter, certified by the clerk or recorder of the city, shall be
30 filed with the ~~Director~~ Secretary of the Department of Finance and
31 Administration and with the Treasurer of State.

32
33 SECTION 1253. Arkansas Code § 26-75-208(b)(3)(D)(i), concerning the
34 requirement for a special election, is amended to read as follows:

35 (D)(i) To extend the sales and use tax levied under this
36 subchapter to a new expiration date, the city shall notify the ~~Director~~

1 Secretary of the Department of Finance and Administration of the new
 2 expiration date that was approved by the voters after publication of the
 3 proclamation has occurred and at least ninety (90) days before the current
 4 expiration date of the sales and use tax.

5
 6 SECTION 1254. The introductory language of Arkansas Code § 26-75-209,
 7 concerning the effective date of an ordinance, is amended to read as follows:

8 In order to provide time for the preparations for election set forth in
 9 this subchapter and to provide for the accomplishment of the administrative
 10 duties of the ~~Director~~ Secretary of the Department of Finance and
 11 Administration, the following effective dates are applicable with reference
 12 to any such ordinance levying such tax:

13
 14 SECTION 1255. Arkansas Code § 26-75-209(1)(D)(i) and (ii), concerning
 15 the effective date of an ordinance, are amended to read as follows:

16 (D)(i) The mayor of the city shall notify the ~~director~~
 17 secretary of the rate change after publication of the proclamation has
 18 occurred and ninety (90) days before the effective date of the tax.

19 (ii) If an election challenge is not filed within
 20 the thirty-day challenge period, the ordinance or petition described in § 26-
 21 75-207 shall become effective on the first day of the first month of the
 22 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
 23 secretary to sellers and after the expiration of the full thirty-day period
 24 of challenge.

25
 26 SECTION 1256. Arkansas Code § 26-75-209(1)(E), concerning the
 27 effective date of an ordinance, is amended to read as follows:

28 (E) The rate change shall become applicable on the first
 29 day of a quarter after one hundred twenty (120) days' notice by the ~~director~~
 30 secretary to sellers on a purchase from a printed catalog in which the
 31 purchaser computed the tax based upon local tax rates published in the
 32 catalog; and

33
 34 SECTION 1257. Arkansas Code § 26-75-210(d)(1), concerning the
 35 abolishment of tax, is amended to read as follows:

36 (d)(1) The effective date of any affirmative vote by the governing

1 body of the city to abolish the tax under subsection (a) of this section
 2 shall be on the first day of the calendar quarter after the expiration of
 3 ninety (90) days from the date a written statement signed by the chief
 4 executive officer of the city abolishing the tax is filed with the ~~Director~~
 5 Secretary of the Department of Finance and Administration certifying that the
 6 governing body of the city has adopted an ordinance abolishing the tax.

7
 8 SECTION 1258. Arkansas Code § 26-75-211 is amended to read as follows:
 9 26-75-211. Notification required.

10 (a) As soon as is feasible, and no later than ten (10) days following
 11 each of the events set forth in the ordinance with reference to the procedure
 12 for the adoption or abolition of a tax and the effective dates of such an
 13 action, the city clerk of the city shall notify the ~~Director~~ Secretary of the
 14 Department of Finance and Administration of such event.

15 (b)(1) If any city in which a local sales and use tax has been imposed
 16 in the manner provided for in this subchapter shall thereafter change or
 17 alter its boundaries, the city clerk of the city shall forward to the
 18 ~~director~~ secretary at least ninety (90) days before the effective date a
 19 certified copy of the ordinance adding or detaching territory from the city,
 20 which shall be accompanied by a map clearly showing the territory added or
 21 detached.

22 (2) After receipt of the ordinance and map, the tax imposed
 23 under this subchapter shall be effective in the added territory or abolished
 24 in the detached territory on the first day of the first month of the calendar
 25 quarter following the expiration of sixty (60) days' notice by the ~~director~~
 26 secretary to sellers.

27
 28 SECTION 1259. Arkansas Code § 26-75-212(b), concerning the collection
 29 of local sales and use taxes, is amended to read as follows:

30 (b) The tax levied in this subchapter on new and used motor vehicles
 31 shall be collected by the ~~Director~~ Secretary of the Department of Finance and
 32 Administration directly from the purchaser in the manner prescribed in § 26-
 33 52-510.

34
 35 SECTION 1260. Arkansas Code § 26-75-212(c)(4), concerning the
 36 collection of local sales and use taxes, is amended to read as follows:

1 (4) This subsection only applies to a tax collected by the
2 ~~director~~ secretary.

3
4 SECTION 1261. Arkansas Code § 26-75-214(a) and (b), concerning the
5 administration and collection of taxes, are amended to read as follows:

6 (a) On and after the effective date of any tax imposed under the
7 provisions of this subchapter, the ~~Director~~ Secretary of the Department of
8 Finance and Administration shall perform all functions incidental to the
9 administration, collection, enforcement, and operation of the tax.

10 (b) In addition to the state gross receipts tax and compensating tax,
11 the ~~director~~ secretary shall collect an additional tax under the authority of
12 this subchapter on the receipts from the sale at retail or on the sale price
13 or lease or rental price on the storage, use, distribution, or other
14 consumption of all taxable items and services subject to the Arkansas Gross
15 Receipts Act of 1941, § 26-52-101 et seq., and the Arkansas Compensating Tax
16 Act of 1949, § 26-53-101 et seq.

17
18 SECTION 1262. Arkansas Code § 26-75-214(c)(1), concerning the
19 administration and collection of taxes, is amended to read as follows:

20 (c)(1) The tax imposed under this subchapter and the tax imposed under
21 the gross receipts tax and compensating tax shall be collected together and
22 reported upon such forms and under such administrative rules and regulations
23 as may be prescribed by the ~~director~~ secretary not inconsistent with the
24 provisions of this subchapter.

25
26 SECTION 1263. Arkansas Code § 26-75-214(c)(5), concerning the
27 administration and collection of taxes, is amended to read as follows:

28 (5) This subsection only applies to a tax collected by the
29 ~~director~~ secretary.

30
31 SECTION 1264. Arkansas Code § 26-75-214(d), concerning the
32 administration and collection of taxes, is amended to read as follows:

33 (d) On and after the effective date of any proposition to abolish such
34 local sales and use tax in any city, the ~~director~~ secretary shall comply with
35 the proposition as provided in this subchapter.

36

1 SECTION 1265. Arkansas Code § 26-75-217(b)(2), concerning the
2 disposition of funds, is amended to read as follows:

3 (2) The Treasurer of State is authorized to make refunds from
4 the suspense account of any city for overpayments made to such accounts,
5 after such refunds have been approved by the ~~Director~~ Secretary of the
6 Department of Finance and Administration, and to redeem dishonored checks and
7 drafts deposited to the credit of the suspense account of such cities.

8
9 SECTION 1266. Arkansas Code § 26-75-217(d), concerning the disposition
10 of funds, is amended to read as follows:

11 (d) Any moneys collected which as indicated by a certified copy of an
12 ordinance of the city previously filed with the ~~director~~ secretary and the
13 Treasurer of State are pledged to secure lease rentals or the payment of
14 bonds authorized by this subchapter shall not be deposited into the State
15 Treasury but shall be deposited by the Treasurer of State into banks
16 designated by the city as cash funds and transmitted to the city subject to
17 the charges payable and retainage authorized in this section. Charges
18 deducted shall be transmitted to the Treasurer of State, and amounts retained
19 shall be retained by the Treasurer of State as cash funds.

20
21 SECTION 1267. Arkansas Code § 26-75-218 is amended to read as follows:
22 26-75-218. Rules and regulations.

23 The ~~Director~~ Secretary of the Department of Finance and Administration
24 may promulgate reasonable rules and regulations not inconsistent with the
25 provisions of this subchapter to implement the enforcement, administration,
26 and collection of the taxes authorized in this subchapter.

27
28 SECTION 1268. Arkansas Code § 26-75-219(a), concerning the procedures
29 and penalties for enforcement of a local tax, is amended to read as follows:

30 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
31 Department of Finance and Administration in enforcing any local tax imposed
32 pursuant to this subchapter shall be the same as for the state gross receipts
33 tax and compensating tax, except as specifically set out in this subchapter.

34
35 SECTION 1269. Arkansas Code § 26-75-219(b)(1), concerning the
36 procedures and penalties for enforcement of a local tax, is amended to read

1 as follows:

2 (b)(1) When property is seized by the ~~director~~ secretary under the
3 provisions of any law authorizing seizure of property of a taxpayer who is
4 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
5 of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, §
6 26-53-101 et seq., and when such taxpayer is also delinquent in payment of
7 any tax imposed by this subchapter, the ~~director~~ secretary shall sell
8 sufficient property to pay the delinquent taxes and penalty due to any city
9 under this subchapter in addition to that required to pay any amount due to
10 the state under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq.,
11 or the Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

12

13 SECTION 1270. Arkansas Code § 26-75-222(c), concerning the maximum tax
14 limitation, is amended to read as follows:

15 (c) This section only applies to a tax collected by the ~~Director~~
16 Secretary of the Department of Finance and Administration.

17

18 SECTION 1271. Arkansas Code § 26-75-303(6), concerning the definition
19 of "director" under the laws regarding sales taxes for capital improvements,
20 is amended to read as follows:

21 (6) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
22 Department of Finance and Administration, or any successor of the ~~director~~
23 secretary, or any authorized agent of the ~~director~~ secretary;

24

25 SECTION 1272. Arkansas Code § 26-75-304(c), concerning the issuance of
26 bonds for capital improvements of a public nature, is amended to read as
27 follows:

28 (c) There may be successive bond issues for the purpose of financing
29 the same project, and there may be successive bond issues for financing the
30 cost of reconstructing, replacing, constructing additions to, extending,
31 improving, and equipping projects already in existence, whether or not
32 originally financed by bonds issued under this subchapter, and with each
33 successive issue to be authorized as provided by this subchapter. Priority
34 between and among issues and successive issues as to security of the pledge
35 of revenues and lien on the project facilities involved may be controlled by
36 the ordinance authorizing the issuance of bonds under this subchapter.

1 Subject to the provisions of this subchapter pertaining to registration, the
2 bonds shall have all the qualities of negotiable instruments under the laws
3 of the State of Arkansas. A copy of the ordinance authorizing bonds under
4 this subchapter, certified by the clerk or recorder of the city, shall be
5 filed with the ~~Director~~ Secretary of the Department of Finance and
6 Administration and with the Treasurer of State.

7
8 SECTION 1273. Arkansas Code § 26-75-308(c)(3)(D)(i), concerning a
9 special election to approve the levying of a local sales and use tax, is
10 amended to read as follows:

11 (D)(i) To extend the sales and use tax levied under this
12 subchapter to a new expiration date, the city shall notify the ~~Director~~
13 Secretary of the Department of Finance and Administration of the new
14 expiration date that was approved by the voters after publication of the
15 proclamation has occurred and at least ninety (90) days before the current
16 expiration date of the sales and use tax.

17
18 SECTION 1274. The introductory language of Arkansas Code § 26-75-309,
19 concerning the effective date of an ordinance, is amended to read as follows:

20 In order to provide time for the preparations for election set forth in
21 this subchapter and to provide for the accomplishment of the administrative
22 duties of the ~~Director~~ Secretary of the Department of Finance and
23 Administration, the following effective dates are applicable with reference
24 to any such ordinance levying such tax:

25
26 SECTION 1275. Arkansas Code § 26-75-309(1)(D)(i) and (ii), concerning
27 the effective date of an ordinance, are amended to read as follows:

28 (D)(i) The mayor of the city shall notify the ~~director~~
29 secretary after publication of the proclamation has occurred and ninety (90)
30 days before the effective date of the tax.

31 (ii) If an election challenge is not filed within
32 the thirty-day challenge period, the ordinance or petition described in § 26-
33 75-307 shall become effective on the first day of the first month of the
34 calendar quarter after a minimum of sixty (60) days' notice by the ~~director~~
35 secretary to sellers and after the expiration of the full thirty-day period
36 of challenge.

1
2 SECTION 1276. Arkansas Code § 26-75-309(1)(E), concerning the
3 effective date of an ordinance, is amended to read as follows:

4 (E) The rate change shall become applicable on the first
5 day of a quarter after one hundred twenty (120) days' notice by the ~~director~~
6 secretary to sellers on a purchase from a printed catalog in which the
7 purchaser computed the tax based upon local tax rates published in the
8 catalog; and

9
10 SECTION 1277. Arkansas Code § 26-75-310(g)(1), concerning the
11 abolishment of a local sales and use tax, is amended to read as follows:

12 (g)(1) The effective date of any affirmative vote by the governing
13 body of the city to abolish the tax under subsection (b) of this section
14 shall be on the first day of the calendar quarter after the expiration of
15 ninety (90) days from the date a written statement signed by the chief
16 executive officer of the city abolishing the tax is filed with the ~~Director~~
17 Secretary of the Department of Finance and Administration certifying that the
18 governing body of the city has adopted an ordinance abolishing the tax.

19
20 SECTION 1278. Arkansas Code § 26-75-311 is amended to read as follows:

21 26-75-311. Notification required.

22 (a)(1) As soon as is practicable, and no later than ten (10) days
23 following each of the events set forth in the ordinance with reference to the
24 procedure for the adoption or abolition of such tax and the effective dates
25 of such action, the city clerk of the city shall notify the ~~Director~~
26 Secretary of the Department of Finance and Administration of such event.

27 (2) Accompanying the first of any such notices, the city clerk
28 shall send to the ~~director~~ secretary a map of the city clearly showing the
29 boundaries of the city.

30 (b)(1) If any such city in which a local sales and use tax has been
31 imposed in the manner provided for in this subchapter shall thereafter change
32 or alter its boundaries, the city clerk of the city shall forward to the
33 ~~director~~ secretary at least ninety (90) days before the effective date a
34 certified copy of the ordinance adding or detaching territory from the city,
35 which shall be accompanied by a map clearly showing the territory added or
36 detached.

1 (2) After receipt of the ordinance and the map, the tax imposed
 2 under this subchapter shall be effective in the added territory or abolished
 3 in the detached territory on the first day of the first month of the calendar
 4 quarter following the expiration of thirty (30) days from the date that the
 5 annexation or detachment becomes effective or after a minimum of sixty (60)
 6 days' notice by the ~~director~~ secretary to sellers, whichever expires last.

7
 8 SECTION 1279. Arkansas Code § 26-75-312(d)(3), concerning the
 9 collection of a local sales and use tax, is amended to read as follows:

10 (3) This subsection applies only to taxes collected by the
 11 ~~Director~~ Secretary of the Department of Finance and Administration.

12
 13 SECTION 1280. Arkansas Code § 26-75-313 is amended to read as follows:
 14 26-75-313. Disposition of funds.

15 (a) The ~~Director~~ Secretary of the Department of Finance and
 16 Administration shall maintain a record of the total amount of tax collected
 17 pursuant to this subchapter and other subchapters authorizing city sales
 18 taxes in each city and shall deposit all such revenues with the Treasurer of
 19 State.

20 (b) Any moneys collected by the ~~director~~ secretary which as indicated
 21 by a certified copy of an ordinance of the city previously filed with the
 22 ~~director~~ secretary and the Treasurer of State, are pledged to secure the
 23 payment of lease rentals or bonds authorized by this subchapter shall not be
 24 deposited into the State Treasury but shall be deposited by the Treasurer of
 25 State into banks designated by the city as cash funds and transmitted to the
 26 city subject to the charges payable to the State of Arkansas set forth in §
 27 26-75-217.

28
 29 SECTION 1281. Arkansas Code § 26-75-314 is amended to read as follows:
 30 26-75-314. Rules and regulations.

31 The ~~Director~~ Secretary of the Department of Finance and Administration
 32 may promulgate reasonable rules and regulations not inconsistent with the
 33 provisions of this subchapter to implement the enforcement, administration,
 34 and collection of the taxes authorized in this subchapter.

35
 36 SECTION 1282. Arkansas Code § 26-75-316(c) and (d), concerning an

1 excise tax on storage, use, or other consumption, are amended to read as
2 follows:

3 (c) The tax imposed under this subchapter and the tax imposed under
4 the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq. and Arkansas
5 Compensating Tax Act of 1949 § 26-53-101 et seq., shall be collected together
6 and reported upon such forms and under such administrative rules and
7 regulations as may be prescribed by the ~~Director~~ Secretary of the Department
8 of Finance and Administration not inconsistent with the provisions of this
9 subchapter.

10 (d) On and after the effective date of any proposition to abolish such
11 local sales and use tax in any city, the ~~director~~ secretary shall comply with
12 the proposition as provided in this subchapter.

13
14 SECTION 1283. Arkansas Code § 26-75-319(c), concerning maximum tax
15 limitations, is amended to read as follows:

16 (c) This section only applies to a tax collected by the ~~Director~~
17 Secretary of the Department of Finance and Administration.

18

19 SECTION 1284. Arkansas Code § 26-75-320 is amended to read as follows:
20 26-75-320. Procedures and penalties for enforcement.

21 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
22 Department of Finance and Administration in enforcing any local tax imposed
23 pursuant to this subchapter shall be the same as for the gross receipts tax
24 and compensating tax, as set out in the Arkansas Tax Procedure Act, § 26-18-
25 101 et seq., except as specifically set out in this subchapter.

26 (b)(1) When property is seized by the ~~director~~ secretary under the
27 provisions of any law authorizing seizure of property of a taxpayer who is
28 delinquent in payment of the taxes imposed by the Arkansas Gross Receipts Act
29 of 1941, § 26-52-101 et seq., or Arkansas Compensating Tax Act of 1949, § 26-
30 53-101 et seq., and when the taxpayer is also delinquent in payment of any
31 tax imposed by this subchapter, the ~~director~~ secretary shall sell sufficient
32 property to pay the delinquent taxes and penalty due to any city under this
33 subchapter in addition to that required to pay any amount due to the state
34 under the Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., or the
35 Arkansas Compensating Tax Act of 1949, § 26-53-101 et seq.

36 (2) The proceeds from the sale shall first be applied to all

1 sums due to the state, and the remainder, if any, shall be applied to all
2 sums due to the city.

3
4 SECTION 1285. Arkansas Code § 26-75-404(d)(3)(B)(i), concerning
5 election requirements and procedures, is amended to read as follows:

6 (B)(i)(a) The mayor of the city or town shall notify the
7 ~~Director~~ Secretary of the Department of Finance and Administration of the
8 rate change after publication of the proclamation has occurred and ninety
9 (90) days before the effective date of the tax.

10 (b) If no election challenge is filed within
11 the thirty-day challenge period, the ordinance shall become effective on the
12 first day of the first month of the calendar quarter after a minimum of sixty
13 (60) days' notice by the ~~director~~ secretary to sellers and after the
14 expiration of the thirty-day period for challenge of the results of the
15 election.

16 (c) In the case of a purchase made from a
17 printed catalog in which the purchaser computed the tax based upon local tax
18 rates published in the catalog, the applicable date will be the first day of
19 the quarter after a minimum of one hundred twenty (120) days' notice by the
20 ~~director~~ secretary to sellers.

21
22 SECTION 1286. Arkansas Code § 26-75-404(e), concerning election
23 requirements and procedures, is amended to read as follows:

24 (e)(1) If a majority of electors voting on the issue vote "FOR" the
25 levy of the tax, a copy of the mayor's proclamation of the results of the
26 election shall be transmitted to the ~~director~~ secretary within ten (10) days
27 after the election.

28 (2)(A) At the time of transmitting the proclamation, the clerk
29 shall also send to the ~~director~~ secretary a map of the city or town clearly
30 showing the boundaries of the city or town.

31 (B)(i) If any such city or town shall thereafter change or
32 alter its boundaries, the city or town clerk shall forward to the ~~director~~
33 secretary ninety (90) days before the effective date of the boundary changes
34 a certified copy of the ordinance adding or detaching territory from the city
35 or town, and the ordinance shall be accompanied by a map clearly showing the
36 territory added or detached.

1 (ii) After receipt of the ordinance and map, the tax
2 imposed under this subchapter shall be effective in the added territory or
3 abolished in the detached territory on the first day of the first month of
4 the calendar quarter following the expiration of thirty (30) days from the
5 date that the annexation or detachment becomes effective or after a minimum
6 of sixty (60) days' notice by the ~~director~~ secretary to sellers, whichever
7 expires last.

8
9 SECTION 1287. Arkansas Code § 26-75-406(b)(2), concerning the manner
10 of collection of a local sales and use tax, is amended to read as follows:

11 (2) The tax levied in this section on motor vehicles shall be
12 collected by the ~~Director~~ Secretary of the Department of Finance and
13 Administration directly from the purchaser in the same manner as the state
14 gross receipts tax.

15
16 SECTION 1288. Arkansas Code § 26-75-406(c)(4), concerning the manner
17 of collection of a local sales and use tax, is amended to read as follows:

18 (4) This provision applies only to taxes collected by the
19 ~~director~~ secretary.

20
21 SECTION 1289. Arkansas Code § 26-75-407(a), concerning the disposition
22 of taxes, is amended to read as follows:

23 (a) The ~~Director~~ Secretary of the Department of Finance and
24 Administration shall deposit all local sales and use taxes collected under
25 this subchapter with the Treasurer of State.

26
27 SECTION 1290. Arkansas Code § 26-75-409 is amended to read as follows:
28 26-75-409. Administration, etc.

29 (a)(1) On and after the effective date of any tax imposed pursuant to
30 the provisions of this subchapter, the ~~Director~~ Secretary of the Department
31 of Finance and Administration shall perform all functions incidental to the
32 administration, collection, enforcement, and operation of the tax.

33 (2) The ~~director~~ secretary shall collect taxes levied pursuant
34 to this subchapter at the same time and in the same manner as the ~~director~~
35 secretary collects the state gross receipts tax and the state compensating
36 tax.

1 (b) When notified that any tax levied under this subchapter has
2 expired or has been abolished, the ~~director~~ secretary shall cease to collect
3 the tax as provided in this subchapter.
4

5 SECTION 1291. Arkansas Code § 26-75-410 is amended to read as follows:
6 26-75-410. Rules and regulations.

7 The ~~Director~~ Secretary of the Department of Finance and Administration
8 shall adopt appropriate rules and regulations not inconsistent with the
9 provisions of this subchapter to implement the enforcement, administration,
10 and collection of the taxes authorized in this subchapter.
11

12 SECTION 1292. Arkansas Code § 26-75-502(b), concerning the authority
13 to levy a tax, is amended to read as follows:

14 (b) Rules and regulations promulgated by the ~~Director~~ Secretary of the
15 Department of Finance and Administration for the State of Arkansas in
16 connection with the collection and administration of the state gross receipts
17 tax shall be equally applicable with respect to any tax levied under this
18 subchapter.
19

20 SECTION 1293. Arkansas Code § 26-75-503(d)(2) and (3), concerning
21 election requirements of a city of the first class or second class, are
22 amended to read as follows:

23 (2) However, no such tax shall be collected under any such
24 ordinance until the first day of a calendar quarter after a minimum of sixty
25 (60) days' notice by the ~~Director~~ Secretary of the Department of Finance and
26 Administration to sellers.

27 (3) For a purchase made from a printed catalog in which the
28 purchaser computed the tax based upon local tax rates published in the
29 catalog, the tax shall be collected on the first day of the quarter after a
30 minimum of one hundred twenty (120) days' notice by the ~~director~~ secretary to
31 sellers.
32

33 SECTION 1294. Arkansas Code § 26-75-504 is amended to read as follows:
34 26-75-504. Certification of tax.

35 When the levy of the tax authorized in this subchapter has been
36 approved in a city of the first class or city of the second class as provided

1 in this subchapter, the governing body of the city shall certify to the
2 ~~Director~~ Secretary of the Department of Finance and Administration that such
3 tax has become operative and shall furnish to the ~~director~~ secretary the rate
4 of the tax, including any limitations thereon, and the date on which it shall
5 become operative.

6
7 SECTION 1295. Arkansas Code § 26-75-505 is amended to read as follows:
8 26-75-505. Collection of tax.

9 (a) The ~~Director~~ Secretary of the Department of Finance and
10 Administration shall collect the tax levied under this subchapter
11 concurrently with and in the same manner as taxes collected under the
12 Arkansas Gross Receipts Act of 1941, § 26-52-101 et seq., and the Arkansas
13 Compensating Tax Act of 1949, § 26-53-101 et seq.

14 (b) This additional tax shall be collected by the ~~director~~ secretary
15 for the benefit of the city and shall be deposited into the Local Sales and
16 Use Tax Trust Fund for distribution back to the city.

17
18 SECTION 1296. Arkansas Code § 26-75-506(a), concerning the disposition
19 of revenues, is amended to read as follows:

20 (a) All revenues collected by the ~~Director~~ Secretary of the Department
21 of Finance and Administration pursuant to the provisions of this subchapter,
22 less three percent (3%) thereof which shall be deducted as a cost of
23 collection and deposited into the State Treasury to the credit of the
24 Constitutional Officers Fund and the State Central Services Fund, shall be
25 remitted by the ~~director~~ secretary to the levying city at the same time the
26 ~~director~~ secretary remits sales tax revenues to the State Treasury.

27
28 SECTION 1297. Arkansas Code § 26-81-106(a)(2), concerning election
29 results, election challenge, and effective date of a tax, is amended to read
30 as follows:

31 (2) The county judge shall notify the ~~Director~~ Secretary of the
32 Department of Finance and Administration of the results after publication of
33 the proclamation has occurred and ninety (90) days before the effective date
34 of the tax.

35
36 SECTION 1298. Arkansas Code § 26-81-106(a)(3)(A), concerning election

1 results, election challenge, and effective date of a tax, is amended to read
 2 as follows:

3 (3)(A) If no election challenge is timely filed, there shall be
 4 levied, effective on the first day of the first month of the calendar quarter
 5 after the expiration of the thirty-day challenge period and after a minimum
 6 of sixty (60) days' notice by the ~~director~~ secretary to sellers, a one
 7 percent (1%) tax on the gross receipts from the sale at retail within the
 8 county on all items that are subject to the Arkansas Gross Receipts Act of
 9 1941, § 26-52-101 et seq., and an excise tax on the storage, use, or
 10 consumption within the county of tangible personal property and services
 11 purchased, leased, or rented from any retailer outside the state for storage,
 12 use, or other consumption in the county, at a rate of one percent (1%) of the
 13 sale price of the property or services or, in the case of leases or rentals,
 14 of the lease or rental price, the rate of the use tax to correspond to the
 15 rate of the sales tax portion of the tax.

16

17 SECTION 1299. Arkansas Code § 26-81-107(a), concerning the deposit
 18 with the Treasurer of State and the record of collections, is amended to read
 19 as follows:

20 (a) The ~~Director~~ Secretary of the Department of Finance and
 21 Administration shall maintain a record of the total amount of tax collected
 22 pursuant to this chapter and other subchapters authorizing county sales and
 23 use tax in each county and shall deposit all such revenues with the Treasurer
 24 of State.

25

26 SECTION 1300. Arkansas Code § 26-81-108(c), concerning the
 27 distribution of a tax levied, is amended to read as follows:

28 (c)(1) When any tax adopted by a county pursuant to this chapter is
 29 terminated, the ~~Director~~ Secretary of the Department of Finance and
 30 Administration shall retain in the account of that county in the Local Sales
 31 and Use Tax Trust Fund for a period of one (1) year an amount equal to five
 32 percent (5%) of the final remittance to the county and municipalities therein
 33 at the time of termination of the collection of the tax to:

- 34 (A) Cover possible rebates by the county;
- 35 (B) Cover refunds for overpayment of taxes; and
- 36 (C) Redeem dishonored checks and drafts deposited to the

1 credit of the Local Sales and Use Tax Trust Fund.

2 (2) After one (1) year has elapsed after the effective date of
3 the abolition of the tax in any county, the ~~director~~ secretary shall transfer
4 the balance in that county's account to the county and municipalities in the
5 county and shall close the account.

6
7 SECTION 1301. Arkansas Code § 26-81-109 is amended to read as follows:
8 26-81-109. Rules and regulations.

9 The ~~Director~~ Secretary of the Department of Finance and Administration
10 may promulgate reasonable rules and regulations not inconsistent with the
11 provisions of this chapter to implement the administration, collection,
12 enforcement, and operation of the taxes authorized in this chapter.

13
14 SECTION 1302. Arkansas Code § 26-81-110(a)(3), concerning combined tax
15 reports, is amended to read as follows:

16 (3) This subsection only applies to a tax collected by the
17 ~~Director~~ Secretary of the Department of Finance and Administration.

18
19
20 SECTION 1303. Arkansas Code § 26-82-103(b), concerning the authority
21 to levy a local sales and use tax, is amended to read as follows:

22 (b) A certified copy of the ordinance authorizing the levy of a local
23 sales and use tax shall be provided to the ~~Director~~ Secretary of the
24 Department of Finance and Administration as soon as practicable after the
25 adoption of the ordinance.

26
27 SECTION 1304. Arkansas Code § 26-82-103(d)(2)(A), concerning the
28 authority to levy a local sales and use tax, is amended to read as follows:

29 (2)(A) Except as otherwise provided in § 26-82-106, to provide
30 for the accomplishment of the administrative duties of the ~~director~~
31 secretary, the local sales and use tax shall terminate on the first day of
32 the calendar quarter after the expiration of ninety (90) days from the date
33 there is filed with the ~~director~~ secretary a written statement signed by the
34 chief executive officer of the city or county levying the local sales and use
35 tax and identifying the local sales and use tax to be terminated.

36

1 SECTION 1305. The introductory language of Arkansas Code § 26-82-
2 104(b)(3)(D)(i), concerning the election to adopt an ordinance levying a
3 local sales and use tax, is amended to read as follows:

4 (D)(i) To extend the local sales and use tax levied under
5 this chapter to a new expiration date, the levying entity shall notify the
6 ~~Director~~ Secretary of the Department of Finance and Administration of the new
7 expiration date approved by the voters:

8
9 SECTION 1306. The introductory language of Arkansas Code § 26-82-105,
10 concerning requirements and effective dates, is amended to read as follows:

11 To provide time to prepare for an election required under this chapter
12 and to provide time for the ~~Director~~ Secretary of the Department of Finance
13 and Administration to accomplish his or her duties, the following
14 requirements apply to an ordinance levying a local sales and use tax under
15 this chapter:

16
17 SECTION 1307. The introductory language of Arkansas Code § 26-82-
18 105(3)(A), concerning requirements and effective dates, is amended to read as
19 follows:

20 (3)(A) As directed by the governing body of the levying entity
21 and after the written plan has been approved by the governing body of the
22 levying entity under subdivision (2) of this section, the mayor or county
23 judge of the levying entity shall notify the ~~director~~ secretary of the rate
24 change:

25
26 SECTION 1308. Arkansas Code § 26-82-105(3)(C), concerning requirements
27 and effective dates, is amended to read as follows:

28 (C) The rate change on a purchase from a printed catalog
29 in which the purchaser computed the tax based upon local tax rates published
30 in the catalog is effective on the first day of a calendar quarter after a
31 minimum of one hundred twenty (120) days' notice by the ~~director~~ secretary to
32 the sellers; and

33
34 SECTION 1309. Arkansas Code § 26-82-106(d)(1), concerning the
35 abolition of a tax, is amended to read as follows:

36 (d)(1) The effective date of an affirmative vote by the governing body

1 of the levying entity to abolish the local sales and use tax under subsection
2 (a) of this section shall be on the first day of the calendar quarter after
3 the expiration of ninety (90) days from the date a written statement signed
4 by the mayor or county judge of the levying entity abolishing the tax is
5 filed with the ~~Director~~ Secretary of the Department of Finance and
6 Administration certifying that the governing body of the levying entity has
7 adopted an ordinance abolishing the local sales and use tax.

8
9 SECTION 1310. Arkansas Code § 26-82-107 is amended to read as follows:
10 26-82-107. Notice of adoption or abolition of tax.

11 No later than ten (10) days following each of the events stated in the
12 ordinance with reference to the procedure for the adoption or abolition of
13 the local sales and use tax and the effective dates of the action under this
14 chapter, the clerk of the levying entity shall notify the ~~Director~~ Secretary
15 of the Department of Finance and Administration of the event.

16
17 SECTION 1311. Arkansas Code § 26-82-108(b), concerning the collection
18 of a local sales and use tax, is amended to read as follows:

19 (b) The local sales and use tax levied under this chapter on new and
20 used motor vehicles shall be collected by the ~~Director~~ Secretary of the
21 Department of Finance and Administration directly from the purchaser under §
22 26-52-510.

23
24 SECTION 1312. Arkansas Code § 26-82-109(a) and (b), concerning the
25 administration of a local sales and use tax, are amended to read as follows:

26 (a) On and after the effective date of a local sales and use tax
27 imposed under this chapter, the ~~Director~~ Secretary of the Department of
28 Finance and Administration shall perform all functions incidental to the
29 administration, collection, enforcement, and operation of the local sales and
30 use tax.

31 (b) In addition to the state gross receipts tax and compensating tax,
32 the ~~director~~ secretary shall collect the additional tax under this chapter on
33 the receipts from the sale at retail or on the sale price or lease or rental
34 price on the storage, use, distribution, or other consumption of all taxable
35 items and services subject to the Arkansas Gross Receipts Act of 1941, § 26-
36 52-101 et seq., and the Arkansas Compensating Tax Act of 1949, § 26-53-101 et

1 seq.

2

3 SECTION 1313. Arkansas Code § 26-82-109(c)(1), concerning the
4 administration of a local sales and use tax, is amended to read as follows:

5 (c)(1) The local sales and use tax imposed under this chapter and the
6 tax imposed under the gross receipts tax and compensating tax shall be
7 collected together and reported upon the forms and under the administrative
8 rules that are prescribed by the ~~director~~ secretary and that are not
9 inconsistent with this chapter.

10

11 SECTION 1314. Arkansas Code § 26-82-109(c)(5), concerning the
12 administration of a local sales and use tax, is amended to read as follows:

13 (5) This subsection applies only to a tax collected by the
14 ~~director~~ secretary.

15

16 SECTION 1315. Arkansas Code § 26-82-109(d), concerning the
17 administration of a local sales and use tax, is amended to read as follows:

18 (d) On and after the effective date of an ordinance to abolish a local
19 sales and use tax in any levying entity, the ~~director~~ secretary shall comply
20 with the ordinance under this chapter.

21

22 SECTION 1316. Arkansas Code § 26-82-111(b)(2)(A), concerning the
23 disposition of funds, is amended to read as follows:

24 (A) For overpayments made to the account after the refunds
25 have been approved by the ~~Director~~ Secretary of the Department of Finance and
26 Administration; and

27

28 SECTION 1317. Arkansas Code § 26-82-112(a), concerning the penalties
29 and enforcement used by the Director of the Department of Finance and
30 Administration in enforcing a local sales and use tax, is amended to read as
31 follows:

32 (a) The procedures and penalties used by the ~~Director~~ Secretary of the
33 Department of Finance and Administration in enforcing a local sales and use
34 tax imposed under this chapter shall be the same as for the state gross
35 receipts tax and compensating tax unless otherwise provided in this chapter.

36

1 SECTION 1318. Arkansas Code § 26-82-112(b)(1), concerning the
2 penalties and enforcement used by the Director of the Department of Finance
3 and Administration in enforcing a local sales and use tax, is amended to read
4 as follows:

5 (b)(1) When property is seized by the ~~director~~ secretary under any
6 statute authorizing seizure of property of a taxpayer who is delinquent in
7 payment of the taxes imposed by the Arkansas Gross Receipts Act of 1941, §
8 26-52-101 et seq., or the Arkansas Compensating Tax Act of 1949, § 26-53-101
9 et seq., and when the taxpayer is also delinquent in payment of any local
10 sales and use tax imposed under this chapter, the ~~director~~ secretary shall
11 sell sufficient property to pay the delinquent local sales and use taxes and
12 penalties due to any levying entity under this chapter in addition to the
13 amount required to pay any taxes due to the state under the Arkansas Gross
14 Receipts Act of 1941, § 26-52-101 et seq., or the Arkansas Compensating Tax
15 Act of 1949, § 26-53-101 et seq.

16
17 SECTION 1319. Arkansas Code § 26-82-119 is amended to read as follows:
18 26-82-119. Rules.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 may promulgate reasonable rules to implement the enforcement, administration,
21 and collection of a local sales and use tax authorized in this chapter.

22
23 SECTION 1320. Arkansas Code § 27-13-103 is amended to read as follows:
24 27-13-103. Regulations.

25 The ~~Director~~ Secretary of the Department of Finance and Administration
26 shall have the authority to promulgate such regulations as are necessary to
27 implement and administer the provisions of this act.

28
29 SECTION 1321. Arkansas Code § 27-14-103(a)(2)(A), concerning the
30 exemption from registration for the Arkansas Forestry Commission, is amended
31 to read as follows:

32 (2)(A) The State Forester and the ~~Director~~ Secretary of the
33 Department of Finance and Administration shall adopt identification tags or
34 other insignia that shall be attached to the vehicles by the officers,
35 members, and employees of the commission.

36

1 SECTION 1322. Arkansas Code § 27-14-305(a), concerning the penalty for
2 using or making unofficial license plates, is amended to read as follows:

3 (a) It shall be unlawful for the owner of any automobile, Class One
4 truck, trailer or semitrailer, motorcycle, or motorcycle sidecar to display
5 any license plate on the rear of the vehicle that is not furnished by the
6 ~~Director~~ Secretary of the Department of Finance and Administration.

7
8 SECTION 1323. Arkansas Code § 27-14-305(b)(3)(B), concerning the
9 penalty for using or making unofficial license plates, is amended to read as
10 follows:

11 (B) Affixing of a decal bearing the commercial motor
12 carrier's logo to a commercial motor vehicle's license plate if the decal has
13 been authorized and approved by the ~~director~~ secretary or the ~~director's~~
14 secretary's designee as authorized under § 27-14-613.

15
16 SECTION 1324. Arkansas Code § 27-14-309(a), concerning failure to pay
17 taxes on personal property or assess personal property as grounds for
18 revocation, is amended to read as follows:

19 (a) Upon sufficient proof or information that any motor vehicle has
20 been licensed and registered in this state without the tax due on all the
21 personal property of the applicant having been paid or without having been
22 listed for assessment or assessed, the ~~Director~~ Secretary of the Department
23 of Finance and Administration is authorized to revoke the license and
24 registration of the motor vehicle.

25
26 SECTION 1325. Arkansas Code § 27-14-311(a)(1), concerning an appeal of
27 revocation of a license or permit by a dealer, is amended to read as follows:

28 (a)(1) Any dealer whose license or permit has been revoked by the
29 ~~Director~~ Secretary of the Department of Finance and Administration may appeal
30 to the circuit court of the county in which the dealer's license or permit
31 was issued, within thirty (30) days, by filing a petition and bond as in
32 other cases of appeal to the circuit court.

33
34 SECTION 1326. Arkansas Code § 27-14-402 is amended to read as follows:
35 27-14-402. Head of Office of Motor Vehicle.

36 The Office of Motor Vehicle shall be under the control of the ~~Director~~

1 Secretary of the Department of Finance and Administration.

2
 3 SECTION 1327. Arkansas Code § 27-14-403 is amended to read as follows:
 4 27-14-403. Powers and duties.

5 (a) The ~~Director~~ Secretary of the Department of Finance and
 6 Administration is vested with the power and is charged with the duty of
 7 observing, administering, and enforcing the provisions of this chapter and of
 8 all laws regulating the operation of vehicles or the use of the highways, the
 9 enforcement or administration of which is vested in the Office of Motor
 10 Vehicle.

11 (b) The ~~director~~ secretary may adopt and enforce such rules as
 12 necessary to carry out the provisions of this chapter and any other laws, the
 13 enforcement and administration of which are vested in the office.

14 (c) The ~~director~~ secretary may adopt an official seal for the use of
 15 the office.

16
 17 SECTION 1328. Arkansas Code § 27-14-404 is amended to read as follows:
 18 27-14-404. Organization.

19 (a) The ~~Director~~ Secretary of the Department of Finance and
 20 Administration shall organize the Office of Motor Vehicle in the manner as he
 21 or she may deem necessary and proper to segregate and conduct the work of the
 22 office.

23 (b) The ~~director~~ secretary shall appoint such deputies, subordinate
 24 officers, clerks, investigators, and other employees as may be necessary to
 25 carry out the provisions of this chapter.

26 (c) The ~~director~~ secretary shall maintain an office in Little Rock,
 27 Arkansas, and in such other places in the state as he or she may deem
 28 necessary and proper to carry out the powers and duties vested in the office.

29
 30 SECTION 1329. The introductory language of Arkansas Code § 27-14-405,
 31 concerning the authority of police and the officers and inspectors of the
 32 Office of Motor Vehicle, is amended to read as follows:

33 The ~~Director~~ Secretary of the Department of Finance and Administration
 34 and the officers and inspectors of the Office of Motor Vehicle designated by
 35 the ~~director~~ secretary shall have the power:

1 SECTION 1330. Arkansas Code § 27-14-407(a)(1), concerning summons of
2 witnesses by the Director of the Department of Finance and Administration, is
3 amended to read as follows:

4 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
5 Administration and officers of the Office of Motor Vehicle designated by the
6 ~~director~~ secretary shall have authority to summon witnesses to give testimony
7 under oath or to give written deposition upon any matter under the
8 jurisdiction of the office.

9
10 SECTION 1331. Arkansas Code § 27-14-407(c), concerning summons of
11 witnesses by the Director of the Department of Finance and Administration, is
12 amended to read as follows:

13 (c) Any court of competent jurisdiction shall have jurisdiction, upon
14 application by the ~~director~~ secretary, to enforce all lawful orders of the
15 ~~director~~ secretary under this section.

16
17 SECTION 1332. Arkansas Code § 27-14-410 is amended to read as follows:
18 27-14-410. Forms.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 shall prescribe and provide suitable forms of applications, certificates of
21 title, registration certificates, and all other forms requisite or necessary
22 to carry out the provisions of this chapter and any other laws, the
23 enforcement and administration of which are vested in the Office of Motor
24 Vehicle.

25
26 SECTION 1333. Arkansas Code § 27-14-411(a), concerning the oaths and
27 signatures of officers and employees of the Office of Motor Vehicle, is
28 amended to read as follows:

29 (a) Officers and employees of the Office of Motor Vehicle designated
30 by the ~~Director~~ Secretary of the Department of Finance and Administration
31 are, for the purpose of administering the motor vehicle laws, authorized to
32 administer oaths and acknowledge signatures.

33
34 SECTION 1334. Arkansas Code § 27-14-412(b)(1), concerning the records
35 of the Office of Motor Vehicle, is amended to read as follows:

36 (b)(1) The ~~Director~~ Secretary of the Department of Finance and

1 Administration and such officers of the office as the ~~director~~ secretary may
2 designate are authorized to prepare under the seal of the office and deliver
3 upon request a certified copy of any record of the office or a noncertified
4 electronic copy of any record of the office.

5
6 SECTION 1335. Arkansas Code § 27-14-412(c), concerning the records of
7 the Office of Motor Vehicle, is amended to read as follows:

8 (c) The ~~director~~ secretary may destroy any records of the office that
9 have been maintained on file for five (5) years that the ~~director~~ secretary
10 considers obsolete and of no further service in carrying out the powers and
11 duties of the office.

12
13 SECTION 1336. Arkansas Code § 27-14-501 is amended to read as follows:
14 27-14-501. Creation.

15 An ex officio commission, composed of the ~~Director~~ Secretary of the
16 Department of Finance and Administration, who shall serve as chair, the Chair
17 of the State Highway Commission, and the Director of State Highways and
18 Transportation, is established for the purpose of representing the State of
19 Arkansas in the matter of making reciprocal agreements relating to the
20 operation of motor vehicles.

21
22 SECTION 1337. The introductory language of Arkansas Code § 27-14-
23 504(a), concerning a proportionate refund of registration fees authorized, is
24 amended to read as follows:

25 (a) The ~~Director~~ Secretary of the Department of Finance and
26 Administration is authorized to refund a proportionate part of the
27 registration fees paid to this state under the provisions of the
28 International Registration Plan which became effective July 1, 1976, under
29 the following conditions:

30
31 SECTION 1338. Arkansas Code § 27-14-504(b) and (c), concerning a
32 proportionate refund of registration fees authorized, are amended to read as
33 follows:

34 (b) The refund will be in an amount equal to that proportionate amount
35 of the remaining registration year beginning with the month next following
36 that month in which the ~~director~~ secretary is notified that the registrant

1 wishes to cancel his or her registration by surrendering all registration
 2 documents and license plates.

3 (c) The ~~director~~ secretary is authorized to promulgate such rules and
 4 regulations as may be necessary to effectuate the terms of this section.

5
 6 SECTION 1339. Arkansas Code § 27-14-505(b)(1)(A) and (B), concerning
 7 mileage audits, records reexaminations, and appeals, are amended to read as
 8 follows:

9 (b)(1)(A) A registrant who desires a hearing to appeal the findings of
 10 a mileage audit or a record reexamination shall notify the ~~Director~~ Secretary
 11 of the Department of Finance and Administration in writing within thirty (30)
 12 calendar days from the date the registrant is notified of the findings of the
 13 mileage audit or the record reexamination.

14 (B) A hearing officer appointed by the ~~director~~ secretary
 15 shall schedule a hearing in any city in which the Department of Finance and
 16 Administration maintains a field audit district office or in any other city
 17 that the ~~director~~ secretary designates, unless the ~~director~~ secretary and the
 18 registrant agree to another location for the hearing or agree that the
 19 hearing shall be heard by telephone.

20
 21 SECTION 1340. Arkansas Code § 27-14-505(b)(2)(B), concerning mileage
 22 audits, records reexaminations, and appeals, is amended to read as follows:

23 (B) The registrant shall properly serve the ~~director~~
 24 secretary with a copy of any appeal to circuit court challenging the decision
 25 of the hearing officer under this section.

26
 27 SECTION 1341. Arkansas Code § 27-14-505(b)(4)(A), concerning mileage
 28 audits, records reexaminations, and appeals, is amended to read as follows:

29 (4)(A) At the conclusion of the appeals process, the ~~director~~
 30 secretary shall notify all affected member jurisdictions of the results of
 31 the appeal.

32
 33 SECTION 1342. Arkansas Code § 27-14-505(c), concerning mileage audits,
 34 records reexaminations, and appeals, is amended to read as follows:

35 (c) The ~~director~~ secretary may promulgate rules to implement this
 36 section.

1
2 SECTION 1343. Arkansas Code § 27-14-601(a)(3)(H)(iv), concerning fees
3 for registration and licensing of motor vehicles, is amended to read as
4 follows:

5 (iv) The ~~Director~~ Secretary of the Department of
6 Finance and Administration shall cause to be issued special and distinctive
7 license plates for vehicles in this classification, with separate farm
8 license plates to be established for those vehicles used in the noncommercial
9 hauling of farm products produced in this state, and for the hauling of feed,
10 seed, fertilizer, poultry litter, and other products commonly produced or
11 used in agricultural operations or compacted seed cotton and separate natural
12 resources license plates to be established for those vehicles hauling timber
13 products, clay minerals, or ores.

14
15 SECTION 1344. Arkansas Code § 27-14-601(a)(3)(H)(vi)(b), concerning
16 fees for registration and licensing of motor vehicles, is amended to read as
17 follows:

18 (b) The ~~director~~ secretary shall issue special
19 distinctive license plates or license plate validation decals for the
20 vehicles, including the indication thereon of the expiration date, so as to
21 identify them from annual plates.

22
23 SECTION 1345. Arkansas Code § 27-14-601(a)(3)(H)(viii), concerning
24 fees for registration and licensing of motor vehicles, is amended to read as
25 follows:

26 (viii) The ~~director~~ secretary shall promulgate such
27 rules and regulations as may be necessary to carry out the intent of this
28 classification and prevent abuse thereof. However, before any such rules or
29 regulations shall be effective, they shall be approved by majority action of
30 the members of the State Highway Commission acting for and in behalf of the
31 Arkansas Highway Police Division of the Arkansas Department of
32 Transportation, which is the agency charged with the principal responsibility
33 of enforcing the motor vehicle license laws of this state.

34
35 SECTION 1346. Arkansas Code § 27-14-601(a)(3)(J)(i) and (ii),
36 concerning fees for registration and licensing of motor vehicles, are amended

1 to read as follows:

2 (J)(i) The ~~director~~ secretary shall cause to be issued
3 special and distinctive license plates for vehicles licensed under Class Two
4 – Class Seven in this section, which are utilized as wreckers or tow vehicles
5 and that hold a permit issued by the Arkansas Towing and Recovery Board under
6 § 27-50-1203 and the rules and regulations promulgated thereunder.

7 (ii) Before any license may be issued for a vehicle
8 designated as a wrecker or tow vehicle, the applicant shall furnish to the
9 ~~director~~ secretary a certification from the board that the wrecker or tow
10 vehicle has been permitted as a wrecker or tow vehicle by the board.

11

12 SECTION 1347. Arkansas Code § 27-14-601(a)(3)(J)(v), concerning fees
13 for registration and licensing of motor vehicles, is amended to read as
14 follows:

15 (iv) In addition to the fee for the respective Class
16 Two – Class Seven license, the ~~director~~ secretary may assess a handling and
17 administrative fee in the amount of ten dollars (\$10.00) for each distinctive
18 wrecker or tow vehicle license plate.

19

20 SECTION 1348. Arkansas Code § 27-14-601(a)(6)(B)(i), concerning fees
21 for registration and licensing of motor vehicles, is amended to read as
22 follows:

23 (B)(i) As a condition precedent to obtaining dealer's
24 license plates, the dealer shall furnish the ~~director~~ secretary a
25 certification that the applicant is a vehicle dealer and has a bona fide,
26 established place of business used for the sale of vehicles, an office used
27 for that business, a telephone listed in the name of the business, and a sign
28 identifying the establishment. Certification shall be required for all
29 renewals of dealer license plates. This dealer certification shall not apply
30 to dealers licensed by the ~~Department~~ Division of Arkansas State Police, the
31 Arkansas Motor Vehicle Commission, or the Arkansas Manufactured Home
32 Commission and who are regulated by those authorities. The dealer
33 certification shall consist of completion of a self-certification form
34 prepared by the Office of Motor Vehicle.

35

36 SECTION 1349. Arkansas Code § 27-14-601(a)(6)(B)(ii)(a), concerning

1 fees for registration and licensing of motor vehicles, is amended to read as
2 follows:

3 (ii)(a) Except as provided in subdivision
4 (a)(6)(B)(iv) of this section for dealers who sell only all-terrain vehicles,
5 upon furnishing the certification to the ~~director~~ secretary, or a copy of the
6 dealer's license from either the ~~Department~~ Division of Arkansas State Police
7 or the Arkansas Motor Vehicle Commission and the payment of a fee of one
8 hundred dollars (\$100), the dealer shall be issued a master license plate and
9 upon the payment of a fee of twenty-five dollars (\$25.00) shall be issued a
10 dealer's extra license plate as provided in § 27-14-1704. However, the dealer
11 must secure a master license plate for each separate place of business.

12
13 SECTION 1350. Arkansas Code § 27-14-601(a)(6)(B)(iii)(a), concerning
14 fees for registration and licensing of motor vehicles, is amended to read as
15 follows:

16 (iii)(a) Upon furnishing certification to the
17 ~~director~~ secretary or a copy of the dealer's license from the Arkansas
18 Manufactured Home Commission and upon the payment of fifty dollars (\$50.00),
19 the manufactured home dealer shall be issued certification from the ~~director~~
20 secretary for the purpose of assigning manufactured home titles.

21
22 SECTION 1351. Arkansas Code § 27-14-601(a)(6)(B)(iv)(a) and (b),
23 concerning fees for registration and licensing of motor vehicles, are amended
24 to read as follows:

25 (iv)(a) Upon furnishing certification to the
26 ~~director~~ secretary or a copy of the dealer's license from the Arkansas Motor
27 Vehicle Commission and upon the payment of one hundred dollars (\$100),
28 dealers engaged exclusively in the business of buying and selling all-terrain
29 vehicles, as defined in § 27-21-102, shall be issued certification from the
30 ~~director~~ secretary for the purpose of assigning all-terrain vehicle titles.

31 (b) Each dealer location shall be treated as a
32 separate entity, and certification by the ~~director~~ secretary shall be
33 required for each location.

34
35 SECTION 1352. Arkansas Code § 27-14-601(b)(2)(D)(i) and (ii),
36 concerning fees for registration and licensing of motor vehicles, are amended

1 to read as follows:

2 (D)(i) The ~~director~~ secretary shall, upon request, assign
3 the same registration period to any owner of two (2) or more trucks, truck-
4 tractors, trailers, and semitrailers, and combinations thereof, except Class
5 One trucks as defined in § 27-14-1002.

6 (ii) The ~~director~~ secretary shall, upon request,
7 assign a different month of registration other than the vehicle's current
8 month of registration to any owner of a truck, truck-tractor, trailer, and
9 semitrailer, and combinations thereof, except Class One trucks as defined in
10 § 27-14-1002, and all fees shall be prorated accordingly on a monthly basis.
11

12 SECTION 1353. The introductory language of Arkansas Code § 27-14-
13 602(c), concerning registration fees for motor vehicle registrations, is
14 amended to read as follows:

15 (c) Beginning January 1, 2018, in addition to any other fees
16 authorized under this chapter, the ~~Director~~ Secretary of the Department of
17 Finance and Administration shall charge a fee for commercial motor vehicles
18 registered with the International Registration Plan in the amount of:
19

20 SECTION 1354. Arkansas Code § 27-14-602(c)(1), concerning registration
21 fees for motor vehicle registrations, is amended to read as follows:

22 (1) Two dollars (\$2.00) to access the ~~director's~~ secretary's
23 portal to register one (1) or more commercial motor vehicles or to conduct
24 one (1) or more online administrative transactions;
25

26 SECTION 1355. Arkansas Code § 27-14-605 is amended to read as follows:
27 27-14-605. Credit if vehicle destroyed.

28 Upon satisfactory proof to the ~~Director~~ Secretary of the Department of
29 Finance and Administration that any motor vehicle, duly licensed, has been
30 completely destroyed by fire or collision, the owner of the vehicle may be
31 allowed, on the purchase of a new license for another vehicle, a credit
32 equivalent to the unexpired portion of the cost of the original license,
33 dating from the first day of the next month after the date of the
34 destruction.
35

36 SECTION 1356. Arkansas Code § 27-14-607 is amended to read as follows:

1 27-14-607. Alternate registration procedures.

2 (a) The ~~Director~~ Secretary of the Department of Finance and
3 Administration is authorized to allow vehicles to be registered for a renewal
4 period of two (2) years, if the ~~director~~ secretary determines that the two-
5 year renewal period would facilitate the vehicle registration process. If a
6 vehicle registration is renewed for a two-year period, the renewal fee shall
7 be two (2) times the annual renewal fee for that vehicle, plus the cost of
8 the annual license plate validation decal for both years for that vehicle.

9 (b) The ~~director~~ secretary is authorized to provide for the
10 registration of vehicles by mail, telephone, electronically, or any other
11 method which the ~~director~~ secretary determines would facilitate the vehicle
12 registration process.

13
14 SECTION 1357. Arkansas Code § 27-14-608 is amended to read as follows:

15 27-14-608. Payment by credit card.

16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration is authorized to promulgate regulations providing for payment
18 by credit card of any fees or taxes due upon the issuance or renewal of a
19 vehicle registration, except a vehicle registration issued or renewed under
20 the provisions of § 27-14-601(a)(3)(B)-(H) or the provisions of § 27-14-
21 601(a)(3)(I)(i)(a)(2)-(4) . The ~~director~~ secretary may allow the payment of
22 these fees or taxes by credit card if the ~~director~~ secretary determines that
23 payment by credit card would facilitate the administration of the motor
24 vehicle registration program.

25 (b) The ~~director~~ secretary is authorized to enter into contracts with
26 credit card companies and to pay fees normally charged by those companies for
27 allowing the use of their credit cards as authorized by this section.

28 (c)(1) From the net proceeds received, or receivable, from credit card
29 companies for all fees or taxes paid by credit card, the ~~director~~ secretary
30 shall pay the full sum specified in § 27-14-1015(d)(1) to the Arkansas
31 Development Finance Authority. The balance of the net proceeds received, or
32 receivable, from credit card companies shall be prorated to the various funds
33 for which they were collected and deposited into the State Treasury for
34 transfer on the last business day of each month, in the same manner and to be
35 used for the same purposes as all other fees and taxes collected upon the
36 issuance or renewal of vehicle registrations.

1 (2) Any amounts deducted from the gross proceeds of vehicle
2 registration fees or taxes paid by credit card, which are deducted for the
3 purpose of paying credit card company fees, shall be cash funds not subject
4 to appropriation and, if withheld by the ~~director~~ secretary, shall be
5 remitted by the ~~director~~ secretary to credit card companies as required under
6 contracts authorized by this section.

7
8 SECTION 1358. Arkansas Code § 27-14-611(f)(2), concerning registration
9 for nonprofit motor vehicle fleets, is amended to read as follows:

10 (2) If the ~~Director~~ Secretary of the Department of Finance and
11 Administration determines that online renewals are available under this
12 section, the organization may be allowed to renew online.

13
14 SECTION 1359. The introductory language of Arkansas Code § 27-14-
15 613(b)(1), concerning the Arkansas Motor Carrier System, is amended to read
16 as follows:

17 (b)(1) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall promulgate rules, regulations, and procedures to enhance
19 the Arkansas Motor Carrier System developed by the Department of Finance and
20 Administration by allowing:

21
22 SECTION 1360. Arkansas Code § 27-14-613(b)(1)(C), concerning the
23 Arkansas Motor Carrier System, is amended to read as follows:

24 (C) A commercial motor carrier or its designee to obtain
25 and affix to a commercial motor vehicle license plate a decal bearing the
26 logo of the commercial motor carrier approved by the ~~director~~ secretary or
27 the ~~director's~~ secretary's designee; and

28
29 SECTION 1361. Arkansas Code § 27-14-613(b)(2)(B), concerning the
30 Arkansas Motor Carrier System, is amended to read as follows:

31 (B) If the department has not received the source
32 documents required under subdivision (b)(2)(A) of this section within thirty
33 (30) days of the online registration of a commercial motor vehicle, the
34 ~~director~~ secretary or the ~~director's~~ secretary's designee may suspend the
35 registration.

36

1 SECTION 1362. Arkansas Code § 27-14-613(c), concerning the Arkansas
2 Motor Carrier System, is amended to read as follows:

3 (c) The ~~director~~ secretary shall study, develop, and implement
4 improvements to the Arkansas Motor Carrier System in order to modernize and
5 enhance the Arkansas Motor Carrier System and accommodate the latest
6 available technology for commercial motor carriers seeking to register
7 commercial motor vehicles in the State of Arkansas.

8
9 SECTION 1363. Arkansas Code § 27-14-701(b), concerning requirements
10 and exceptions for motor vehicle permits, is amended to read as follows:

11 (b) When an application accompanied by the proper fee has been made
12 for registration and certificate of title for a vehicle, the vehicle may be
13 operated temporarily pending complete registration upon displaying a
14 duplicate application, duly verified, or other evidence of the application or
15 otherwise under rules and regulations promulgated by the ~~Director~~ Secretary
16 of the Department of Finance and Administration.

17
18 SECTION 1364. Arkansas Code § 27-14-702(a), concerning the requirement
19 of only a certificate from the Director of the Department of Finance and
20 Administration to use and operate a motor vehicle, is amended to read as
21 follows:

22 (a) No owner of a motor vehicle who shall have obtained a certificate
23 from the ~~Director~~ Secretary of the Department of Finance and Administration
24 as provided in this subchapter shall be required to obtain any other license
25 or permits to use and operate the motor vehicle; nor shall the owner be
26 required to display upon his or her motor vehicle any other number than the
27 number of the registration issued by the ~~director~~ secretary, or excluded, or
28 prohibited, or limited in the free use of the motor vehicle upon any public
29 street, avenue, road, turnpike, driveway, parkway, or any other public place,
30 at any time when it is open to the use of persons having or using other
31 vehicles; nor shall the owner be required to comply with other provisions or
32 conditions as to the use of motor vehicles, except as provided in this
33 chapter.

34
35 SECTION 1365. Arkansas Code § 27-14-704(a)(3)(B), concerning motor
36 vehicles registered in foreign states, is amended to read as follows:

1 (B) The ~~Director~~ Secretary of the Department of Finance
2 and Administration may issue temporary permits without payment of license
3 fees for motor vehicles operated for hire by a nonresident into and across
4 the highways of this state when the vehicles are operated upon charters for
5 casual, irregular, occasional, and nonscheduled sightseeing trips; and
6

7 SECTION 1366. Arkansas Code § 27-14-704(a)(4), concerning motor
8 vehicles registered in foreign states, is amended to read as follows:

9 (4) The ~~director~~ secretary is authorized and empowered to enter
10 into any agreement or issue any permit for the operation of any motor
11 vehicles upon the highways of this state without payment of license fees when
12 the vehicles are operated under and by the supervision of the proper
13 authorities of the United States Army, United States Air Force, United States
14 Navy, or United States Marine Corps during any period of emergency.
15

16 SECTION 1367. Arkansas Code § 27-14-705(b)(2)(C), concerning the
17 application for registration and certificate of title, is amended to read as
18 follows:

19 (C) The certificate of origin shall be on a form to be
20 prescribed by the ~~Director~~ Secretary of the Department of Finance and
21 Administration.
22

23 SECTION 1368. Arkansas Code § 27-14-709 is amended to read as follows:
24 27-14-709. Half-year license.

25 Notwithstanding any provision of law to the contrary, any motor vehicle
26 for which the annual registration and licensing fee is one hundred dollars
27 (\$100) or more, for any twelve-month licensing period, may be licensed for
28 the first six (6) months of the annual licensing period, upon payment of one-
29 half ($\frac{1}{2}$) of the annual registration and licensing fee, plus an additional fee
30 of five dollars (\$5.00) to defray the administrative cost of issuing the
31 half-year license, under such regulations as the ~~Director~~ Secretary of the
32 Department of Finance and Administration may promulgate.
33

34 SECTION 1369. Arkansas Code § 27-14-906(a)-(d), concerning dealer and
35 lienholder applications for registration and title certificates, are amended
36 to read as follows:

1 (a) The ~~Director~~ Secretary of the Department of Finance and
2 Administration may permit lienholders and motor vehicle dealers to make
3 applications for registration and certificates of title and to furnish them
4 to the Office of Motor Vehicle on behalf of the purchaser of a new or used
5 motor vehicle.

6 (b) The ~~director~~ secretary shall promulgate reasonable rules to be
7 complied with by motor vehicle dealers and lienholders in making application
8 for registration and certificates of title on behalf of purchasers of new or
9 used motor vehicles and may, if the ~~director~~ secretary deems necessary,
10 require the dealer or lienholder to post bond to ensure faithful compliance
11 with the rules.

12 (c)(1) Any motor vehicle dealer or lienholder who has been authorized
13 by the ~~director~~ secretary to prepare applications for registration and
14 certificates of title with respect to new or used motor vehicles shall
15 transmit the applications to the ~~director~~ secretary and shall attach thereto
16 a copy of any conditional sales contract, conditional lease, chattel
17 mortgage, or other lien or encumbrance or title retention instrument upon the
18 motor vehicle.

19 (2) Upon receipt of the documents under subdivision (c)(1) of
20 this section, the ~~director~~ secretary shall file a lien and encumbrance, as
21 provided in § 27-14-801 et seq., which from the date of filing shall be
22 notice of the lien or encumbrance.

23 (d) On issuing the registration and certificate of title, the ~~director~~
24 secretary shall mail the registration to the owner and the title to the
25 lienholder, or to the owner if no lien exists.

26
27 SECTION 1370. Arkansas Code § 27-14-907(c), concerning transfer of
28 title by operation of law, is amended to read as follows:

29 (c) The ~~Director~~ Secretary of the Department of Finance and
30 Administration shall have the power to adopt rules to establish what
31 documents or evidence are required to verify that a lien or encumbrance
32 holder or his or her assignee has complied with this section.

33
34 SECTION 1371. Arkansas Code § 27-14-914(a)(1), concerning the transfer
35 of license plates and registration from one vehicle to another, is amended to
36 read as follows:

1 (a)(1) When the owner of any motor vehicle, excepting Class One trucks
2 and passenger automobiles other than buses, registered and licensed in this
3 state, shall sell or transfer the motor vehicle or when the motor vehicle has
4 been destroyed so as to be unfit for repair or further use, and the owner
5 shall replace the vehicle with another motor vehicle requiring payment of the
6 same registration or license fee, the owner may, at his or her election,
7 transfer the license plate and registration of the vehicle being so disposed
8 of to the vehicle acquired as a replacement thereof, upon payment to the
9 ~~Director~~ Secretary of the Department of Finance and Administration of a
10 transfer fee of ten dollars (\$10.00) per vehicle.

11
12 SECTION 1372. Arkansas Code § 27-14-914(b), concerning the transfer of
13 license plates and registration from one vehicle to another, is amended to
14 read as follows:

15 (b) The ~~director~~ secretary shall provide suitable forms to enable
16 owners electing to do so to transfer license plate or plates and registration
17 and make payment of the fee provided in this section and shall be empowered
18 to make reasonable rules and regulations governing these transfers.

19
20 SECTION 1373. Arkansas Code § 27-14-915(a) and (b), concerning the
21 transfer of a license on vehicles for hire, are amended to read as follows:

22 (a) When the owner of a vehicle licensed to operate for hire takes the
23 vehicle out of the for-hire service, the ~~Director~~ Secretary of the Department
24 of Finance and Administration, upon the payment of a transfer charge of two
25 dollars (\$2.00), will cause the license for the vehicle to be transferred to
26 another vehicle for like use to be registered by the owner.

27 (b) If the fee for registration and licensing the vehicle under
28 registration is greater than that represented by the license to be
29 transferred, then the ~~director~~ secretary shall, in addition, collect an
30 amount equal to the excess payable for the vehicle under registration.

31
32 SECTION 1374. Arkansas Code § 27-14-915(d)(1), concerning the transfer
33 of a license on vehicles for hire, is amended to read as follows:

34 (d)(1) Upon the transfer of a license, the ~~director~~ secretary will
35 cause to be cancelled all registrations on the vehicle taken out of for-hire
36 service.

1
2 SECTION 1375. Arkansas Code § 27-14-1002(a)(6), concerning the
3 definition of "tab or decal" under the Permanent Automobile Licensing Act of
4 1967, is amended to read as follows:

5 (6) "Tab or decal" is an attachable material of such form and
6 substance as the ~~Director~~ Secretary of the Department of Finance and
7 Administration may prescribe by rule or regulation.

8
9 SECTION 1376. Arkansas Code § 27-14-1004(a), concerning penalties
10 under the Permanent Automobile Licensing Act of 1967, is amended to read as
11 follows:

12 (a) Any person failing to comply with the provisions of this
13 subchapter by operating a passenger motor vehicle, as set forth and described
14 in § 27-14-1002(a), or by operating a Class One truck, as set forth and
15 described in § 27-14-1002(a), which is subject to registration under the laws
16 of this state on any street, road, or highway in the State of Arkansas
17 without having first registered the motor vehicle with the Office of Motor
18 Vehicle, in the manner and within the period required by law or regulations
19 of the ~~Director~~ Secretary of the Department of Finance and Administration,
20 shall be required to pay a penalty of three dollars (\$3.00) for each ten (10)
21 days, or fraction thereof, for which he or she fails properly to register the
22 vehicle until the penalty reaches the same amount as the annual license fee
23 of the vehicle to be registered.

24
25 SECTION 1377. Arkansas Code § 27-14-1005(a), concerning failure to
26 affix or display license plates, is amended to read as follows:

27 (a) The failure of the motor vehicle owner to affix and display the
28 permanent license plates, the tab or decal, or the registration card, in the
29 places designated by the ~~Director~~ Secretary of the Department of Finance and
30 Administration, shall be a misdemeanor subject to the penalties provided by §
31 27-14-301.

32
33 SECTION 1378. Arkansas Code § 27-14-1006(a), concerning the authority
34 to issue a permanent license plate subject to replacement, is amended to read
35 as follows:

36 (a) The ~~Director~~ Secretary of the Department of Finance and

1 Administration is authorized to issue to the owner of a vehicle subject to
2 this subchapter a permanent license plate subject to replacement at the
3 request of the owner because of theft, loss, wear, or mutilation, or at the
4 discretion of either the Director of the ~~Department~~ Divison of Arkansas State
5 Police or the ~~Director~~ Secretary of the Department of Finance and
6 Administration.

7
8 SECTION 1379. Arkansas Code § 27-14-1007 is amended to read as
9 follows:

10 27-14-1007. Issuance of license plate.

11 Upon registration, the owner of every vehicle of a type subject to the
12 provisions of this subchapter shall receive a permanent license plate issued
13 by the ~~Director~~ Secretary of the Department of Finance and Administration
14 upon the payment of the fees required by law.

15
16 SECTION 1380. Arkansas Code § 27-14-1008(a)(1), concerning the
17 issuance of permanent reflectorized license plates, is amended to read as
18 follows:

19 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
20 Administration is authorized to issue permanent reflectorized license plates
21 in such form as he or she shall prescribe.

22
23 SECTION 1381. Arkansas Code § 27-14-1008(a)(3), concerning the
24 issuance of permanent reflectorized license plates, is amended to read as
25 follows:

26 (3) Each reflectorized license plate so issued by the ~~director~~
27 secretary shall have imprinted thereon a multicolor reflectorized graphic
28 design or logo in such a manner and of such design as he or she shall
29 prescribe which will promote tourism and improve public relations inside and
30 outside the State of Arkansas.

31
32 SECTION 1382. Arkansas Code § 27-14-1008(c), concerning the issuance
33 of permanent reflectorized license plates, is amended to read as follows:

34 (c) All license plates that have been issued prior to the enactment of
35 this section shall be replaced by the ~~director~~ secretary with license plates
36 that shall conform to this subchapter and be attached to motor vehicles

1 during a replacement or recycle period beginning not earlier than January 1,
2 1980, nor later than January 31, 1981.

3
4 SECTION 1383. Arkansas Code § 27-14-1009(a)(1), concerning the
5 issuance of specialized license plates, is amended to read as follows:

6 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
7 Administration shall provide for and issue a special personalized license
8 plate for passenger motor vehicles.

9
10 SECTION 1384. Arkansas Code § 27-14-1009(a)(3)(B), concerning the
11 issuance of specialized license plates, is amended to read as follows:

12 (B) The ~~director~~ secretary, in his or her discretion, may
13 limit the number of characters or the context in which they appear on the
14 license plate.

15
16 SECTION 1385. Arkansas Code § 27-14-1009(d), concerning the issuance
17 of specialized license plates, is amended to read as follows:

18 (d) The ~~director~~ secretary may adopt regulations concerning the
19 issuance of a special personalized license plate.

20
21 SECTION 1386. Arkansas Code § 27-14-1010(a), concerning a registration
22 certificate for a motor vehicle, is amended to read as follows:

23 (a) The ~~Director~~ Secretary of the Department of Finance and
24 Administration shall issue to each owner of a motor vehicle subject to this
25 subchapter a registration certificate which must be kept in the motor vehicle
26 in the place prescribed by the ~~director~~ secretary.

27
28 SECTION 1387. Arkansas Code § 27-14-1011 is amended to read as
29 follows:

30 27-14-1011. Registration on monthly-series basis – Renewal periods.

31 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
32 Administration shall establish a system of registration on a monthly-series
33 basis to distribute the work of registering motor vehicles as uniformly as
34 practicable throughout the twelve (12) months of the calendar year.

35 (2) The ~~director~~ secretary may set the number of renewal periods
36 within the month from one (1) each month to one (1) each day of the month

1 depending on which system is most economical and best accommodates the
2 public.

3 (b) If the ~~director~~ secretary elects to use monthly renewal periods,
4 when a person applies for the registration of a vehicle and the issuance of a
5 permanent license plate, the decals issued by the ~~director~~ secretary for
6 attachment to the permanent license plates to evidence the registration
7 period shall be decals for the current month in which application is made for
8 registration, regardless of the day of the month on which application is
9 made.

10 (c) The ~~director~~ secretary shall, upon request, assign to any owner of
11 two (2) or more vehicles the same registration period.

12 (d) Registration shall be valid for one (1) year from the date thereof
13 and shall continue from year to year thereafter as long as renewed each year
14 within the time required by law.

15 (e) The ~~director~~ secretary shall establish a system to allow owners to
16 renew their motor vehicle registrations by facsimile machine and to charge
17 their fees to credit cards. The ~~director~~ secretary shall obtain a number of
18 facsimile machines and publish the telephone numbers of these machines and
19 make agreements with credit card companies so as to best accommodate the
20 public.

21
22 SECTION 1388. Arkansas Code § 27-14-1012(a)(1), concerning
23 applications for registrations or renewals, is amended to read as follows:

24 (a)(1) An applicant may apply, in person or by mail, for the issuance
25 of permanent license plates to the revenue office in the county where he or
26 she resides or to the ~~Director~~ Secretary of the Department of Finance and
27 Administration.

28
29 SECTION 1389. Arkansas Code § 27-14-1012(a)(2)(A), concerning
30 applications for registrations or renewals, is amended to read as follows:

31 (A) Transmitting the required documents and the
32 registration fee by mail to the applicant's local revenue office or to the
33 ~~director~~ secretary;

34
35 SECTION 1390. Arkansas Code § 27-14-1012(b)(1), concerning
36 applications for registrations or renewals, is amended to read as follows:

1 (b)(1) Not less than thirty (30) days before the expiration of the
2 license, the ~~director~~ secretary shall notify the owner of a registered motor
3 vehicle subject to this subchapter.

4
5 SECTION 1391. Arkansas Code § 27-14-1012(b)(2)(B), concerning
6 applications for registrations or renewals, is amended to read as follows:

7 (B) Email to the email address provided to the ~~director~~
8 secretary by the motor vehicle owner in connection with a consent to receive
9 the annual motor vehicle registration renewal notice by email.

10
11 SECTION 1392. Arkansas Code § 27-14-1012(d), concerning applications
12 for registrations or renewals, is amended to read as follows:

13 (d) The ~~director~~ secretary is authorized to impose a first class
14 postage fee for handling the issuance of all new licenses or renewals by mail
15 and to impose an additional fee to recover any credit card fees charged by
16 credit card companies.

17
18 SECTION 1393. The introductory language of Arkansas Code § 27-14-1013,
19 concerning the renewals of registration, is amended to read as follows:

20 The owner of any permanent license plate issued by the ~~Director~~
21 Secretary of the Department of Finance and Administration may renew his or
22 her registration:

23
24 SECTION 1394. Arkansas Code § 27-14-1013(1), concerning the renewals
25 of registration, is amended to read as follows:

26 (1) In person or by mail at a county revenue office or with the
27 ~~director~~ secretary;

28
29 SECTION 1395. The introductory language of Arkansas Code § 27-14-
30 1014(a)(1), concerning application forms for renewals of registration, is
31 amended to read as follows:

32 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
33 Administration shall send application forms for all renewals of registration
34 under this subchapter by:

35
36 SECTION 1396. Arkansas Code § 27-14-1014(a)(1)(B), concerning

1 application forms for renewals of registration, is amended to read as
2 follows:

3 (B) Email sent to the address provided to the ~~director~~
4 secretary by the motor vehicle owner in connection with a consent to receive
5 the annual motor vehicle registration renewal notice and application forms by
6 email.

7
8 SECTION 1367. Arkansas Code § 27-14-1014(a)(2), concerning application
9 forms for renewals of registration, is amended to read as follows:

10 (2) The ~~director~~ secretary shall not be required to go beyond
11 the face of the last registration.

12
13 SECTION 1398. Arkansas Code § 27-14-1015(b)(1), concerning the payment
14 of personal property taxes and the listing for assessment required, is
15 amended to read as follows:

16 (b)(1) The county tax assessor and county tax collector shall provide
17 to the ~~Director~~ Secretary of the Department of Finance and Administration
18 updates to the state vehicle registration system to indicate whether or not
19 the owner of each vehicle registered in the county has assessed the vehicle
20 and owes no delinquent personal property taxes. ~~The updates shall be~~
21 ~~required not later than January 1, 1999.~~

22
23 SECTION 1399. Arkansas Code § 27-14-1015(b)(3), concerning the payment
24 of personal property taxes and the listing for assessment required, is
25 amended to read as follows:

26 (3) The ~~director~~ secretary shall provide free of charge to each
27 county assessor and to each county collector in this state, such additional
28 computer hardware, software, and telecommunications links as he or she deems
29 are essential to allow the county assessors and collectors to electronically
30 forward to the Department of Finance and Administration updates to the
31 vehicle registration system for the purposes of adding, changing, or removing
32 information identifying vehicles which have been assessed within the time
33 frame required by law, and vehicles for which the owners have paid personal
34 property taxes within the time frame required by law.

35
36 SECTION 1400. Arkansas Code § 27-14-1015(c), concerning the payment of

1 personal property taxes and the listing for assessment required, is amended
2 to read as follows:

3 (c) There is hereby levied a new fee of two dollars and fifty cents
4 (\$2.50) for the sale of each annual license plate validation decal for a
5 motor vehicle. This new fee shall be collected by the ~~director~~ secretary at
6 the same time the vehicle registration fees imposed by § 27-14-601 are
7 collected. However, this new decal fee shall be accounted for separately from
8 the registration fee. The amount shall be mandatory and is collected for the
9 purpose of extending to vehicle owners the additional services and
10 conveniences of the options to renew vehicle registrations by telephone,
11 electronically, by mail, or in person without requiring applicants to submit
12 to the ~~director~~ secretary proof of assessment and payment of personal
13 property taxes.
14

15 SECTION 1401. Arkansas Code § 27-14-1015(d), concerning the payment of
16 personal property taxes and the listing for assessment required, is amended
17 to read as follows:

18 (d)(1) One dollar and fifty cents (\$1.50) of the amount collected by
19 the ~~director~~ secretary pursuant to subsection (c) of this section for each
20 annual license plate validation decal shall not be deposited in the State
21 Treasury but shall be remitted to the Arkansas Development Finance Authority.
22

23 (2) One dollar (\$1.00) of the amount collected by the ~~director~~
secretary pursuant to subsection (c) of this section for each annual license
24 plate validation decal shall be deposited into the State Treasury as direct
25 revenues to the State Central Services Fund, there to be used by the Revenue
26 Division of the Department of Finance and Administration in supporting those
27 activities and programs which will facilitate extending to vehicle owners the
28 additional services and conveniences of the options to renew vehicle
29 registrations by telephone, electronically, by mail, or in person without
30 requiring applicants to submit to the ~~director~~ secretary proof of assessment
31 and payment of personal property taxes or proof of automobile liability
32 insurance coverage.

33 (3) All amounts derived from the new fee imposed by subsection
34 (c) of this section for the sale of annual license plate validation decals,
35 whether held by the ~~director~~ secretary or the authority, which are to be
36 remitted to the authority shall be cash funds not subject to appropriation

1 and shall be used and applied by the authority only as provided in § 22-3-
2 1225. The fees charged for the annual license plate validation decal and paid
3 to the authority pursuant to subdivision (d)(1) of this section shall not be
4 reduced or otherwise impaired during the time that the fees are pledged by
5 the authority to the repayment of any of the authority's bonds issued in
6 accordance with § 22-3-1225.

7
8 SECTION 1402. Arkansas Code § 27-14-1016 is amended to read as
9 follows:

10 27-14-1016. Other information required.

11 The ~~Director~~ Secretary of the Department of Finance and Administration
12 may require such other information of applicants as he or she deems necessary
13 for the proper licensing of motor vehicles and the proper maintenance of a
14 motor vehicle register.

15
16 SECTION 1403. Arkansas Code § 27-14-1018 is amended to read as
17 follows:

18 27-14-1018. Issuance of annual tab or decal.

19 (a) In conjunction with the permanent license plate for a motor
20 vehicle other than a commercial motor vehicle registered with the
21 International Registration Plan, the ~~Director~~ Secretary of the Department of
22 Finance and Administration shall issue a tab or decal annually or, when
23 appropriate, to each qualified applicant as evidence of the annual payment of
24 license fees.

25 (b) A motor vehicle owner shall affix and display the tab or decal in
26 such place as the ~~director~~ secretary shall designate.

27
28 SECTION 1404. Arkansas Code § 27-14-1019 is amended to read as
29 follows:

30 27-14-1019. Changes of address.

31 (a) Every owner of a motor vehicle subject to this subchapter shall
32 report to the ~~Director~~ Secretary of the Department of Finance and
33 Administration any change of address from that listed when the vehicle was
34 registered.

35 (b) The willful failure or neglect of an owner to report the change of
36 address shall be a misdemeanor and shall subject the owner to the penalties

1 provided by § 27-14-301 and shall relieve the ~~director~~ secretary of any
2 obligation of notifying the owner of expiration of his or her motor vehicle
3 license and registration.

4
5 SECTION 1405. Arkansas Code § 27-14-1020 is amended to read as
6 follows:

7 27-14-1020. Rules and regulations.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
9 shall promulgate such reasonable rules and regulations and prescribe such
10 forms as are necessary for the proper enforcement of this subchapter.

11
12 SECTION 1406. The introductory language of Arkansas Code § 27-14-
13 1021(a), concerning the annual notification of requirements, is amended to
14 read as follows:

15
16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration shall send to each vehicle owner in this state the following
18 information:

19 SECTION 1407. The introductory language of Arkansas Code § 27-14-
20 1021(b), concerning the annual notification of requirements, is amended to
21 read as follows:

22 (b) The ~~director~~ secretary may comply with the requirements set forth
23 in subsection (a) of this section by including the information in the annual
24 vehicle registration renewal notice sent to each vehicle owner by:

25
26 SECTION 1408. Arkansas Code § 27-14-1021(c), concerning the annual
27 notification of requirements, is amended to read as follows:

28 (c) The ~~director~~ secretary shall also cause to be displayed, in
29 conspicuous fashion, at each revenue office in this state, the information
30 set forth in subsection (a) of this section.

31
32 SECTION 1409. Arkansas Code § 27-14-1101(a), concerning the authority
33 to issue special personalized prestige license plates for passenger
34 automobiles and motorcycles, is amended to read as follows:

35 (a) The ~~Director~~ Secretary of the Department of Finance and
36 Administration shall provide for and issue special personalized prestige

1 license plates for passenger automobiles and motorcycles.

2
3 SECTION 1410. Arkansas Code § 27-14-1104 is amended to read as
4 follows:

5 27-14-1104. Rules and regulations.

6 (a) The ~~Director~~ Secretary of the Department of Finance and
7 Administration is authorized to promulgate rules and regulations regarding
8 the maximum and minimum number of letters, numbers, or symbols on special
9 personalized prestige license plates issued under this subchapter.

10 (b) The ~~director~~ secretary may also promulgate such other rules and
11 regulations as shall be deemed necessary or desirable for effectively
12 carrying out the intent and purposes of this subchapter and the laws of this
13 state relative to the regulation and licensing of motor vehicles.

14
15 SECTION 1411. Arkansas Code § 27-14-1202(a)(1), concerning the
16 definition of "decal" under the Permanent Trailer Licensing Act of 1979, is
17 amended to read as follows:

18 (1) "Decal" means an attachable material of such form and
19 substance as the ~~Director~~ Secretary of the Department of Finance and
20 Administration may prescribe by rule or regulation;

21
22 SECTION 1412. Arkansas Code § 27-14-1204(b), concerning penalties
23 under the Permanent Trailer Licensing Act of 1979, is amended to read as
24 follows:

25 (b) The failure of the trailer owner to affix and display the
26 permanent license plates, the tab or decal, or the registration card, in the
27 places designated by the ~~Director~~ Secretary of the Department of Finance and
28 Administration, shall be a misdemeanor subject to the penalties provided by §
29 27-14-301.

30
31 SECTION 1413. Arkansas Code § 27-14-1206 is amended to read as
32 follows:

33 27-14-1206. Time and place for registration or renewal.

34 (a) An applicant may apply, in person or by mail, for the issuance of
35 permanent license plates to the revenue collector in the county where he or
36 she resides or to the ~~Director~~ Secretary of the Department of Finance and

1 Administration.

2 (b) Thirty (30) days before the expiration of a license issued prior
3 to January 1, 2002, the ~~director~~ secretary shall notify the owner of a
4 registered trailer subject to this subchapter at the last address of the
5 owner of the trailer as the owner's name and address appear on the records of
6 the Office of Motor Vehicle, but the ~~director~~ secretary is not required to go
7 beyond the face of the last registration statement.

8 (c)(1) A proper application for registration or renewal of a
9 registration issued prior to January 1, 2002, by mail must be postmarked not
10 later than fifteen (15) days before the date for renewal in order to allow
11 time for processing.

12 (2) The ~~director~~ secretary is authorized to impose a first class
13 postage fee for handling the issuance of all new licenses or renewals by
14 mail.

15
16 SECTION 1414. Arkansas Code § 27-14-1207 is amended to read as
17 follows:

18 27-14-1207. Information required of applicant.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 may require such other information of applicants as he or she deems necessary
21 for the proper licensing of trailers and the proper maintenance of a trailer
22 register.

23
24 SECTION 1415. Arkansas Code § 27-14-1209(a), concerning the issuance
25 of a registration certificate, is amended to read as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
27 Administration shall issue to each owner of a trailer subject to this
28 subchapter a registration certificate, which must be kept in the place
29 prescribed by the ~~director~~ secretary.

30
31 SECTION 1416. Arkansas Code § 27-14-1210(a), concerning the fee under
32 the Permanent Trailer Licensing Act of 1979, is amended to read as follows:

33 (a) Upon registration, the owner of every trailer of a type subject to
34 the provisions of this subchapter shall receive a permanent license plate
35 issued by the ~~Director~~ Secretary of the Department of Finance and
36 Administration upon the payment of the fee set forth in § 27-14-601.

1
2 SECTION 1417. Arkansas Code § 27-14-1211(a), concerning the issuance
3 of a permanent plate under the Permanent Trailer Licensing Act of 1979, is
4 amended to read as follows:

5 (a) The ~~Director~~ Secretary of the Department of Finance and
6 Administration is authorized to issue to the owner of a trailer subject to
7 this subchapter a permanent license plate, subject to replacement, upon
8 payment of the fee set forth in § 27-14-601.

9
10 SECTION 1418. Arkansas Code § 27-14-1212(a), concerning the issuance
11 of reflectorized plates under the Permanent Trailer Licensing Act of 1979, is
12 amended to read as follows:

13 (a) The ~~Director~~ Secretary of the Department of Finance and
14 Administration is authorized to issue permanent reflectorized license plates
15 in such form as he or she shall prescribe.

16
17 SECTION 1419. Arkansas Code § 27-14-1213 is amended to read as
18 follows:

19 27-14-1213. Distribution of renewal applications.

20 (a) The ~~Director~~ Secretary of the Department of Finance and
21 Administration shall mail application forms for all renewals of registration
22 under this subchapter issued prior to January 1, 2002, to the last address of
23 the owner of the trailer as the owner's name and address appear on the
24 records of the Office of Motor Vehicle.

25 (b) The ~~director~~ secretary shall not be required to go beyond the face
26 of the last registration, and the failure of an owner to receive notice of
27 expiration of his or her trailer license shall not be construed as an
28 extenuating circumstance for the failure of a trailer owner to renew his or
29 her license on time.

30
31 SECTION 1420. Arkansas Code § 27-14-1214(a), concerning renewal of
32 registration under Permanent Trailer Licensing Act of 1979, is amended to
33 read as follows:

34 (a) The owner of any permanent license plate issued by the ~~Director~~
35 Secretary of the Department of Finance and Administration prior to January 1,
36 2002, may renew his or her registration, in person or by mail, at a county

1 revenue office or with the ~~director~~ secretary during any day from thirty (30)
2 days prior to the date on which his or her registration shall expire.

3
4 SECTION 1421. Arkansas Code § 27-14-1217(a), concerning the report of
5 a change of address, is amended to read as follows:

6 (a) Every owner of a trailer subject to this subchapter shall report
7 to the ~~Director~~ Secretary of the Department of Finance and Administration any
8 change of address from that listed when the trailer was registered.

9
10 SECTION 1422. Arkansas Code § 27-14-1217(b)(3), concerning the report
11 of a change of address, is amended to read as follows:

12 (3) Relieve the ~~director~~ secretary of any obligation of
13 notifying the owner of expiration of his or her trailer license and
14 registration.

15
16 SECTION 1423. Arkansas Code § 27-14-1218 is amended to read as
17 follows:

18 27-14-1218. Rules and regulations.

19 The ~~Director~~ Secretary of the Department of Finance and Administration
20 shall promulgate such reasonable rules and regulations and prescribe such
21 forms as are necessary for the proper enforcement of this subchapter.

22
23 SECTION 1424. Arkansas Code § 27-14-1303 is amended to read as
24 follows:

25 27-14-1303. Administration.

26 The ~~Director~~ Secretary of the Department of Finance and Administration
27 is authorized and directed to supply license plates to properly designate or
28 identify the various classes of vehicles covered in this subchapter and to
29 enforce this subchapter.

30
31 SECTION 1425. Arkansas Code § 27-14-1304(a)(1), concerning the rules
32 and regulations of the Department of Finance and Administration, is amended
33 to read as follows:

34 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
35 Administration shall promulgate rules and regulations and prescribe forms for
36 the proper enforcement of this subchapter.

1
2 SECTION 1426. Arkansas Code § 27-14-1304(b)(1), concerning the rules
3 and regulations of the Department of Finance and Administration, is amended
4 to read as follows:

5 (b)(1) A complete file of all rules, regulations, and forms shall be
6 kept in the office of the ~~director~~ secretary.

7
8 SECTION 1427. Arkansas Code § 27-14-1305(a), concerning the annual
9 report regarding the licensing of trucks and trailers, is amended to read as
10 follows:

11 (a) Annually, on or before December 31 of each year, the ~~Director~~
12 Secretary of the Department of Finance and Administration shall make a report
13 of his or her administration of this subchapter to the Governor.

14
15 SECTION 1428. Arkansas Code § 27-24-1425(a), concerning the special
16 license plate for the Arkansas State Chapter of the National Wild Turkey
17 Federation, Inc., is amended to read as follows:

18 (a) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall create and issue an Arkansas State Chapter of the
20 National Wild Turkey Federation, Inc. special license plate in the manner and
21 subject to the conditions provided for under this subchapter.

22
23 SECTION 1429. Arkansas Code § 27-14-1501(a), concerning the liability
24 insurance prerequisite to licensing, is amended to read as follows:

25 (a) No license shall be issued for any taxicab, automobile, or similar
26 vehicle used for hire, nor shall these vehicles be operated or used in and
27 upon the streets, roads, and highways of the State of Arkansas, within or
28 without the corporate limits of any city or village, for the purpose of
29 carrying passengers for hire unless there shall have been filed with the
30 ~~Director~~ Secretary of the Department of Finance and Administration a
31 liability contract of insurance, or certificates of insurance, issued to the
32 owner of the vehicle, which shall be substantially in the form of the
33 standard automobile liability insurance policy in customary use, to be
34 approved by the ~~director~~ secretary, and issued by an insurance company
35 licensed to do business in the State of Arkansas.

36

1 SECTION 1430. Arkansas Code § 27-14-1501(c)(2)(A), concerning the
2 liability insurance prerequisite to licensing, is amended to read as follows:

3 (2)(A) The bond or collateral shall be in the form approved by
4 the ~~director~~ secretary and shall be conditioned for the payment of property
5 damage and personal injuries and shall be in an amount no less than fifty
6 thousand dollars (\$50,000) for all claims for the operator's fleet, and
7 uninsured motorist coverage shall not be required of the operators.

8
9 SECTION 1431. Arkansas Code § 27-14-1501(e)(1), concerning the
10 liability insurance prerequisite to licensing, is amended to read as follows:

11 (e)(1) No policy of insurance may be cancelled by the licensee or by
12 the insurance carrier unless written notice of the cancellation shall have
13 been mailed to the ~~director~~ secretary.

14
15 SECTION 1432. Arkansas Code § 27-14-1603(d), concerning the
16 cancellation of title for a manufactured home or a mobile home, is amended to
17 read as follows:

18 (d) The ~~Director~~ Secretary of the Department of Finance and
19 Administration may promulgate rules to administer this section.

20
21 SECTION 1433. Arkansas Code § 27-14-1604(e), concerning the issuance
22 of a new title in the event of severance, is amended to read as follows:

23 (e) The ~~Director~~ Secretary of the Department of Finance and
24 Administration may promulgate rules to implement and administer this section.

25
26 SECTION 1434. Arkansas Code § 27-14-1701(d)(1), concerning the
27 operation of vehicles under special plates, is amended to read as follows:

28 (d)(1) The ~~Director~~ Secretary of the Department of Finance and
29 Administration shall provide the specifications, form, and color of the
30 special temporary preprinted paper tag and any correlating stickers that are
31 to be placed on the preprinted paper tag required under this section.

32
33 SECTION 1435. Arkansas Code § 27-14-1703(a)(1), concerning the
34 expiration of special plates, is amended to read as follows:

35 (a)(1) Every special plate, excluding temporary preprinted paper tags,
36 issued under this subchapter shall expire at 12:00 midnight on December 31 of

1 each year unless the ~~Director~~ Secretary of the Department of Finance and
2 Administration provides by rule a staggered method of annual expiration.

3
4 SECTION 1436. Arkansas Code § 27-14-1703(b), concerning the expiration
5 of special plates, is amended to read as follows:

6 (b) In lieu of providing a new special plate upon the expiration of
7 the special plate issued under this subchapter, the ~~director~~ secretary may by
8 rule provide for the issuance of permanent special plates that are renewed
9 using an alternate method.

10
11 SECTION 1437. The introductory language of Arkansas Code § 27-14-
12 1704(a), concerning dealer's extra license plates, is amended to read as
13 follows:

14 (a) Each dealer as defined in § 27-14-601(a)(6) shall furnish the
15 ~~Director~~ Secretary of the Department of Finance and Administration with a
16 list of each manager, sales manager, and salesperson authorized to operate a
17 motor vehicle to which a dealer's extra license plate issued to the dealer
18 has been or will be attached:

19
20 SECTION 1438. Arkansas Code § 27-14-1704(c)(1)(A), concerning dealer's
21 extra license plates, is amended to read as follows:

22 (e)(1)(A) In addition to any other penalty prescribed by this chapter,
23 the ~~director~~ secretary may suspend some or all dealer's extra license plates
24 issued to a dealer if the ~~director~~ secretary determines that the dealer or
25 any manager, sales manager, or salesperson of the dealer either misused a
26 dealer's extra license plate or allowed the use of a dealer's extra license
27 plate by a person who is not authorized by this section to use a dealer's
28 extra license plate.

29
30 SECTION 1439. The introductory language of Arkansas Code § 27-14-
31 1704(e)(1)(C), concerning dealer's extra license plates, is amended to read
32 as follows:

33 (C) The ~~director~~ secretary shall:

34
35 SECTION 1440. Arkansas Code § 27-14-1704(e)(2)(A) and (B), concerning
36 dealer's extra license plates, are amended to read as follows:

1 (2)(A) Any dealer who desires a hearing on the suspension shall
2 notify the ~~director~~ secretary in writing within twenty (20) days after
3 receipt of the notice of suspension.

4 (B) A hearing officer appointed by the ~~director~~ secretary
5 shall schedule a hearing in an office of the Revenue Division of the
6 Department of Finance and Administration in the county of the dealer's
7 principal place of business, unless the ~~director~~ secretary and the dealer
8 agree to another location for the hearing or agree that the hearing shall be
9 held by telephone.

10
11 SECTION 1441. Arkansas Code § 27-14-1704(e)(3)(A)(ii), concerning
12 dealer's extra license plates, is amended to read as follows:

13 (ii) The dealer shall serve a copy of the petition
14 on the ~~director~~ secretary.

15
16 SECTION 1442. Arkansas Code § 27-14-1705(e), concerning temporary
17 preprinted paper buyer's tags, is amended to read as follows:

18 (e) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall provide the specifications, form, and color of the
20 temporary preprinted paper buyer's tag.

21
22 SECTION 1443. Arkansas Code § 27-14-1705(f)(1)(A), concerning
23 temporary preprinted paper buyer's tags, is amended to read as follows:

24 (f)(1)(A) The buyer shall be responsible for paying to the ~~director~~
25 secretary a fee to be set by the ~~director~~ secretary, which shall not exceed
26 five dollars and fifty cents (\$5.50), for each temporary preprinted paper
27 buyer's tag and any correlating sticker the buyer receives.

28
29 SECTION 1444. Arkansas Code § 27-14-1705(f)(3)(A), concerning
30 temporary preprinted paper buyer's tags, is amended to read as follows:

31 (3)(A) Except as provided in subdivision (f)(3)(B) of this
32 section, all fees collected by the ~~director~~ secretary under this section
33 shall be deposited into the State Treasury, and the Treasurer of State shall
34 credit them as general revenues to the General Revenue Fund Account of the
35 State Apportionment Fund.

36

1 SECTION 1446. The introductory language of Arkansas Code § 27-14-
2 1705(h)(1)(A), concerning temporary preprinted paper buyer's tags, is amended
3 to read as follows:

4 (h)(1)(A) In addition to any other penalty prescribed by this section,
5 the ~~director~~ secretary may suspend or terminate a dealer's authority to issue
6 temporary preprinted paper buyer's tags if the ~~director~~ secretary determines
7 that the dealer, manager, salesperson, or employee of the dealer:

8
9 SECTION 1447. Arkansas Code § 27-14-1705(h)(1)(B), concerning
10 temporary preprinted paper buyer's tags, is amended to read as follows:

11 (B) In addition to any other penalty prescribed by this
12 section, if the ~~director~~ secretary determines that the dealer, or a manager,
13 salesperson, or employee of the dealer, has violated this subsection, the
14 ~~director~~ secretary may impose a penalty equal to ten dollars (\$10.00) for
15 each inappropriately issued temporary preprinted paper buyer's tag.

16
17 SECTION 1448. The introductory language of Arkansas Code § 27-14-
18 1705(h)(2), concerning temporary preprinted paper buyer's tags, is amended to
19 read as follows:

20 (2) The ~~director~~ secretary shall:

21
22 SECTION 1449. Arkansas Code § 27-14-1705(h)(5)(A) and (B), concerning
23 temporary preprinted paper buyer's tags, are amended to read as follows:

24 (5)(A) A dealer who desires a hearing on the imposition of a
25 penalty, or of the suspension or termination of the dealer's authority to
26 issue temporary tags under this section, shall notify the ~~director~~ secretary
27 in writing within twenty (20) days after receipt of the notice of imposition
28 of a penalty, or of the suspension or termination.

29 (B) A hearing officer appointed by the ~~director~~ secretary
30 shall schedule a hearing in an office of the Revenue Division of the
31 Department of Finance and Administration in the county of the dealer's
32 principal place of business, unless the ~~director~~ secretary and the dealer
33 agree to another location for the hearing or agree that the hearing shall be
34 held by telephone.

35
36 SECTION 1450. Arkansas Code § 27-14-1705(h)(6)(B), concerning

1 temporary preprinted paper buyer's tags, is amended to read as follows:

2 (B) The dealer shall serve a copy of the petition on the
 3 ~~director~~ secretary.

4
 5 SECTION 1451. Arkansas Code § 27-14-1706(c)(2), concerning vehicles
 6 provided for purposes of demonstration or for repair customers, is amended to
 7 read as follows:

8 (2)(A) The ~~Director~~ Secretary of the Department of Finance and
 9 Administration shall provide the specifications, form, and color of the
 10 information sheet to be used by dealers under this subsection.

11 (B) Information sheets retained by the dealer under this
 12 subsection are subject to examination by the ~~director~~ secretary at any
 13 reasonable time.

14
 15 SECTION 1452. Arkansas Code § 27-14-1706(d)(3), concerning vehicles
 16 provided for purposes of demonstration or for repair customers, is amended to
 17 read as follows:

18 (3) The ~~director~~ secretary shall design the test drive or loaner
 19 information sheet to be used by dealers under this subsection and shall make
 20 this information sheet available at all state revenue offices and on the
 21 website of the Department of Finance and Administration.

22
 23 SECTION 1453. Arkansas Code § 27-14-1707 is amended to read as
 24 follows:

25 27-14-1707. Authority to promulgate rules.

26 In addition to the authority provided in § 27-14-403, the ~~Director~~
 27 Secretary of the Department of Finance and Administration may promulgate,
 28 adopt, and enforce such rules as may be necessary to carry out this
 29 subchapter.

30
 31 SECTION 1453. Arkansas Code § 27-14-1804 is amended to read as
 32 follows:

33 7-14-1804. Nonapplicable if regular plates used.

34 This subchapter shall not apply to any person, firm, or corporation
 35 engaged in towing or driving motor vehicles on the public highways of this
 36 state where the motor vehicles display bona fide license or dealer's license

1 plates issued by the ~~Director~~ Secretary of the Department of Finance and
2 Administration.

3
4 SECTION 1454. Arkansas Code § 27-14-1805(a), concerning the use of "IN
5 TRANSIT" placards, is amended to read as follows:

6 (a)(1) Motor vehicles and trailers in the course of delivery from a
7 manufacturer to a dealer, or from one dealer to another, may be operated on
8 the highways without license number plates being attached, if they display,
9 on the rear, a placard issued by the ~~Director~~ Secretary of the Department of
10 Finance and Administration, bearing the words "IN TRANSIT", the registration
11 number, the time and date the placard was issued, and the genuine signature
12 of the ~~director~~ secretary or his or her agent.

13 (2) The letters and figures shall be of such size and type to
14 meet the requirements of the ~~director~~ secretary.

15
16 SECTION 1455. Arkansas Code § 27-14-1805(b)(2), concerning the use of
17 "IN TRANSIT" placards, is amended to read as follows:

18 (2) The fee shall be collected by the ~~director~~ secretary before
19 issuance of the placard.

20
21 SECTION 1456. Arkansas Code § 27-14-1806(a)(1), concerning metal
22 transporter plates, is amended to read as follows:

23 (a)(1) Any person, firm, or corporation that is regularly engaged in
24 the business of driving or towing motor vehicles or trailers as defined in §
25 27-14-1805, upon the payment of a fee of thirty dollars (\$30.00), may be
26 issued an annual metal transporter plate by the ~~Director~~ Secretary of the
27 Department of Finance and Administration.

28
29 SECTION 1457. Arkansas Code § 27-14-1808 is amended to read as
30 follows:

31 27-14-1808. Rules and regulations.

32 The ~~Director~~ Secretary of the Department of Finance and Administration
33 is authorized to promulgate such rules and regulations as he or she deems
34 necessary for the proper enforcement of this subchapter.

35
36 SECTION 1458. Arkansas Code § 27-14-1904 is amended to read as

1 follows:

2 27-14-1904. Design of plates.

3 Manufacturers' master license plates shall be of such form and design
4 as prescribed by the ~~Director~~ Secretary of the Department of Finance and
5 Administration.

6

7 SECTION 1459. Arkansas Code § 27-14-1905 is amended to read as
8 follows:

9 27-14-1905. Rules and regulations.

10 The ~~Director~~ Secretary of the Department of Finance and Administration
11 is authorized to promulgate rules and regulations consistent with the
12 provisions of this subchapter.

13

14 SECTION 1460. Arkansas Code § 27-14-2102 is amended to read as
15 follows:

16 27-14-2102. Issuance authorized.

17 The ~~Director~~ Secretary of the Department of Finance and Administration
18 is authorized to design and issue a drive-out tag for use in cases where
19 automobile dealers in this state sell a motor vehicle to a nonresident who
20 desires to immediately remove the vehicle to the state of his or her
21 residence.

22

23 SECTION 1461. Arkansas Code § 27-14-2105 is amended to read as
24 follows:

25 27-14-2105. Rules and regulations.

26 The ~~Director~~ Secretary of the Department of Finance and Administration
27 is authorized to promulgate such rules and regulations as he or she deems
28 necessary for the proper enforcement of this subchapter.

29

30 SECTION 1462. Arkansas Code § 27-14-2307 is amended to read as
31 follows:

32 27-14-2307. Rules and regulations.

33 The ~~Director~~ Secretary of the Department of Finance and Administration
34 shall promulgate necessary rules and regulations for the proper enforcement
35 and administration of this subchapter.

36

1 SECTION 1463. Arkansas Code § 27-15-2402 is amended to read as
2 follows:

3 27-15-2402. Applications.

4 All applications for special license plates under this subchapter shall
5 be made to the ~~Director~~ Secretary of the Department of Finance and
6 Administration.

7
8 SECTION 1464. Arkansas Code § 27-15-2404 is amended to read as
9 follows:

10 27-15-2404. Rules and regulations.

11 The ~~Director~~ Secretary of the Department of Finance and Administration
12 shall make such rules and regulations as are necessary to ascertain
13 compliance with all state license laws relating to the use and operation of
14 motor vehicles before issuing the special plates under this subchapter in
15 lieu of the regular license plates.

16
17 SECTION 1465. Arkansas Code § 27-15-2405(a), concerning lists for
18 public information, is amended to read as follows:

19 (a) On or before March 1 of each year, the ~~Director~~ Secretary of the
20 Department of Finance and Administration shall furnish to the sheriff of each
21 county in the state an alphabetically arranged list of the names, addresses,
22 and amateur station call signs on the license plates of all persons to whom
23 license plates are issued under the provisions of this subchapter.

24
25 SECTION 1466. Arkansas Code § 27-15-4001(a), concerning buses
26 converted to or equipped as campers, is amended to read as follows:

27 (a) Any person in this state who owns a school bus or other bus which
28 has been converted to or equipped as a camper and is used solely as a camper
29 may register it and obtain special motor vehicle license plates for it upon
30 application to the ~~Director~~ Secretary of the Department of Finance and
31 Administration and upon the payment of an annual registration fee of thirteen
32 dollars (\$13.00).

33
34 SECTION 1467. Arkansas Code § 27-15-4002(b), concerning exemptions for
35 new vehicles loaned by dealers to school districts, is amended to read as
36 follows:

1 (b) The ~~Director~~ Secretary of the Department of Finance and
2 Administration shall issue, without charge to the school district, the
3 appropriate motor vehicle license plates for the vehicle.
4

5 SECTION 1468. Arkansas Code § 27-15-4901 is amended to read as
6 follows:

7 27-15-4901. In God We Trust license plate authorized.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
9 shall issue a special In God We Trust motor vehicle license plate in the
10 manner and subject to the conditions prescribed in this subchapter.
11

12 SECTION 1469. The introductory language of Arkansas Code § 27-15-
13 4902(b)(1), concerning the design of the special In God We Trust motor
14 vehicle license plate, is amended to read as follows:

15 (b)(1) Before the ~~Director~~ Secretary of the Department of Finance and
16 Administration creates and issues a special license plate under this
17 subchapter, one (1) of the following must occur:
18

19 SECTION 1470. Arkansas Code § 27-15-4908 is amended to read as
20 follows:

21 27-15-4908. Rules and regulations.

22 The ~~Director~~ Secretary of the Department of Finance and Administration
23 shall promulgate reasonable rules and regulations and prescribe forms as the
24 ~~director~~ secretary determines to be necessary for effectively and efficiently
25 carrying out the intent and purposes of this subchapter.
26

27 SECTION 1471. Arkansas Code § 27-15-5101 is amended to read as
28 follows:

29 27-15-5101. Arkansas State Golf Association license plate authorized.

30 The ~~Director~~ Secretary of the Department of Finance and Administration
31 shall provide for and issue Arkansas State Golf Association special license
32 plates in the manner and subject to the conditions under this subchapter.
33

34 SECTION 1472. Arkansas Code § 27-15-5102(a)(2) and (3), concerning the
35 design of numbered plates for the Arkansas State Golf Association, are
36 amended to read as follows:

1 (2) The design shall be submitted to the ~~Director~~ Secretary of
2 the Department of Finance and Administration for design approval under rules
3 of the ~~director~~ secretary.

4 (3) The association may periodically submit a newly designed
5 license plate for approval and issuance by the ~~director~~ secretary with not
6 more than one (1) new license plate design issued per calendar year.

7
8 SECTION 1473. Arkansas Code § 27-15-5102(b)(1), concerning the design
9 of numbered plates for the Arkansas State Golf Association, is amended to
10 read as follows:

11 (b)(1) Upon approval of the design by the ~~director~~ secretary, the
12 association shall remit to the Department of Finance and Administration a fee
13 in the amount of six thousand dollars (\$6,000) to cover the cost of the
14 initial order of each newly designed license plate.

15
16 SECTION 1474. Arkansas Code § 27-15-5102(c), concerning the design of
17 numbered plates for the Arkansas State Golf Association, is amended to read
18 as follows:

19 (c) The ~~director~~ secretary shall promulgate reasonable rules and
20 regulations and prescribe any forms as the ~~director~~ secretary determines to
21 be necessary to carry out the intent and purposes of this subchapter.

22
23 SECTION 1475. Arkansas Code § 27-15-5201 is amended to read as
24 follows:

25 27-15-5201. Arkansas Fallen Firefighters' Memorial special license
26 plate authorized.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 shall provide for and issue Arkansas Fallen Firefighters' Memorial special
29 license plates for motor vehicles in the manner provided in this subchapter.

30
31 SECTION 1476. Arkansas Code § 27-15-5202(a)(2) and (3), concerning the
32 special motor vehicle license plates designed by the Arkansas Fallen
33 Firefighters' Memorial Board, are amended to read as follows:

34 (2) The design shall be submitted for design approval by
35 the ~~Director~~ Secretary of the Department of Finance and Administration under
36 rules and regulations of the ~~director~~ secretary.

1 (3) The board may periodically submit a newly designed license
2 plate for approval and issue by the ~~director~~ secretary with not more than one
3 (1) new license plate design issued per calendar year.
4

5 SECTION 1477. Arkansas Code § 27-15-5202(b)(1), concerning the special
6 motor vehicle license plates designed by the Arkansas Fallen Firefighters'
7 Memorial Board, is amended to read as follows:

8 (b)(1) Upon approval of the design by the ~~director~~ secretary, the
9 board shall remit to the Department of Finance and Administration a fee of
10 six thousand dollars (\$6,000) to cover the cost of the initial order of each
11 newly designed license plate.
12

13 SECTION 1478. Arkansas Code § 27-15-5202(c), concerning the special
14 motor vehicle license plates designed by the Arkansas Fallen Firefighters'
15 Memorial Board, is amended to read as follows:

16 (c) The ~~director~~ secretary shall promulgate reasonable rules and
17 regulations and prescribe any forms as he or she determines to be necessary
18 to carry out the intent and purposes of this subchapter.
19

20 SECTION 1479. Arkansas Code § 27-16-401(1), concerning the definition
21 of "commissioner" under the laws concerning the Office of Driver Services, is
22 amended to read as follows:

23 (1) "Commissioner" means the ~~Director~~ Secretary of the
24 Department of Finance and Administration acting in his or her capacity as
25 Commissioner of Motor Vehicles of this state;
26

27 SECTION 1480. Arkansas Code § 27-16-509(c), concerning reciprocal
28 agreements, is amended to read as follows:

29 (c)(1) The ~~Director~~ Secretary of the Department of Finance and
30 Administration may negotiate and consummate a reciprocal agreement as
31 provided under this section.

32 (2) If the ~~Director~~ Secretary of the Department of Finance and
33 Administration enters into a reciprocal agreement under this section, then he
34 or she shall exercise due regard for the advantage and convenience of
35 resident drivers and citizens of the State of Arkansas.

36 (3) The ~~Director~~ Secretary of the Department of Finance and

1 Administration shall only enter into a reciprocal agreement that extends
2 equal or greater privileges and exemptions to Arkansas motor vehicle drivers
3 as compared to the privileges and exemptions provided to the other entity's
4 motor vehicle drivers.

5
6 SECTION 1481. Arkansas Code § 27-16-509(d)(1), concerning reciprocal
7 agreements, is amended to read as follows:

8 (d)(1) The ~~Director~~ Secretary of the Department of Finance and
9 Administration shall enter into a reciprocal agreement under this section by
10 promulgating rules in compliance with the Arkansas Administrative Procedure
11 Act, § 25-15-201 et seq.

12
13 SECTION 1482. The introductory language of Arkansas Code § 27-16-
14 509(e)(1)(A), concerning reciprocal agreements, is amended to read as
15 follows:

16 (e)(1)(A) If the ~~Director~~ Secretary of the Department of Finance and
17 Administration enters into a reciprocal agreement under this section, then he
18 or she shall submit a report to the following:

19
20 SECTION 1483. Arkansas Code § 27-16-604(a)(9), concerning persons not
21 to be licensed, is amended to read as follows:

22 (9) Whose operation of a motor vehicle on the highways the
23 ~~Director~~ Secretary of the Department of Finance and Administration has good
24 cause to believe would be inimical to public safety or welfare;

25
26 SECTION 1484. Arkansas Code § 27-16-702(a)(2), concerning the
27 application of a minor for an instruction permit, learner's license, or
28 intermediate driver's license, is amended to read as follows:

29 (2) For purposes of this section, duly authorized agents of the
30 ~~Director~~ Secretary of the Department of Finance and Administration may
31 administer oaths without charge.

32
33 SECTION 1485. Arkansas Code § 27-16-704(b)(6), concerning the
34 examination of applicants, is amended to read as follows:

35 (6) The test of the applicant's eyesight shall be made on an
36 optical testing instrument approved under standards established by the

1 ~~Director~~ Secretary of the Department of Finance and Administration and the
2 ~~Department~~ Division of Arkansas State Police.

3
4 SECTION 1486. Arkansas Code § 27-16-705(a), concerning examiners for
5 the Department of Finance and Administration, is amended to read as follows:

6 (a) An examination as provided for in this subchapter shall be
7 conducted by the ~~Department~~ Division of Arkansas State Police or by the duly
8 authorized agents of the ~~Director~~ Secretary of the Department of Finance and
9 Administration.

10
11 SECTION 1487. The introductory language of Arkansas Code § 27-16-
12 801(a)(1)(A), concerning licenses, validity periods, contents, fees, and
13 disposition of moneys, is amended to read as follows:

14 (a)(1)(A) In a manner prescribed by the ~~Director~~ Secretary of the
15 Department of Finance and Administration, the Office of Driver Services shall
16 issue:

17
18 SECTION 1488. Arkansas Code § 27-16-801(a)(5)(A), concerning licenses,
19 validity periods, contents, fees, and disposition of moneys, is amended to
20 read as follows:

21 (5) At the time of initial issuance or at the time of renewal of
22 a license, the distinguishing number assigned to the licensee for his or her
23 license shall be a nine-digit number assigned to the specific licensee by the
24 ~~director~~ secretary.

25
26 SECTION 1489. Arkansas Code § 27-16-801(d)(1), concerning licenses,
27 validity periods, contents, fees, and disposition of moneys, is amended to
28 read as follows:

29 (d)(1) Except as provided in subdivision (d)(2) of this section, all
30 license fees collected under subsection (a) of this section shall be cash
31 funds restricted in their use and shall be deposited into a bank selected by
32 the ~~Department~~ Division of Arkansas State Police to the credit of the
33 ~~Department~~ Division of Arkansas State Police Financing Fund.

34
35 SECTION 1490. Arkansas Code § 27-16-801(g)(2), concerning the
36 definition of "eligible inmate", is amended to read as follows:

1 (2) The fees collected under this subsection shall be remitted
2 to the State Treasury, there to be deposited as special revenues to the
3 credit of the ~~Department~~ Division of Arkansas State Police Fund, to be used
4 for the payment of health insurance premiums for uniformed employees of the
5 ~~Department~~ Division of Arkansas State Police.

6
7 SECTION 1491. Arkansas Code § 27-16-801(h)(1)(A)(i) and (ii),
8 concerning licenses, validity periods, contents, fees, and disposition of
9 moneys, are amended to read as follows:

10 (i) Being an inmate of the ~~Department~~ Division of
11 Correction and housed in a facility operated by the ~~Department~~ Division of
12 Correction; or

13 (ii) Being an inmate of the ~~Department~~ Division of
14 Community Correction and housed in a detention facility; and

15
16 SECTION 1492. Arkansas Code § 27-16-801(h)(1)(B), concerning licenses,
17 validity periods, contents, fees, and disposition of moneys, is amended to
18 read as follows:

19 (B) "Eligible inmate" means a person who is within one
20 hundred eighty (180) days of release from custody by the ~~Department~~ Division
21 of Correction or the ~~Department~~ Division of Community Correction.

22
23 SECTION 1493. Arkansas Code § 27-16-801(h)(3), concerning licenses,
24 validity periods, contents, fees, and disposition of moneys, is amended to
25 read as follows:

26 (3) The ~~Department~~ Division of Correction and the ~~Department~~
27 Division of Community Correction shall identify eligible inmates to apply for
28 a replacement or renewal driver's license or identification card.

29
30 SECTION 1494. Arkansas Code § 27-16-811(d), concerning the address
31 confidentiality program and the exception to a disclosing residence address,
32 is amended to read as follows:

33 (d) The ~~Director~~ Secretary of the Department of Finance and
34 Administration shall promulgate rules and forms to administer the address
35 confidentiality program under this section.

36

1 SECTION 1495. Arkansas Code § 27-16-901(a)(1)(A), concerning the
2 expiration and renewal of licenses, is amended to read as follows:

3 (a)(1)(A) Except for the intermediate driver's license and the
4 learner's license, every driver's license shall expire at the end of the
5 month in which it was issued eight (8) years from its date of initial
6 issuance unless the ~~Director~~ Secretary of the Department of Finance and
7 Administration provides by rule for some other staggered basis of expiration.

8
9 SECTION 1496. Arkansas Code § 27-16-901(a)(2)(A), concerning the
10 expiration and renewal of licenses, is amended to read as follows:

11 (2)(A) The ~~director~~ secretary may by rule shorten or lengthen
12 the term of any driver's license period, as necessary, to ensure that
13 approximately twenty-five percent (25%) of the total valid licenses are
14 renewable each fiscal year.

15
16 SECTION 1497. Arkansas Code § 27-16-901(a)(2)(B)(ii), concerning the
17 expiration and renewal of licenses, is amended to read as follows:

18 (ii) The adjustment of the fee shall be carried out
19 in the manner determined by the ~~director~~ secretary by rule.

20
21 SECTION 1498. Arkansas Code § 27-16-901(b), concerning the expiration
22 and renewal of licenses, is amended to read as follows:

23 (b) Every driver's license shall be renewable on or before its
24 expiration upon completion of an application, payment of the fees designated
25 in § 27-16-801, and passage of the eyesight test required in § 27-16-704 and
26 shall be renewed without other examination, unless the ~~director~~ secretary has
27 reason to believe that the licensee is no longer qualified to receive a
28 license.

29
30 SECTION 1499. Arkansas Code § 27-16-902(c), concerning the extension
31 of expiration date of licenses for military members, is amended to read as
32 follows:

33 (c) The ~~Director~~ Secretary of the Department of Finance and
34 Administration may promulgate rules necessary for compliance with this
35 section.

36

1 SECTION 1500. Arkansas Code § 27-16-907(e)(3), concerning the
2 suspension or revocation of licenses, is amended to read as follows:

3 (3)(A) A hearing officer appointed by the ~~Director~~ Secretary of
4 the Department of Finance and Administration shall schedule a hearing in an
5 office of the Revenue Division of the Department of Finance and
6 Administration designated by the ~~director~~ secretary for the hearings.

7 (B) The hearing shall be in the office in the county of
8 residence of the licensee unless the ~~director~~ secretary and licensee agree to
9 another location for the hearing or agree that the hearing shall be held by
10 telephone conference call.

11
12 SECTION 1501. Arkansas Code § 27-16-907(g), concerning the suspension
13 or revocation of licenses, is amended to read as follows:

14 (g) The ~~director~~ secretary may promulgate rules and regulations for
15 the administration of this section.

16
17 SECTION 1502. Arkansas Code § 27-16-909(a)(1), concerning the
18 suspension or revocation of license for the inability to drive, is amended to
19 read as follows:

20 (a)(1) The Office of Driver Services, having good cause to believe
21 that a licensed driver is incompetent or otherwise not qualified to be
22 licensed, may, upon written notice of at least five (5) days to the licensee,
23 require the licensee to submit to an initial evaluation by a hearing officer
24 appointed by the ~~Director~~ Secretary of the Department of Finance and
25 Administration in an office of the Revenue Division of the Department of
26 Finance and Administration designated by the ~~director~~ secretary.

27
28 SECTION 1503. Arkansas Code § 27-16-909(c)(3), concerning the
29 suspension or revocation of a license for the inability to drive, is amended
30 to read as follows:

31 (3)(A) A hearing officer appointed by the ~~director~~ secretary
32 shall schedule a hearing in an office of the revenue division designated by
33 the ~~director~~ secretary for hearings under this section.

34 (B) The hearing shall be in the office in the county of
35 residence of the licensee unless the ~~director~~ secretary and licensee agree to
36 another location for the hearing or agree that the hearing shall be held by

1 telephone conference call.

2
 3 SECTION 1504. Arkansas Code § 27-16-909(e), concerning the suspension
 4 or revocation of a license for the inability to drive, is amended to read as
 5 follows:

6 (e) The ~~director~~ secretary may promulgate rules and regulations for
 7 the orderly and efficient administration of this section.

8
 9 SECTION 1505. Arkansas Code § 27-16-913(a)(3), concerning the right of
 10 appeal to the court of record, is amended to read as follows:

11 (3) A copy of the petition shall be served upon the ~~Director~~
 12 Secretary of the Department of Finance and Administration in accordance with
 13 the Arkansas Rules of Civil Procedure.

14
 15 SECTION 1506. Arkansas Code § 27-16-915(b)(1)(C), concerning
 16 suspension for a conviction of a controlled substances offense, is amended to
 17 read as follows:

18 (C) Courts outside Arkansas having jurisdiction over a
 19 person holding driving privileges issued by the State of Arkansas shall
 20 prepare and transmit an order pursuant to an agreement or arrangement entered
 21 into between that state and the ~~Director~~ Secretary of the Department of
 22 Finance and Administration.

23
 24 SECTION 1507. Arkansas Code § 27-16-1105(c)(2), concerning the minimum
 25 issuance standards for driver's licenses, is amended to read as follows:

26 (2) No later than January 31, 2006, the ~~Director~~ Secretary of
 27 the Department of Finance and Administration shall enter into a memorandum of
 28 understanding with the Secretary of Homeland Security to routinely utilize
 29 the automated system known as the Verification Information System database of
 30 the Systematic Alien Verification for Entitlements Program, as provided by
 31 section 404 of the Illegal Immigration Reform and Immigrant Responsibility
 32 Act of 1996, Pub. L. No. 104-208, to verify the legal presence status of a
 33 person other than a United States citizen applying for a driver's license or
 34 identification card.

35
 36 SECTION 1508. The introductory language of Arkansas Code § 27-16-1106,

1 concerning additional requirements regarding the issuance of driver's
2 licenses and identification cards, is amended to read as follows:

3 To meet the requirements of this section regarding the issuance of
4 driver's licenses and identification cards, the ~~Director~~ Secretary of the
5 Department of Finance and Administration shall:

6
7 SECTION 1509. Arkansas Code § 27-16-1107(a), concerning the linking of
8 databases, is amended to read as follows:

9 (a) The ~~Director~~ Secretary of the Department of Finance and
10 Administration shall ensure that the State of Arkansas is eligible to receive
11 any grant or other type of financial assistance made available under federal
12 law regarding driver's license security and modernization.

13
14 SECTION 1510. The introductory language of Arkansas Code § 27-16-
15 1107(b), concerning the linking of databases, is amended to read as follows:

16 (b) The ~~director~~ secretary shall implement and oversee a motor vehicle
17 database that contains at a minimum the following information:

18
19 SECTION 1511. Arkansas Code § 27-16-1108 is amended to read as
20 follows:

21 27-16-1108. Rules.

22 The ~~Director~~ Secretary of the Department of Finance and Administration
23 shall promulgate rules to implement and administer this subchapter.

24
25 SECTION 1512. Arkansas Code § 27-16-1203(2), concerning the definition
26 of "director" under the Arkansas Voluntary Enhanced Security Driver's License
27 and Identification Card Act, is amended to read as follows:

28 (2) "~~Director~~ Secretary" means the ~~Director~~ Secretary of the
29 Department of Finance and Administration;

30
31 SECTION 1513. Arkansas Code § 27-16-1204(a), concerning system
32 development under the Arkansas Voluntary Enhanced Security Driver's License
33 and Identification Card Act, is amended to read as follows:

34 (a) Notwithstanding any other provision of law, the ~~Director~~ Secretary
35 of the Department of Finance and Administration may perform any system
36 development necessary to implement the requirements of this subchapter.

1
2 SECTION 1514. Arkansas Code § 27-16-1207(a)(11), concerning issuance
3 standards and proof of physical address, is amended to read as follows:

4 (11) Any other documentation the ~~Director~~ Secretary of the
5 Department of Finance and Administration determines to be adequate proof of
6 physical address.

7
8 SECTION 1515. Arkansas Code § 27-16-1207(d), concerning issuance
9 standards and proof of physical address, is amended to read as follows:

10 (d) The ~~director~~ secretary may require additional proof of physical
11 address if the ~~director~~ secretary questions the validity or authenticity of
12 the proof of physical address submitted by the applicant.

13
14 SECTION 1516. The introductory language of Arkansas Code § 27-16-1208,
15 concerning evidence of lawful status, is amended to read as follows:

16 The ~~Director~~ Secretary of the Department of Finance and Administration
17 shall require before issuing a voluntary enhanced security driver's license,
18 voluntary enhanced security commercial driver's license, or voluntary
19 enhanced security identification card valid documentary evidence that the
20 applicant:

21
22 SECTION 1517. Arkansas Code § 27-16-1209(d), concerning the expiration
23 and renewal of a voluntary enhanced security driver's license, is amended to
24 read as follows:

25 (d) The ~~Director~~ Secretary of the Department of Finance and
26 Administration may by rule shorten or lengthen the term of any driver's
27 license or identification card period under this section, as necessary, to
28 ensure that approximately twenty-five percent (25%) of the total valid
29 licenses are renewable each fiscal year.

30
31 SECTION 1518. Arkansas Code § 27-16-1211 is amended to read as
32 follows:

33 27-16-1211. Authority to promulgate rules.

34 The ~~Director~~ Secretary of the Department of Finance and Administration
35 may promulgate any necessary rules to carry out this subchapter, subject to
36 the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

1
2 SECTION 1519. The introductory language of Arkansas Code § 27-16-1212,
3 concerning the implementation date for voluntary enhanced identification and
4 security features, is amended to read as follows:

5 This subchapter shall be effective and shall be implemented only if the
6 ~~Director~~ Secretary of the Department of Finance and Administration:

7
8 SECTION 1520. Arkansas Code § 27-19-202 is amended to read as follows:
9 27-19-202. Commissioner.

10 “Commissioner” means the ~~Director~~ Secretary of the Department of
11 Finance and Administration acting in his or her capacity as Commissioner of
12 Motor Vehicles of this state.

13
14 SECTION 1521. Arkansas Code § 27-19-401 is amended to read as follows:
15 27-19-401. Responsibility.

16 The ~~Director~~ Secretary of the Department of Finance and Administration
17 shall administer and enforce the provisions of this chapter.

18
19 SECTION 1522. Arkansas Code § 27-19-402 is amended to read as follows:
20 27-19-402. Rules and regulations.

21 The ~~Director~~ Secretary of the Department of Finance and Administration
22 may make rules and regulations necessary for the administration of this
23 chapter.

24
25 SECTION 1523. Arkansas Code § 27-19-403 is amended to read as follows:
26 27-19-403. Forms.

27 The ~~Director~~ Secretary of the Department of Finance and Administration
28 shall prescribe and provide suitable forms requisite or deemed necessary for
29 the purposes of this chapter.

30
31 SECTION 1524. Arkansas Code § 27-19-404(3), concerning the procedure
32 for suspension of a license, is amended to read as follows:

33 (3) A hearing officer appointed by the ~~Director~~ Secretary of the
34 Department of Finance and Administration shall schedule a hearing in an
35 office of the Revenue Division of the Department of Finance and
36 Administration designated by the ~~director~~ secretary for the hearings. The

1 hearing shall be in the office in the county of residence of the licensee
2 unless the ~~director~~ secretary and licensee agree to another location for the
3 hearing or agree that the hearing shall be held by telephone conference
4 call.
5

6 SECTION 1525. Arkansas Code § 27-19-405 is amended to read as follows:
7 27-19-405. Requests of persons aggrieved.

8 The ~~Director~~ Secretary of the Department of Finance and Administration
9 shall receive and consider any pertinent information upon request of persons
10 aggrieved by his or her orders or acts under any of the provisions of this
11 chapter.
12

13 SECTION 1526. Arkansas Code § 27-19-408(a) and (b), concerning the
14 court review of actions of the Director of the Department of Finance and
15 Administration, are amended to read as follows:

16 (a) Any order or act of the ~~Director~~ Secretary of the Department of
17 Finance and Administration under the provisions of this chapter shall be
18 subject to a de novo petition of review in the circuit court of the district
19 in which any party of interest resides.

20 (b) The filing of a petition of review shall not operate as an
21 automatic stay of any order or act of the ~~director~~ secretary.
22

23 SECTION 1527. Arkansas Code § 27-19-408(d), concerning the court
24 review of actions of the Director of the Department of Finance and
25 Administration, is amended to read as follows:

26 (d) The circuit judge is vested with the jurisdiction to determine
27 whether the petitioner is entitled to a license or whether the act or order
28 of the ~~director~~ secretary should be affirmed, modified, or reversed.
29

30 SECTION 1528. Arkansas Code § 27-19-501 is amended to read as follows:
31 27-19-501. Report required.

32 The driver of a vehicle of a type subject to registration under the
33 motor vehicle laws of this state that is in any manner involved in an
34 accident within this state which accident has resulted in damage to the
35 property of any one (1) person in excess of one thousand dollars (\$1,000) or
36 in bodily injury to or in the death of any person shall report the accident

1 to the Office of Driver Services within thirty (30) days after the accident
2 on an electronic or paper form approved by the ~~Director~~ Secretary of the
3 Department of Finance and Administration subject to the exemptions provided
4 in §§ 27-19-509 and 27-19-604.

5
6 SECTION 1529. Arkansas Code § 27-19-605(b), concerning the
7 requirements of a bond or policy, is amended to read as follows:

8 (b) No policy or bond shall be effective under § 27-19-604 with
9 respect to any vehicle which was not registered in this state or was a
10 vehicle which was registered elsewhere than in this state at the effective
11 date of the policy or bond or the most recent renewal thereof, unless the
12 insurance company or surety company issuing the policy or bond is authorized
13 to do business in this state, or if the company is not authorized to do
14 business in this state, unless it shall execute a power of attorney
15 authorizing the ~~Director~~ Secretary of the Department of Finance and
16 Administration to accept service on its behalf of notice or process in any
17 action upon the policy or bond arising out of an accident.

18
19 SECTION 1530. Arkansas Code § 27-19-712(b)(2)(A), concerning a
20 certificate of insurance as proof of financial responsibility, is amended to
21 read as follows:

22 (A) The insurance carrier shall execute a power of
23 attorney authorizing the ~~Director~~ Secretary of the Department of Finance and
24 Administration to accept on its behalf service of notice or process in any
25 action arising out of a motor vehicle accident in this state; and

26
27 SECTION 1531. Arkansas Code § 27-20-105(a)-(c), concerning the
28 registration and renewal period, are amended to read as follows:

29 (a) The ~~Director~~ Secretary of the Department of Finance and
30 Administration shall establish a system for the registration of motorcycles
31 and motor-driven cycles on a monthly series basis to distribute the work of
32 registering motorcycles and motor-driven cycles as uniformly as practicable
33 throughout the twelve (12) months of the calendar year.

34 (b) When a person applies for the registration of a motorcycle or
35 motor-driven cycle and the issuance of a permanent license plate, the decals
36 issued by the ~~director~~ secretary for attachment to the permanent license

1 plate to evidence the registration period shall be decals for the current
2 month in which application is made for registration, regardless of the day of
3 the month on which application is made.

4 (c) The ~~director~~ secretary shall, upon request, assign to any owner of
5 two (2) or more vehicles the same registration period.

6
7 SECTION 1532. Arkansas Code § 27-20-202(a), concerning the required
8 registration for all-terrain vehicles, is amended to read as follows:

9 (a) All owners of three-wheeled, four-wheeled, or six-wheeled all-
10 terrain vehicles that are not otherwise required to be registered by law
11 shall register them with the ~~Director~~ Secretary of the Department of Finance
12 and Administration within thirty (30) calendar days of acquiring them.

13
14 SECTION 1533. Arkansas Code § 27-20-205(a), concerning the certificate
15 of title for an all-terrain vehicle, is amended to read as follows:

16 (a) The ~~Director~~ Secretary of the Department of Finance and
17 Administration shall issue a certificate of title to the owner of a three-
18 wheeled, four-wheeled, or six-wheeled all-terrain vehicle that has been
19 registered with the Department of Finance and Administration.

20
21 SECTION 1534. Arkansas Code § 27-20-206 is amended to read as follows:
22 27-20-206. Numbered license decal.

23 The ~~Director~~ Secretary of the Department of Finance and Administration
24 shall furnish the owners of three-wheeled, four-wheeled, or six-wheeled all-
25 terrain vehicles that have been registered with the Department of Finance and
26 Administration a numbered license decal that shall be attached to the left
27 front side of the vehicle.

28
29 SECTION 1535. Arkansas Code § 27-20-208 is amended to read as follows:
30 27-20-208. Regulations.

31 The ~~Director~~ Secretary of the Department of Finance and Administration
32 may promulgate such rules and regulations as necessary to implement this
33 subchapter.

34
35 SECTION 1536. Arkansas Code § 27-22-107(a)(2)(A), concerning motor
36 vehicle insurance reporting, is amended to read as follows:

1 (2)(A) The ~~Director~~ Secretary of the Department of Finance and
2 Administration may choose a vendor to provide an online insurance
3 verification system which will comply with the industry standards as
4 recommended by the Insurance Industry Committee on Motor Vehicle
5 Administration when there are two (2) or more vendors that demonstrate to the
6 department the ability to meet the Insurance Industry Committee on Motor
7 Vehicle Administration standard.

8
9 SECTION 1537. Arkansas Code § 27-22-107(a)(2)(B), concerning motor
10 vehicle insurance reporting, is amended to read as follows:

11 (B) If the ~~director~~ secretary certifies that seventy
12 percent (70%) or more of the motor vehicle insurance policies in effect on a
13 specific date are being accessed according to the industry standards in the
14 online insurance verification system, each insurance company shall provide
15 access to the data through the online insurance verification system.

16
17 SECTION 1538. Arkansas Code § 27-22-107(c), concerning motor vehicle
18 insurance reporting, is amended to read as follows:

19 (c) The department may, following procedures set forth in regulations
20 promulgated by the department, assess a penalty against each insurance
21 company of up to two hundred fifty dollars (\$250) for each day the insurance
22 company fails to comply with this section. If an insurance company shows that
23 the failure to comply with this section was inadvertent, accidental, outside
24 of the control of the company, or the result of excusable neglect, the
25 ~~Director~~ Secretary of the Department of Finance and Administration may excuse
26 the penalty. The moneys collected from these penalties shall be deposited as
27 a special revenue into the State Central Services Fund, and the net amount
28 shall be credited as a direct revenue to be used by the department to offset
29 the costs of administering this section.

30
31 SECTION 1539. Arkansas Code § 27-23-124(a), concerning the Commercial
32 Driver License Fund, is amended to read as follows:

33 (a) There is hereby established on the books of the Treasurer of
34 State, Auditor of State, and Chief Fiscal Officer of the State, a fund to be
35 known as the "Commercial Driver License Fund" of the Revenue Division of the
36 Department of Finance and Administration. The Commercial Driver License Fund

1 shall consist of special revenues as set out in § 27-23-118, to be used to
2 establish and maintain the Arkansas Commercial Driver License Program, and
3 for other related purposes as required by the ~~Director~~ Secretary of the
4 Department of Finance and Administration in carrying out the functions,
5 powers, and duties of the division.

6
7 SECTION 1540. Arkansas Code § 27-24-102(1), concerning the purpose and
8 implementation of a special license plate law, is amended to read as follows:

9 (1) Implement a special license plate law that transfers the
10 authority for approving special license plates to the ~~Director~~ Secretary of
11 the Department of Finance and Administration;

12
13 SECTION 1541. Arkansas Code § 27-24-104(a), concerning the reissuance
14 and regulation of special license plates, is amended to read as follows:

15 (a) Every special license plate continued under this chapter shall be
16 discontinued on April 7, 2007, unless an application that meets the criteria
17 for issuance of the special license plate under the appropriate subchapter
18 governing that type of plate is submitted and approved by the ~~Director~~
19 Secretary of the Department of Finance and Administration at least ninety
20 (90) days prior to April 1, 2007.

21
22 SECTION 1542. The introductory language of Arkansas Code § 27-24-
23 104(b), concerning the reissuance and regulation of special license plates,
24 is amended to read as follows:

25 (b) The ~~director~~ secretary shall promulgate rules in accordance with
26 the Arkansas Administrative Procedure Act, § 25-15-201 et seq., to carry out
27 the duties of the Department of Finance and Administration under this
28 chapter, including, but not limited to:

29
30 SECTION 1543. Arkansas Code § 27-24-105(a), concerning the design of a
31 special license plate, is amended to read as follows:

32 (a) Unless otherwise provided in this chapter, the ~~Director~~ Secretary
33 of the Department of Finance and Administration shall have the exclusive
34 power to design or approve the design used on a special license plate
35 authorized under this chapter.

36

1 SECTION 1544. Arkansas Code § 27-24-107 is amended to read as follows:
2 27-24-107. Appeals.

3 An appeal from a decision of the ~~Director~~ Secretary of the Department
4 of Finance and Administration under this chapter shall be governed by the
5 Arkansas Administrative Procedure Act, § 25-15-201 et seq.

6
7 SECTION 1545. The introductory language of Arkansas Code § 27-24-
8 204(a), concerning the military and veteran special license plates and
9 decals, is amended to read as follows:

10 (a) The following special license plates or license plates with
11 permanent decals for members and veterans of the United States Armed Forces
12 and similar entities that were in existence or authorized by enactment on or
13 before April 13, 2005, shall continue to be issued by the ~~Director~~ Secretary
14 of the Department of Finance and Administration to an eligible applicant:
15

16 SECTION 1546. Arkansas Code § 27-24-204(b), concerning the military
17 and veteran special license plates and decals, is amended to read as follows:

18 (b) Beginning January 1, 2014, the ~~director~~ secretary shall create and
19 issue a permanent decal for a Vietnam Era Veteran consistent with § 27-24-209
20 to an eligible applicant.
21

22 SECTION 1547. Arkansas Code § 27-24-204(c)(1), concerning the military
23 and veteran special license plates and decals, is amended to read as follows:

24 (c)(1) The Purple Heart Recipient special license plate that
25 existed before April 13, 2005, shall continue to be issued by the ~~director~~
26 secretary to an eligible applicant.
27

28 SECTION 1548. The introductory language of Arkansas Code § 27-24-
29 204(d), concerning the military and veteran special license plates and
30 decals, is amended to read as follows:

31 (d) The ~~director~~ secretary shall promulgate rules and forms to ensure
32 that an owner of a motor vehicle who is issued a special license plate under
33 this subchapter:
34

35 SECTION 1549. The introductory language of Arkansas Code § 27-24-205,
36 concerning additional special license plates, is amended to read as follows:

1 The ~~Director~~ Secretary of the Department of Finance and Administration
 2 shall examine the following factors to determine whether to create and issue
 3 additional special license plates under this subchapter:

4
 5 SECTION 1550. Arkansas Code § 27-24-205(1)(B), concerning additional
 6 special license plates, is amended to read as follows:

7 (B) The ~~Director~~ Secretary of the Department of Veterans
 8 Affairs for a special license plate related to veterans or any other branch
 9 of the armed forces of the United States; and

10
 11 SECTION 1551. Arkansas Code § 27-24-206(a)(2), concerning the fees and
 12 limitation regarding special license plates, is amended to read as follows:

13 (2) To defray the cost of the issuance and renewal of the first
 14 special license plate under this subchapter, the ~~Director~~ Secretary of the
 15 Department of Finance and Administration may charge an annual fee for renewal
 16 not to exceed one dollar (\$1.00).

17
 18 SECTION 1552. Arkansas Code § 27-24-213(e)(1)(B), concerning Veterans
 19 of Foreign Wars special license plates, is amended to read as follows:

20 (B) An annual fee not to exceed one dollar (\$1.00) that
 21 the ~~Director~~ Secretary of the Department of Finance and Administration may
 22 charge for the issuance and renewal of the first special license plate; and

23
 24 SECTION 1553. Arkansas Code § 27-24-401 is amended to read as follows:
 25 7-24-401. Purpose.

26 The purpose of this subchapter is to continue the State Highway
 27 Commission's exemption from the requirement to display motor vehicle license
 28 plates issued by the ~~Director~~ Secretary of the Department of Finance and
 29 Administration and to transfer the authority to the commission to determine
 30 by minute order whether additional metal plates should be issued.

31
 32 SECTION 1554. Arkansas Code § 27-24-501(c), concerning a federal
 33 government vehicle exemption, is amended to read as follows:

34 (c) The ~~Director~~ Secretary of the Department of Finance and
 35 Administration shall approve the design and form of a special license plate
 36 used under this section.

1
2 SECTION 1555. Arkansas Code § 27-24-603 is amended to read as follows:
3 27-24-603. Existing special license plates.

4 The miscellaneous nominal fee special license plates with the specific
5 eligibility criteria that were in existence before April 13, 2005, and that
6 are contained in this subchapter shall continue to be issued by the ~~Director~~
7 Secretary of the Department of Finance and Administration.

8
9 SECTION 1556. The introductory language of Arkansas Code § 27-24-604,
10 concerning additional special license plates, is amended to read as follows:

11 The ~~Director~~ Secretary of the Department of Finance and Administration
12 may create and issue additional special license plates under this subchapter
13 if:
14

15 SECTION 1557. Arkansas Code § 27-24-604(2), concerning additional
16 special license plates, is amended to read as follows:

17 (2) The creation and issuance of the special license plate will
18 have a minimal annual fiscal and budgetary impact as determined by the
19 ~~director~~ secretary; and
20

21 SECTION 1558. Arkansas Code § 27-24-606(a)(1), concerning religious
22 organizations, is amended to read as follows:

23 (a)(1) The pastor, minister, priest, rabbi, or other person in charge
24 of a religious organization and the chair of the governing body of the
25 religious organization may apply to the ~~Director~~ Secretary of the Department
26 of Finance and Administration for the issuance of a church bus special
27 license plate to be used exclusively on church buses owned and operated by
28 the religious organization.
29

30 SECTION 1559. Arkansas Code § 27-24-607 is amended to read as follows:
31 27-24-607. Youth groups.

32 (a) A civic club, person, or entity that furnishes to a youth group a
33 motor vehicle that is used exclusively for youth group purposes may apply to
34 the ~~Director~~ Secretary of the Department of Finance and Administration for
35 the issuance of a youth group special license plate to be used exclusively on
36 motor vehicles that are operated for the purposes of the youth group.

1 (b) A youth group that owns and operates a motor vehicle that is used
2 exclusively for youth group purposes may apply to the ~~director~~ secretary for
3 the issuance of a youth group special license plate to be used exclusively on
4 motor vehicles that are owned by the youth group and operated for the
5 purposes of the youth group.

6
7 SECTION 1560. Arkansas Code § 27-24-608 is amended to read as follows:
8 27-24-608. 4-H clubs.

9 (a) A civic club, person, or entity that furnishes to a 4-H club a
10 motor vehicle that is used exclusively for 4-H club purposes may apply to the
11 ~~Director~~ Secretary of the Department of Finance and Administration for the
12 issuance of a 4-H club special license plate to be used exclusively on motor
13 vehicles that are operated for the purposes of the 4-H club.

14 (b) A 4-H club that owns and operates a motor vehicle that is used
15 exclusively for 4-H club purposes may apply to the ~~director~~ secretary for the
16 issuance of a 4-H club special license plate to be used exclusively on motor
17 vehicles that are owned by the 4-H club and operated for the purposes of the
18 4-H club.

19
20 SECTION 1561. Arkansas Code § 27-24-609(a), concerning motor vehicles
21 used exclusively by volunteer rescue squads, is amended to read as follows:

22 (a) A person or entity that owns a motor vehicle that is used
23 exclusively by volunteer rescue squads may apply to the ~~Director~~ Secretary of
24 the Department of Finance and Administration for the issuance of a volunteer
25 rescue squad special license plate to be used exclusively on motor vehicles
26 that are operated for the purposes of the volunteer rescue squad.

27
28 SECTION 1562. Arkansas Code § 27-24-610 is amended to read as follows:
29 27-24-610. Boy Scouts of America.

30 A civic club, person, or entity that furnishes a bus or truck for
31 exclusive use for Boy Scouts of America purposes may apply to the ~~Director~~
32 Secretary of the Department of Finance and Administration for the issuance of
33 a motor vehicle special license plate to be used exclusively on motor
34 vehicles that are operated for the purposes of the scouts.

35
36 SECTION 1563. Arkansas Code § 27-24-612 is amended to read as follows:

1 27-24-612. Orphanages.

2 (a) The head of an orphanage in the State of Arkansas may apply to the
3 ~~Director~~ Secretary of the Department of Finance and Administration for the
4 issuance of a motor vehicle special license plate to be used exclusively on
5 motor vehicles that are operated for the purposes of the orphanage.

6 (b) The application shall include an affidavit on a form prescribed by
7 the ~~director~~ secretary that is signed by the applicant and which states that
8 the motor vehicle to which the special license plate shall be attached is
9 owned or exclusively leased by the orphanage and used exclusively for
10 functions related to the orphanage.

11
12 SECTION 1564. Arkansas Code § 27-24-702 is amended to read as follows:
13 27-24-702. Special license plates.

14 The ~~Director~~ Secretary of the Department of Finance and Administration
15 shall furnish each member of the General Assembly a special license plate for
16 his or her personal motor vehicle as provided in this subchapter.

17
18 SECTION 1565. Arkansas Code § 27-24-703(a)(1), concerning license
19 plates for members of the Senate, is amended to read as follows:

20 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
21 Administration shall each year cause to be prepared thirty-nine (39) special
22 license plates for members and selected staff of the Senate and deliver them
23 to the Secretary of the Senate for distribution.

24
25 SECTION 1566. Arkansas Code § 27-24-703(b), concerning license plates
26 for members of the Senate, is amended to read as follows:

27 (b) Upon each of the special license plates there shall appear the
28 word "Senator" in addition to other identification information as the
29 ~~director~~ Secretary of the Department of Finance and Administration with the
30 approval of the Senate Efficiency Committee and subject to the approval of
31 the Senate.

32
33 SECTION 1567. Arkansas Code § 27-24-703(c)(2), concerning license
34 plates for members of the Senate, is amended to read as follows:

35 (2) On or before January 15 of each odd-numbered year, the
36 ~~secretary~~ Secretary of the Senate as directed by the Senate Efficiency

1 Committee shall furnish the ~~director~~ Secretary of the Department of Finance
2 and Administration with a list of the names of members of the Senate and
3 shall designate the special license plate number that shall be reserved for
4 each member of the Senate.

5
6 SECTION 1568. Arkansas Code § 27-24-703(d), concerning license plates
7 for members of the Senate, is amended to read as follows:

8 (d) A member of the Senate who desires to obtain special license
9 plates may obtain them by applying to the ~~director~~ Secretary of the
10 Department of Finance and Administration upon forms to be provided by him or
11 her and upon the payment of all taxes and fees that may be due.

12
13 SECTION 1569. Arkansas Code § 27-24-704(a)(1), concerning license
14 plates for members of the House of Representatives, is amended to read as
15 follows:

16 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
17 Administration shall each calendar year cause to be prepared two (2) sets as
18 deemed necessary by the House Management Committee of one hundred seven (107)
19 special license plates for members of the House of Representatives and
20 selected staff.

21
22 SECTION 1570. Arkansas Code § 27-24-704(a)(3), concerning license
23 plates for members of the House of Representatives, is amended to read as
24 follows:

25 (3) Upon receipt of the plates, the ~~director~~ secretary shall
26 deliver them to the Speaker of the House of Representatives for issuance.

27
28 SECTION 1571. The introductory language of Arkansas Code § 27-24-
29 704(c), concerning license plates for members of the House of
30 Representatives, is amended to read as follows:

31 (c) On or before January 15 of each year, the Speaker of the House of
32 Representatives shall furnish the ~~director~~ secretary with a list of names of
33 members of the House of Representatives designating:

34
35 SECTION 1572. Arkansas Code § 27-24-802 is amended to read as follows:
36 27-24-802. Special license plates authorized.

1 The ~~Director~~ Secretary of the Department of Finance and Administration
 2 shall furnish each constitutional officer a Constitutional Officer special
 3 license plate for his or her personal motor vehicles under this subchapter.
 4

5 SECTION 1573. Arkansas Code § 27-24-803(a)(1), concerning the
 6 Constitutional Officer special license plate, is amended to read as follows:

7 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
 8 Administration shall each year cause to be prepared seven (7) special license
 9 plates for the constitutional officers.
 10

11 SECTION 1574. Arkansas Code § 27-24-803(b)(1), concerning the
 12 Constitutional Officer special license plate, is amended to read as follows:

13 (b)(1) Upon each of the special license plates there shall appear the
 14 words "Constitutional Officer" in addition to the other identifying
 15 information as the ~~director~~ Secretary of the Department of Finance and
 16 Administration shall determine.
 17

18 SECTION 1575. Arkansas Code § 27-24-803(c)(2), concerning the
 19 Constitutional Officer special license plate, is amended to read as follows:

20 (2) On or before January 15 of each odd-numbered year, the
 21 Governor shall furnish the ~~director~~ Secretary of the Department of Finance
 22 and Administration with a list of the names of the constitutional officers,
 23 and each other officer shall furnish the Governor with the name of any other
 24 person who may display the special license plate.
 25

26 SECTION 1576. Arkansas Code § 27-24-803(d), concerning the
 27 Constitutional Officer special license plate, is amended to read as follows:

28 (d) A constitutional officer who desires to obtain special license
 29 plates may obtain them by applying to the ~~director~~ Secretary of the
 30 Department of Finance and Administration upon forms to be provided by the
 31 ~~director~~ Secretary of the Department of Finance and Administration and by
 32 paying the taxes and fees that may be due.
 33

34 SECTION 1577. Arkansas Code § 27-24-902(b), concerning the
 35 continuation of existing special license plates for Arkansas State Game and
 36 Fish Commission vehicles, is amended to read as follows:

1 (b) The special license plates to be issued to the commission and
 2 displayed on its vehicles shall be designed by the commission with the
 3 approval of the ~~Director~~ Secretary of the Department of Finance and
 4 Administration.

5
 6 SECTION 1578. Arkansas Code § 27-24-903(a), concerning existing
 7 special license plates, is amended to read as follows:

8 (a) Except as provided in subsection (b) of this section, the ~~Director~~
 9 Secretary of the Department of Finance and Administration shall continue the
 10 Arkansas State Game and Fish Commission special license plates that existed
 11 before April 13, 2005.

12
 13 SECTION 1579 Arkansas Code § 27-24-903(b)(2), concerning existing
 14 special license plates, is amended to read as follows:

15 (2) To request a discontinuance of one (1) or more special
 16 license plates under this subchapter, the commission shall present a
 17 resolution to the ~~director~~ secretary stating which plates the department is
 18 to discontinue.

19
 20 SECTION 1580. Arkansas Code § 27-24-904(a), concerning additional
 21 special license plate requests from the Arkansas State Game and Fish
 22 Commission, is amended to read as follows:

23 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
 24 Administration shall accept requests from the Arkansas State Game and Fish
 25 Commission to create and issue additional special license plates under this
 26 subchapter.

27 (2) The commission shall submit with the request for an
 28 additional special license plate a proposed design for the approval of the
 29 ~~director~~ secretary.

30
 31 SECTION 1581. The introductory language of Arkansas Code § 27-24-
 32 904(b), concerning additional special license plate requests from the
 33 Arkansas State Game and Fish Commission, is amended to read as follows:

34 (b) When considering a request from the commission for an additional
 35 special license plate, the ~~director~~ secretary shall consider the following
 36 factors:

1
2 SECTION 1582. The introductory language of Arkansas Code § 27-24-
3 904(c)(1), concerning additional special license plate requests from the
4 Arkansas State Game and Fish Commission, is amended to read as follows:

5 (c)(1) If the request is approved, the ~~director~~ secretary shall
6 determine:
7

8 SECTION 1583. Arkansas Code § 27-24-906(2)(B), concerning license
9 plate options, is amended to read as follows:

10 (B) However, the use of letters and numbers on a
11 personalized prestige license plate shall be limited to the rules of the
12 ~~Director~~ Secretary of the Department of Finance and Administration.
13

14 SECTION 1584. Arkansas Code § 27-24-1003(a), concerning existing
15 special license plates, is amended to read as follows:

16 (a) Except as provided in subsection (b) of this section, the ~~Director~~
17 Secretary of the Department of Finance and Administration shall continue the
18 collegiate special license plates that existed before April 13, 2005.
19

20 SECTION 1585. Arkansas Code § 27-24-1003(b)(2), concerning existing
21 special license plates, is amended to read as follows:

22 (2) To request a discontinuance of a special license plate
23 issued under this subchapter, the board of trustees of the college or
24 university shall present a resolution to the ~~director~~ secretary requesting
25 the department to discontinue the college's or university's special license
26 plate.
27

28 SECTION 1586. Arkansas Code § 27-24-1004 is amended to read as
29 follows:

30 27-24-1004. Additional special license plates.

31 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
32 Administration shall accept requests from the board of trustees of a college
33 or university to create and issue a special license plate under this
34 subchapter for the college or university.

35 (2) The board of trustees shall submit with the request for a
36 special license plate a proposed design for the approval of the ~~director~~

1 secretary.

2 (b) The ~~director~~ secretary shall approve one (1) design for a special
 3 license plate for each college or university that requests a special license
 4 plate.

5 (c) The ~~director~~ secretary shall determine:

6 (1) The fee for the cost of initial orders of new designs for
 7 special license plates which shall be based on the cost of initial orders of
 8 new designs for special license plates;

9 (2) The number of applications that must be received to cover
 10 the cost of the initial orders of new designs for special license plates; or

11 (3) The combination of subdivisions (c)(1) and (2) of this
 12 section that must be received to cover the cost of the initial orders of the
 13 new designs for special license plates.

14 (d) The ~~director~~ secretary shall issue additional special license
 15 plates as provided under this subchapter.

16
 17 SECTION 1587. Arkansas Code § 27-24-1007(2)(B), concerning license
 18 plate options, is amended to read as follows:

19 (B) However, the use of letters and numbers on a
 20 personalized prestige license plate shall be limited to the rules of the
 21 ~~Director~~ Secretary of the Department of Finance and Administration.

22
 23 SECTION 1588. Arkansas Code § 27-24-1010(a), concerning the Arkansas
 24 School for the Deaf special license plate, is amended to read as follows:

25 (a) The ~~Director~~ Secretary of the Department of Finance and
 26 Administration shall issue a special license plate for the Arkansas School
 27 for the Deaf in the manner and subject to the conditions provided under this
 28 subchapter.

29
 30 SECTION 1589. The introductory language of Arkansas Code § 27-24-
 31 1010(c), concerning the Arkansas School for the Deaf special license plate,
 32 is amended to read as follows:

33 (c) The ~~director~~ secretary shall determine the amount of the cost for
 34 the issuance of the special license plate under this section as follows:

35
 36 SECTION 1590. Arkansas Code § 27-24-1103 is amended to read as

1 follows:

2 27-24-1103. Existing special license plate.

3 The special license plate for the Division of Agriculture of the
4 University of Arkansas that was in existence before April 13, 2005, shall
5 continue to be issued by the ~~Director~~ Secretary of the Department of Finance
6 and Administration.

7

8 SECTION 1591. Arkansas Code § 27-24-1104 is amended to read as
9 follows:

10 27-24-1104. Additional special license plates.

11 The ~~Director~~ Secretary of the Department of Finance and Administration
12 shall accept requests for a special license plate for the agriculture
13 division, department, or program of a college or university under this
14 subchapter.

15

16 SECTION 1592. Arkansas Code § 27-24-1105(a) and (b), concerning the
17 design and approval procedure for a special license plate, are amended to
18 read as follows:

19 (a) The board of trustees of a college or university shall submit with
20 its request for a special license plate for its agriculture program a
21 proposed design for the approval of the ~~Director~~ Secretary of the Department
22 of Finance and Administration.

23 (b) The ~~director~~ secretary shall approve one (1) design for an
24 agriculture-related special license plate for each college or university that
25 requests or currently has a special license plate.

26

27 SECTION 1593. The introductory language of Arkansas Code § 27-24-
28 1105(c)(1), concerning the design and approval procedure for a special
29 license plate, is amended to read as follows:

30 (c)(1) If the ~~director~~ secretary approves the request, the ~~director~~
31 secretary shall determine:

32

33 SECTION 1594. Arkansas Code § 27-24-1105(d)(1), concerning the design
34 and approval procedure for a special license plate, is amended to read as
35 follows:

36 (d)(1) A college or university may submit a newly designed special

1 license plate for approval and issuance by the ~~director~~ secretary not more
2 than one (1) time in each period of five (5) years under this subchapter.

3
4 SECTION 1595. The introductory language of Arkansas Code § 27-24-
5 1105(d)(2), concerning the design and approval procedure for a special
6 license plate, is amended to read as follows:

7 (2) If the ~~director~~ secretary approves a request, then the
8 ~~director~~ secretary shall determine:

9
10 SECTION 1596. Arkansas Code § 27-24-1204 is amended to read as
11 follows:

12 27-24-1204. Additional special license plates.

13 The ~~Director~~ Secretary of the Department of Finance and Administration
14 shall accept requests for a special license plate for an African-American
15 fraternity or sorority that exists at a college or university in the State of
16 Arkansas under this subchapter.

17
18 SECTION 1597. Arkansas Code § 27-24-1205(a) and (b), concerning the
19 design and approval procedure for a special license plate that commemorates
20 an African-American fraternity or sorority, are amended to read as follows:

21
22 (a) The design for a special license plate issued under this
23 subchapter that commemorates an African-American fraternity or sorority shall
24 be designed by the African-American fraternity or sorority and shall be
25 submitted for the approval of the ~~Director~~ Secretary of the Department of
26 Finance and Administration.

27 (b) The ~~director~~ secretary shall approve one (1) design for each
28 participating African-American fraternity or sorority.

29
30 SECTION 1598. The introductory language of Arkansas Code § 27-24-
31 1205(c)(1), concerning the design and approval procedure for a special
32 license plate that commemorates an African-American fraternity or sorority,
33 is amended to read as follows:

34 (c)(1) If the ~~director~~ secretary approves the design, the ~~director~~
35 secretary shall determine:

1 SECTION 1599. Arkansas Code § 27-24-1205(d), concerning the design and
2 approval procedure for a special license plate that commemorates an African-
3 American fraternity or sorority, is amended to read as follows:

4 (d) The ~~director~~ secretary shall promulgate reasonable rules and
5 regulations and prescribe the forms necessary for effectively carrying out
6 the intent and purposes of this subchapter.

7
8 SECTION 1600. Arkansas Code § 27-24-1206(b)(2), concerning the
9 issuance, renewal, and replacement of a special license plate, is amended to
10 read as follows:

11 (2) A fee not to exceed twenty-five dollars (\$25.00) to be
12 determined by the ~~Director~~ Secretary of the Department of Finance and
13 Administration to cover the design-use contribution by the African-American
14 fraternity or sorority or for fund-raising purposes; and

15
16 SECTION 1601. Arkansas Code § 27-24-1307(a), concerning additional
17 public service special license plates with decals, is amended to read as
18 follows:

19 (a) The ~~Director~~ Secretary of the Department of Finance and
20 Administration shall accept requests from organizations that represent public
21 service employees, retired public service employees, or retired military
22 service members to create and issue a special license plate decal under this
23 subchapter.

24
25 SECTION 1602. The introductory language of Arkansas Code § 27-24-
26 1307(c), concerning additional public service special license plates with
27 decals, is amended to read as follows:

28 (c) If the request is approved, the ~~director~~ secretary shall
29 determine:

30
31 SECTION 1603. Arkansas Code § 27-24-1307(d)(1), concerning additional
32 public service special license plates with decals, is amended to read as
33 follows:

34 (d)(1) If the ~~director~~ secretary approves a request for an additional
35 special license plate decal under this section, then a person who establishes
36 with adequate proof that he or she is a member or retiree of the public

1 service profession or military branch may apply for and annually renew a
2 special license plate decal.

3
4 SECTION 1604. The introductory language of Arkansas Code § 27-24-
5 1402(a), concerning existing special license plates, is amended to read as
6 follows:

7 (a) The following special license plates that represent various
8 special interests and that were in existence or authorized by law on or
9 before April 13, 2005, shall continue to be issued by the ~~Director~~ Secretary
10 of the Department of Finance and Administration to a motor vehicle owner who
11 is otherwise eligible to license a motor vehicle in this state and who pays
12 the additional fees for the special license plate unless other eligibility
13 requirements are specifically stated in this subchapter:

14
15 SECTION 1605. Arkansas Code § 27-24-1402(c)(1), concerning existing
16 special license plates, is amended to read as follows:

17 (c)(1) Within thirty (30) days after April 13, 2005, the ~~director~~
18 secretary shall notify the organizations listed in subsection (b) of this
19 section that received the funds or were authorized to use the funds from a
20 design-use contribution fee for a special license plate that is continued
21 under this chapter and that was in effect before April 13, 2005, and the
22 State Highway Commission of a change in the law regarding special license
23 plates.

24
25 SECTION 1606. The introductory language of Arkansas Code § 27-24-
26 1402(c)(2)(A), concerning existing special license plates, is amended to read
27 as follows:

28 (2)(A) The organization shall submit to the ~~director~~ secretary
29 an application that includes the following:

30
31 SECTION 1607. Arkansas Code § 27-24-1402(c)(2)(B)(ii), concerning
32 existing special license plates, is amended to read as follows:

33 (ii) If the organization fails to comply with this
34 subdivision (c)(2)(B) within one hundred twenty (120) days after April 13,
35 2005, then the ~~director~~ secretary shall notify the organization that proceeds
36 from the special license plate design-use contribution fee will no longer be

1 remitted to the organization or the organization will no longer be able to
 2 use the proceeds until the organization complies with this subdivision
 3 (c)(2)(B).
 4

5 SECTION 1608. The introductory language of Arkansas Code § 27-24-
 6 1402(d), concerning existing special license plates, is amended to read as
 7 follows:

8 (d) Every special license plate continued under this subchapter shall
 9 be discontinued on April 7, 2007, unless an application is submitted to and
 10 approved by the ~~director~~ secretary ninety (90) days prior to April 1, 2007,
 11 that establishes the organization's compliance with the following conditions:
 12

13 SECTION 1609. Arkansas Code § 27-24-1404(a), concerning the
 14 application process for additional special interest license plate decals, is
 15 amended to read as follows:

16 (a) A special interest organization may apply to the ~~Director~~
 17 Secretary of the Department of Finance and Administration for the creation
 18 and issuance of a special license plate that bears a decal for the special
 19 interest group under this section beginning on July 1, 2006, and ending on
 20 November 1, 2006, and on the same dates each year thereafter.
 21

22 SECTION 1610. Arkansas Code § 27-24-1404(b)(2), concerning the
 23 application process for additional special interest license plate decals, is
 24 amended to read as follows:

25 (2) The ~~director~~ secretary shall either approve or deny each
 26 application submitted during the fiscal year by July 1 of the following
 27 fiscal year.
 28

29 SECTION 1611. The introductory language of Arkansas Code § 27-24-
 30 1404(c)(1)(A), concerning the application process for additional special
 31 interest license plate decals, is amended to read as follows:

32 (c)(1)(A) If the request is approved, the ~~director~~ secretary shall
 33 determine:
 34

35 SECTION 1612. The introductory language of Arkansas Code § 27-24-
 36 1404(c)(2), concerning the application process for additional special

1 interest license plate decals, is amended to read as follows:

2 (2) If the ~~director~~ secretary denies the application, then:

3
 4 SECTION 1613. Arkansas Code § 27-24-1404(c)(2)(A), concerning the
 5 application process for additional special interest license plate decals, is
 6 amended to read as follows:

7 (A) The ~~director~~ secretary shall give the applicant
 8 written notice of the reasons for the denial; and

9
 10 SECTION 1614. Arkansas Code § 27-24-1406(b)(2), concerning license
 11 plate options, is amended to read as follows:

12 (2) The use of letters and numbers on a personalized prestige
 13 license plate under this section shall be limited by the rules of the
 14 ~~Director~~ Secretary of the Department of Finance and Administration.

15
 16 SECTION 1615. Arkansas Code § 27-24-1407(a), concerning the annual
 17 report submitted to the Department of Finance and Administration, is amended
 18 to read as follows:

19 (a) A special interest organization that is the sponsor of a special
 20 license plate or a special license plate that bears a decal under this
 21 subchapter shall prepare and submit an annual accounting report to the
 22 ~~Director~~ Secretary of the Department of Finance and Administration by
 23 December 1 of each calendar year.

24
 25 SECTION 1616. The introductory language of Arkansas Code § 27-24-
 26 1407(c), concerning the annual report submitted to the Department of Finance
 27 and Administration, is amended to read as follows:

28 (c) If the special interest organization fails to comply with this
 29 section, then the ~~director~~ secretary may:

30
 31 SECTION 1617. Arkansas Code § 27-24-1409(a)(1), concerning the Support
 32 Animal Rescue and Shelters special license plate decal, is amended to read as
 33 follows:

34 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
 35 Administration shall issue a special license plate that bears a decal that
 36 states "Support Animal Rescue and Shelters" in the manner and subject to the

1 conditions provided under this subchapter.

2
 3 SECTION 1618. Arkansas Code § 27-24-1411(a), concerning the Little
 4 Rock Air Force Base, is amended to read as follows:

5 (a) The ~~Director~~ Secretary of the Department of Finance and
 6 Administration shall issue a special license plate for the Little Rock Air
 7 Force Base in the manner and subject to the conditions provided for under
 8 this subchapter.

9
 10 SECTION 1619. The introductory language of Arkansas Code § 27-24-
 11 1411(c), concerning the Little Rock Air Force Base, is amended to read as
 12 follows:

13 (c) The ~~director~~ secretary shall determine the cost for the issuance
 14 of the special license plate under this section as follows:

15
 16 SECTION 1620. Arkansas Code § 27-24-1412(a), concerning the special
 17 license plate for the support of the Court Appointed Special Advocates
 18 program, is amended to read as follows:

19 (a) The ~~Director~~ Secretary of the Department of Finance and
 20 Administration shall issue a special license plate for support of the
 21 Arkansas Court Appointed Special Advocates program in the manner and subject
 22 to the conditions provided for under this subchapter.

23
 24 SECTION 1621. Arkansas Code § 27-24-1412(b)(1)(B), concerning the
 25 special license plate for the support of the Court Appointed Special
 26 Advocates program, is amended to read as follows:

27 (B) The design shall be submitted for design approval by
 28 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and

29
 30 SECTION 1622. The introductory language of Arkansas Code § 27-24-
 31 1412(c), concerning the special license plate for the support of the Court
 32 Appointed Special Advocates program, is amended to read as follows:

33 (c) The ~~director~~ secretary shall determine the amount of the costs for
 34 the issuance of the special license plate under this section as follows:

35
 36 SECTION 1623. Arkansas Code § 27-24-1414(a), concerning a special

1 license plate for the Arkansas Sheriffs' Association, is amended to read as
2 follows:

3 (a) The ~~Director~~ Secretary of the Department of Finance and
4 Administration shall issue a special license plate for the Arkansas Sheriffs'
5 Association in the manner and subject to the conditions provided for under
6 this subchapter.

7
8 SECTION 1624. Arkansas Code § 27-24-1414(b)(1)(B), concerning a
9 special license plate for the Arkansas Sheriffs' Association, is amended to
10 read as follows:

11 (B) The design shall be submitted for design approval by
12 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
13

14 SECTION 1625. Arkansas Code § 27-24-1415(a), concerning a children's
15 cancer research motor vehicle special license plate, is amended to read as
16 follows:

17 (a) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall create and issue a children's cancer research motor
19 vehicle special license plate in the manner and subject to the conditions
20 provided for under this subchapter.

21
22 SECTION 1626. Arkansas Code § 27-24-1415(b)(1)(B), concerning a
23 children's cancer research motor vehicle special license plate, is amended to
24 read as follows:

25 (B) The design shall be submitted for design approval by
26 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
27

28 SECTION 1627. Arkansas Code § 27-24-1416(a), concerning a special
29 license plate for the Arkansas Future Farmers of America Association, is
30 amended to read as follows:

31 (a) The ~~Director~~ Secretary of the Department of Finance and
32 Administration shall create and issue a special license plate for the
33 Arkansas Future Farmers of America Association in the manner and subject to
34 the conditions provided for under this subchapter.

35
36 SECTION 1628. Arkansas Code § 27-24-1416(b)(1)(B), concerning a

1 special license plate for the Arkansas Future Farmers of America Association,
2 is amended to read as follows:

3 (B) The design shall be submitted for design approval by
4 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
5

6 SECTION 1629. Arkansas Code § 27-24-1419(a), concerning the Arkansas
7 Tennis Association license plate, is amended to read as follows:

8 (a) The ~~Director~~ Secretary of the Department of Finance and
9 Administration shall issue a special license plate for the Arkansas Tennis
10 Association in the manner and subject to the conditions provided for under
11 this subchapter.
12

13 SECTION 1630. Arkansas Code § 27-24-1419(b)(1)(B), concerning the
14 Arkansas Tennis Association license plate, is amended to read as follows:

15 (B) The design shall be submitted for design approval by
16 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
17

18 SECTION 1631. The introductory language of Arkansas Code § 27-24-
19 1419(c), concerning the Arkansas Tennis Association license plate, is amended
20 to read as follows:

21 (c) The ~~director~~ secretary shall determine the costs for the issuance
22 of the special license plate under this section as follows:
23

24 SECTION 1632. Arkansas Code § 27-24-1420(a), concerning a special
25 license plate for the Arkansas State Lodge Fraternal Order of Police, is
26 amended to read as follows:

27 (a) The ~~Director~~ Secretary of the Department of Finance and
28 Administration shall issue a special license plate for the Arkansas State
29 Lodge Fraternal Order of Police in the manner and subject to the conditions
30 provided for under this subchapter.
31

32 SECTION 1633. Arkansas Code § 27-24-1420(b)(1)(B), concerning a
33 special license plate for the Arkansas State Lodge Fraternal Order of Police,
34 is amended to read as follows:

35 (B) The design shall be submitted for design approval by
36 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and

1
2 SECTION 1634. Arkansas Code § 27-24-1422(a)(1), concerning a special
3 license plate in honor of Dr. Martin Luther King, Jr., is amended to read as
4 follows:

5 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
6 Administration shall issue a special license plate in honor of Dr. Martin
7 Luther King, Jr. in the manner and subject to the conditions provided for
8 under this subchapter.

9
10 SECTION 1635. Arkansas Code § 27-24-1422(b)(1)(B), concerning a
11 special license plate in honor of Dr. Martin Luther King, Jr., is amended to
12 read as follows:

13 (B) The design shall be submitted for design approval by
14 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
15

16 SECTION 1636. Arkansas Code § 27-24-1423(a), concerning an Autism
17 Awareness motor vehicle special license plate, is amended to read as follows:

18 (a) The ~~Director~~ Secretary of the Department of Finance and
19 Administration shall create and issue an Autism Awareness motor vehicle
20 special license plate in the manner and subject to the conditions provided
21 for under this subchapter.

22
23 SECTION 1637. Arkansas Code § 27-24-1424(a), concerning the hospice
24 and palliative care motor vehicle special license plate, is amended to read
25 as follows:

26 (a) The ~~Director~~ Secretary of the Department of Finance and
27 Administration shall issue a special motor vehicle license plate for support
28 of hospice and palliative care subject to the conditions provided for under
29 this subchapter.

30
31 SECTION 1638. Arkansas Code § 27-24-1424(b)(1)(B), concerning the
32 hospice and palliative care motor vehicle special license plate, is amended
33 to read as follows:

34 (B) The design shall be submitted for design approval by
35 the ~~director~~ secretary under rules promulgated by the ~~director~~ secretary; and
36

1 SECTION 1639. Arkansas Code § 27-24-1426(a), concerning the Quail
2 Forever special license plate, is amended to read as follows:

3 (a) The ~~Director~~ Secretary of the Department of Finance and
4 Administration shall create and issue a Quail Forever special license plate
5 in the manner and subject to the conditions provided for under this
6 subchapter.

7
8 SECTION 1640. Arkansas Code § 27-24-1427(a), concerning the Little
9 Rock Rangers Soccer Club special license plate, is amended to read as
10 follows:

11 (a) The ~~Director~~ Secretary of the Department of Finance and
12 Administration shall create and issue a Little Rock Rangers Soccer Club
13 special license plate in the manner and subject to the conditions provided
14 for under this subchapter.

15
16 SECTION 1641. Arkansas Code § 27-24-1602(a) and (b), concerning
17 special license plates and requests from the Department of Parks and Tourism,
18 are amended to read as follows:

19 (a)(1) The ~~Director~~ Secretary of the Department of Finance and
20 Administration shall accept requests from the Department of Parks, Heritage,
21 and Tourism to create and issue special license plates under this subchapter.

22 (2) The Department of Parks, Heritage, and Tourism shall submit
23 with a request for a special license plate a proposed design for the approval
24 of the ~~director~~ secretary.

25 (b) When considering a request from the Department of Parks, Heritage,
26 and Tourism for a special license plate, the ~~director~~ secretary shall
27 consider the following factors:

28 (1) The administrative cost to the Department of Finance and
29 Administration for issuance of a Department of Parks, Heritage, and Tourism
30 special license plate; and

31 (2) The estimated demand for the special license plate requested
32 by the Department of Parks, Heritage, and Tourism.

33
34 SECTION 1642. The introductory language of Arkansas Code § 27-24-
35 1602(c)(1), concerning special license plates and requests from the
36 Department of Parks and Tourism, is amended to read as follows:

1 (c)(1) If a request submitted under subsection (a) of this section is
2 approved, the ~~director~~ secretary shall determine:

3
4 SECTION 1643. Arkansas Code § 27-24-1701 is amended to read as
5 follows:

6 27-24-1701. Authorization.

7 The ~~Director~~ Secretary of the Department of Finance and Administration
8 shall issue a special license plate for conservation districts in the manner
9 and subject to the conditions provided under this subchapter.

10
11 SECTION 1644. The introductory language of Arkansas Code § 27-24-
12 1702(b), concerning special motor vehicle license plates for conservation
13 districts, is amended to read as follows:

14 (b) The ~~Director~~ Secretary of the Department of Finance and
15 Administration shall determine the amount of the costs for the issuance of
16 the special license plate under this section as follows:

17
18 SECTION 1645. Arkansas Code § 27-24-1704 is amended to read as
19 follows:

20 27-24-1704. Rules.

21 The ~~Director~~ Secretary of the Department of Finance and Administration
22 may promulgate rules for the administration of this subchapter.

23
24 SECTION 1646. Arkansas Code § 27-50-201 is amended to read as follows:
25 27-50-201. Provisions deemed cumulative.

26 This subchapter shall be cumulative to the laws in force relating to
27 the functions and duties imposed upon the Department of Arkansas State Police
28 and its successor entities under the provisions of Acts 1953, No. 122, and
29 acts amendatory thereto. It shall also be cumulative to laws in effect that
30 were in effect prior to the enactment of Acts 1953, No. 122, which imposed
31 duties upon the Arkansas Department of Transportation and the Director of the
32 Department of Finance and Administration, as well as their successor entities
33 and officials, which were transferred to the Department of Arkansas State
34 Police under the provisions of Acts 1953, No. 122, as amended.

35
36 SECTION 1647. Arkansas Code § 27-50-204(c), concerning employees of

1 the Arkansas Highway Police Division of the Arkansas Department of
2 Transportation, is amended to read as follows:

3 (c) All moneys coming into the hands of the employees in the
4 enforcement of revenue laws shall be subject to regulations and procedures as
5 the ~~Director~~ Secretary of the Department of Finance and Administration shall
6 direct.

7
8 SECTION 1648. Arkansas Code § 27-50-303(2), concerning nonmoving
9 traffic law violations involving drivers' licenses, is amended to read as
10 follows:

11 (2) Making a false statement to the ~~Director~~ Secretary of the
12 Department of Finance and Administration to obtain a driver's license – Class
13 A misdemeanor as defined under § 5-53-103 of the Arkansas Criminal Code.

14
15 SECTION 1649. Arkansas Code § 27-50-307(b), concerning negligent
16 homicide, is amended to read as follows:

17 (b) The ~~Director~~ Secretary of the Department of Finance and
18 Administration shall revoke the operator's or chauffeur's license of any
19 person convicted of negligent homicide under the provisions of this section.

20
21 SECTION 1650. Arkansas Code § 27-50-407 is amended to read as follows:
22 27-50-407. Annual audit.

23 The records of all officials charged with the duty of collecting
24 penalties as prescribed in this subchapter shall be audited annually by the
25 ~~Director~~ Secretary of the Department of Finance and Administration or his or
26 her designated agents.

27
28 SECTION 1651. Arkansas Code § 27-50-911 is amended to read as follows:
29 27-50-911. Rules and regulations.

30 The ~~Director~~ Secretary of the Department of Finance and Administration
31 may promulgate rules and regulations necessary to carry out the provisions of
32 this subchapter.

33
34 SECTION 1652. Arkansas Code § 27-51-102(b)(1), concerning penalties
35 and the disposition of fines, is amended to read as follows:

36 (b)(1) Any offender who shall have been found guilty of any violation

1 of any section of this act and fined and who shall within six (6) months
2 thereafter be convicted of a second violation of such section may be fined in
3 a sum not exceeding double the penalty provided for in this act for a first
4 violation. In addition thereto, he or she may have his or her certificate or
5 license issued by the ~~Director~~ Secretary of the Department of Finance and
6 Administration revoked for a period not exceeding sixty (60) days.

7
8 SECTION 1653. Arkansas Code § 27-70-202(a)(2), concerning the Arkansas
9 Highway Revenue Distribution Law, is amended to read as follows:

10 (2) Taxes levied and collected under the Motor Fuel Tax Law, §
11 26-55-201 et seq., and the Special Motor Fuels Tax Law, § 26-56-101 et seq.,
12 commonly referred to, and denominated by the ~~Director~~ Secretary of the
13 Department of Finance and Administration for tax distribution purposes, as
14 the gasoline tax; and

15
16 SECTION 1654. Arkansas Code § 27-70-206(2), concerning the
17 distribution to state funds of all highway revenues, is amended to read as
18 follows:

19 (2) Next, to the Gasoline Tax Refund Fund, such amount as the
20 ~~Director~~ Secretary of the Department of Finance and Administration shall,
21 from time to time, certify to the Treasurer of State as being necessary to
22 pay approved gasoline tax refund claims under the provisions of §§ 26-55-301
23 – 26-55-321 [Repealed] and 26-55-401 – 26-55-408, or other applicable law.
24 However, the aggregate total amount of all transfers under this paragraph
25 shall not exceed two million five hundred thousand dollars (\$2,500,000)
26 during any fiscal year; and

27
28 SECTION 1655. Arkansas Code § 27-70-207(b)(3)(B), concerning the
29 distribution to county and city funds, is amended to read as follows:

30 (B) Seventeen and one-half percent (17.5%) of the amount
31 according to the amount of state motor vehicle license fees collected in the
32 calendar year next preceding any distribution as certified to the Treasurer
33 of State by the ~~Director~~ Secretary of the Department of Finance and
34 Administration, with each county to receive the proportion that the total of
35 fees collected from the county bears to the total of fees collected in the
36 state;

1
2 SECTION 1656. Arkansas Code § 27-101-110 is amended to read as
3 follows:

4 27-101-110. Deposit of funds in State Treasury.

5 All fees collected by the ~~Director~~ Secretary of the Department of
6 Finance and Administration under the provisions of this chapter shall be
7 deposited as special revenues in the State Treasury to the credit of the
8 Special Revenue Fund Account of the State Apportionment Fund. All these funds
9 shall be credited to the Boating Safety Account Fund, which is established on
10 the books of the Treasurer of State, the Auditor of State, and the Chief
11 Fiscal Officer of the State.

12
13 SECTION 1657. Arkansas Code § 27-101-111(a)(2)(C), concerning the
14 distribution of funds, is amended to read as follows:

15 (C) Thirty-four percent (34%) to the County Aid Fund,
16 which, on or before the tenth of the month following the end of each calendar
17 quarter, shall be remitted by state warrants to the various county treasurers
18 in the proportions thereof as between the respective counties that the total
19 of the fees produced from each county bears to the total of the fees produced
20 from all counties as certified by the ~~Director~~ Secretary of the Department of
21 Finance and Administration to the Treasurer of State; and

22
23 SECTION 1658. Arkansas Code § 27-101-303(d), concerning the
24 establishment of a system for identification numbering for all motorboats, is
25 amended to read as follows:

26 (d) The identification numbers shall be assigned to each county in the
27 state, and it shall be the duty of the ~~Director~~ Secretary of the Department
28 of Finance and Administration to issue the identification numbers to the
29 owners of motorboats in accordance with the provisions of subchapters 1-3 of
30 this chapter.

31
32 SECTION 1659. Arkansas Code § 27-101-304(a), concerning the filing of
33 an application and issuance of a certificate of a hull identification number,
34 is amended to read as follows:

35 (a) The owner of each motorboat for which numbering is required by
36 this state shall file an application for a number within thirty (30) calendar

1 days after the date of purchase with the ~~Director~~ Secretary of the Department
2 of Finance and Administration on forms approved by the Arkansas State Game
3 and Fish Commission.

4
5 SECTION 1660. Arkansas Code § 27-101-304(e)(1), concerning the filing
6 of an application and issuance of a certificate of a hull identification
7 number, is amended to read as follows:

8 (e)(1) Upon receipt of the application in approved form, accompanied
9 by proof that the motorboat has been assessed or listed for assessment and,
10 if it is equipped with more than fifty horsepower (50 hp), or is personal
11 watercraft, is covered by a liability insurance policy issued by an insurance
12 company authorized to do business in this state, the ~~director~~ secretary shall
13 enter the application upon the records of his or her office and issue to the
14 applicant a certificate of number stating the number awarded to the motorboat
15 and the name and address of the owner.

16
17 SECTION 1661. Arkansas Code § 27-101-304(f)(2), concerning the filing
18 of an application and issuance of a certificate of a hull identification
19 number, is amended to read as follows:

20 (2) The duplicate shall be retained as a record by the ~~director~~
21 secretary.

22
23 SECTION 1662. Arkansas Code § 27-101-305(a)(1), concerning the display
24 of motorboat hull numbers, is amended to read as follows:

25 (a)(1) The owner shall procure and attach to each side of the bow of
26 the motorboat numbers conforming to the certificate of number issued to the
27 owner by the ~~Director~~ Secretary of the Department of Finance and
28 Administration.

29
30 SECTION 1663. Arkansas Code § 27-101-306(b) and (c), concerning the
31 numbering period, expiration, and renewal of boat certificates, are amended
32 to read as follows:

33 (b) The ~~Director~~ Secretary of the Department of Finance and
34 Administration shall establish a system in a manner that the expiration dates
35 of the various certificates of numbers will be evenly distributed throughout
36 the year and each year thereafter to the end that boat certificates of

1 numbers will be renewable as uniformly as practicable throughout each of the
2 twelve (12) months of the license year in each year.

3 (c) Upon request, the ~~director~~ secretary shall assign to any owner of
4 two (2) or more boats the same registration period.

5
6 SECTION 1664. Arkansas Code § 27-101-309(a) and (b), concerning the
7 change of boar ownership, is amended to read as follows:

8 (a) Should the ownership of a motorboat change, the new owner shall
9 file an application with the ~~Director~~ Secretary of the Department of Finance
10 and Administration for the transfer of the certificate of operation of the
11 motorboat to the new owner within thirty (30) calendar days after the date of
12 the ownership change.

13 (b) Upon receipt of the application, the ~~director~~ secretary shall
14 cancel the certificate of number issued to the former owner of the motorboat
15 and shall assign the number to the new owner of the motorboat and shall issue
16 a certificate of number to the new owner.

17
18 SECTION 1665. Arkansas Code § 27-101-310 is amended to read as
19 follows:

20 27-101-310. Destroyed or abandoned boats.

21 (a) Whenever any motorboat numbered under the provisions of this
22 subchapter shall be destroyed or abandoned, its owner shall notify the
23 ~~Director~~ Secretary of the Department of Finance and Administration within
24 fifteen (15) days after the destruction or abandonment, and the certificate
25 of number of the motorboat shall be terminated.

26 (b) The ~~director~~ secretary shall notify the Arkansas State Game and
27 Fish Commission of the termination of any certificate of number.

28
29 SECTION 1666. Arkansas Code § 27-115-110(a)-(d), concerning the
30 levying of the Arkansas Gross Receipts Tax, are amended to read as follows:

31 (a) All revenues derived from the levying of the Arkansas Gross
32 Receipts Tax, as amended, § 26-52-101 et seq., upon aircraft and aviation
33 fuel, aviation services, aircraft parts and accessories, and other gross
34 receipts taxes remitted by aircraft dealers, airports, and flying fields
35 shall be reported to the ~~Director~~ Secretary of the Department of Finance and
36 Administration in a manner and on forms as he or she shall direct.

1 (b) The ~~Arkansas Department~~ Division of Aeronautics is authorized to
 2 accept donations and grants of all property, whether real or personal.

3 (c) Tax proceeds and grants and donations of money shall be special
 4 revenues and shall be deposited in the State Treasury to the credit of the
 5 ~~Arkansas Department~~ Division of Aeronautics Fund to be used for constructing
 6 and improving airports, civil airways, and other air navigation facilities
 7 and for preserving the history of aviation in the state.

8 (d) The ~~Arkansas Department~~ Division of Aeronautics shall administer
 9 the funds so deposited and shall use the funds for the sole purpose of
 10 building airports, civil airways, and other air navigation facilities in this
 11 state in those cities or towns as the ~~Arkansas Department~~ Division of
 12 Aeronautics, in coordination with the Arkansas Economic Development Council,
 13 shall determine would attract the greatest volume of industry to this state.
 14

15 SECTION 1667. EMERGENCY CLAUSE. It is found and determined by the
 16 General Assembly of the State of Arkansas that this act revises the duties of
 17 certain state entities; that this act establishes new departments of the
 18 state; that these revisions impact the expenses and operations of state
 19 government; and that the provisions of this act should become effective to
 20 allow for implementation of the new provisions in advance of the upcoming
 21 fiscal year. Therefore, an emergency is declared to exist, and this act
 22 being necessary for the preservation of the public peace, health, and safety
 23 shall become effective on July 1, 2019.
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